

# Cooperative contracts steer savings

How public-sector fleets can reduce procurement time, cut costs and stretch budgets

By Steve Perlstein

Once known as “piggybacking,” cooperative procurement is a public purchasing method that has skyrocketed in popularity within recent years. With the method, if a single government agency has completed required steps of the procurement (bid) process, established a contract for an item or groups of products and issued an award or awards to several vendors, then this contract award can be used by other government agencies for a fixed period of time.

Many factors have contributed to the growth in cooperative procurement, such as leveraging group buying power, compensating for reductions in procurement staffs and eliminating the need to write specifications for every purchase. As one state procurement director said before his jurisdiction joined a large procurement cooperative, “Why reinvent the wheel when another state and its procurement staff have done all of the work?”

In focusing on the equipment required to maintain public-sector fleets, such as vehicle lifts and other garage equipment for automotive shops, public agencies can select from several options and opportunities to participate in cooperative procurements.

## States band together for fleet equipment

The Western States Contracting Alliance, commonly known as the WSCA contract, offers cooperative purchasing at the state level. The WSCA contract, titled “Vehicle Lifts and Related Garage Equipment,” currently is being used by 20 different states. When a state

joins a WSCA contract, every city, county or state agency can use the contract. Terms and conditions are clearly spelled out in each WSCA contract, and the contract itself has a mandate for guaranteed lowest government pricing.

According to Breann Hollandsworth, contracting officer for the WSCA vehicle lift contract, this contract was one of the fastest growing WSCA contracts (based on the number of states that have joined) as well as a contract that has far exceeded the anticipated purchases.

All WSCA contracts are based on competitive bids, whereby multiyear contracts with multiple vendors and a variety of equipment are offered on multiple-award schedule (MAS) contracts.

For the vehicle lift contract, purchasers can select from four brands of lifts, available in a variety of types and sizes from multiple vendors. The contract also offers companion equipment for automotive shops, such as wheel balancers, tire changers, alignment tools and exhaust evacuation equipment. In accordance with requirements of the contract, one vendor’s Web site, <http://www.govlifts.com>, allows users to click on a specific state to see details about the applicable contract, terms, conditions and net-discounted and delivered government price.

## Localities unite to cut contracting costs

While the GSA serves the needs of federal agencies, the Houston-Galveston Area Council (H-GAC), the Mid-America Regional Council (MARC) and the Baltimore Regional Cooperative Purchasing Committee (BRCPC) serve the needs of city, county and school-district agencies across the United States. Working as government-to-government cooperatives, these agencies establish contracts that also are multi-sourced to include many vendors. All contracts offer the guaranteed lowest government pricing, while including freight charges and a fully disclosed set of terms and conditions for the specific contract.

Just as the WSCA cooperative offers vehicle lifts and related shop equipment, H-GAC contracts cover vehicle lifts and a full array of fleet service equipment including lifts.

H-GAC has 2,700 government agencies in 26 different states, while MARC and BRCPC are regional cooperatives. For a government agency to join H-GAC, membership is free and never expires. Cooperative procurement is such a fast-growing practice among government agencies that H-GAC’s membership has doubled in the last 18



Various vehicle lifts can be purchased under cooperative contracts.

months. Besides vehicle lifts and fleet service equipment, the H-GAC offers all types of public works equipment, trucks, cars, ambulances and municipal maintenance equipment.

Many local governments are relying on cooperative contracts to save time and money. For instance, by using the contracts, Dale Kinlich, who works for the city of Chubbock, Idaho, was able to buy the garage equipment of his choice and legally avoid the cumbersome process of writing bid specifications. He completed the purchase without the need to accept the lowest bid, which was submitted for a lift that did not meet his city's requirements.

In addition, an agency in Illinois used the cooperative contracts to buy a crack-sealing machine for the city at a cost savings of more than \$6,000 over the low bid received from a local vendor.

H-GAC's Ron Williamson is in charge of establishing new H-GAC members. To join, an interlocal contract form is submitted, and within 48 hours the submitting government agency receives its own membership number to view the H-GAC site, products and prices. H-GAC contracts are convenience-use contracts. In addition, they serve as a "barometer" to a purchasing department for verifying that the purchase order issued is the best price available for the use of taxpayer dollars. Additionally, because H-GAC reviews bids and addresses the many "soft costs" of a

## Contracting cooperatives

**Baltimore Regional Cooperative Purchasing Committee**  
<http://www.baltometro.org>

**Houston-Galveston Area Council**  
<http://www.h-gac.com>

**Mid-America Regional Council**  
<http://www.marc.org>

**Western States Contracting Alliance**  
<http://www.aboutwsca.org>

public procurement, man hours can be saved by using the cooperative contract.

The last type of cooperative procurement involves using another agency's contract. Procurement statute (law) in all 50 states allows a city, county or state agency to use another state agency's established con-

tract, or to use a GSA contract, as the basis of an award. Recently, the state of Delaware Department of Transportation purchased mobile column lifts by using the federal GSA price as a benchmark and issuing a purchase order to a lift vendor.

Regardless of the cooperative contract a specific government agency uses, reliance on shared information and negotiated pricing can result in a wealth of savings to spend taxpayer dollars wisely. □



### About the author

*Steve Perlstein is sales and marketing manager of Mohawk Resources Ltd., a lift manufacturer based in Amsterdam, N.Y. He has worked in the garage equipment business since 1981 as one of the company founders. Perlstein is responsible for managing Mohawk's multiple-award schedule contracts with the GSA, various states and national government cooperatives.*

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