



Item #13-10-1D Information

Shared Services & New Initiatives Task Force

October 8, 2013

Pooled Purchasing Update

Issue: Staff is organizing a Procurement Working Group of public agencies to discuss joint procurement opportunities.

Discussion: One of the eight shared services concepts approved by the Board in 2012 was pooled purchasing and pooled risk. In September, staff held the first meeting of the Procurement Working Group, with staff from seven jurisdictions participating. The primary objective was to discuss interest in joint procurement of fuel.

Currently, most local agencies purchase fuel directly from a fuel supplier. Cities and counties in the SACOG region have expressed interest in expanding existing cooperative fuel agreements, so long as they can save money. There is also interest in exploring a new multi-agency request for proposals (RFPs) for fuel.

As with other Shared Services efforts, staff has focused on SACOG members. City and county procurement officials are interested in working with other public agencies on procurement, as greater volume purchases typically help lower costs. Staff is reaching out to other public agencies to invite them to participate in the Procurement Working Group, including transit agencies, school districts, public universities, and special districts (e.g., parks, fire, water, sewer).

Beyond fuel, local procurement officials are interested in discussing other procurement need, including fleet purchases, fleet maintenance contracts, tire procurement, surplus, and creating an online space for sharing information about existing contracts and RFPs, as well as upcoming purchasing needs.

The Procurement Working Group will meet again on October 30 at 9 a.m. at SACOG. All local public agencies are welcome to participate. The working group will meet at least once more in early 2014 to discuss procurement plans for the 2014-15 fiscal year.

Staff will report back regularly to the Task Force on the progress on this initiative.

Approved by:

Mike McKeever
Chief Executive Officer

MM:EJ:lo

Key Staff: Rebecca Sloan, Director of External Affairs and Member Services, (916) 340-6224
Erik Johnson, Government and Media Affairs Coordinator, (916) 340-6247