Cooperative purchasing – Frequently asked questions

Cooperative purchasing is used by local governments, state agencies, and purchasing alliances for purchasing of goods that require soliciting a proposal, contracting, or obligation to provide notice for bids. Cooperative purchasing allows multiple jurisdictions to piggyback on contracts by creating interlocal agreements for purchases that are required to go to bid or solicitation and allowing a single jurisdiction to conduct the bidding process. These types of purchasing agreements reduce the cost of goods and services by aggregating the purchasing power of multiple jurisdictions to obtain cost effective rates without conducting additional bidding.

Background
In 2004, the Washington State Legislature amended RCW 39.34.030 to address a concern raised in an Attorney General’s Opinion. This amendment allows agencies to piggyback on another jurisdiction’s publicly bid contract through a purchasing consortium or other interlocal agreement. Local jurisdictions may enter into interlocal agreements to supply property, personnel and services, to a joint undertaking. See HB 2615 bill report for more information.

Coupled with the growth of the internet, master agreements by lead agencies have greatly expanded cooperative purchasing.

Who can use cooperative purchasing?
Any local jurisdiction required to acquire goods and work using a public process.

What requirements must be met to cooperatively purchase?
The lead public agency awarding the bid must:

- Post the bid or solicitation notice on a website established and maintained by a public agency, purchasing cooperative, or similar service provider; or
- Provide a link on the state’s web portal to the notice.
- The piggybacking agency must demonstrate how it ensures bidding requirements are met and document how this was satisfied by the lead agency. This includes maintaining copies of bid, advertisement, contract and related documents.

Are there different requirements for local jurisdictions?
Some local jurisdictions have adopted additional procurement policies and bid requirements. Check your jurisdiction’s policy and consult your procurement staff or legal counsel.

How do I begin using cooperative purchasing agreements?
Typically, a registration or user agreement is required prior to purchasing. For example, OMNIA Partners (formerly U.S. Communities) requires registration. Approval from the agency’s governing body is necessary prior to the agreement entering into force.

What documentation is available to support state purchasing requirements?
Purchasing cooperatives, like OMNIA Partners, have the contracts and amendments posted online with the contract end dates.

Are public works contracts covered under cooperative purchasing agreements?
Yes. In recent years the Washington State Auditor’s office has confirmed that RCW 39.04.030 allows for all purchases including public works projects to be purchased from contracts awarded by other entities via an interlocal agreement or contract.

Agencies are cautioned to exercise due care when procuring public works in this manner. The project of the lead agency and the project of the piggybacking entity must be essentially the same. It is anticipated the only differences would be quantities purchased.

For more information
Visit AWC’s webpage on OMNIA Partners or the MRSC webpage on Intergovernmental Purchases and “Piggybacking.”

Use diligence and check your policy guidelines.