



## H-GAC Cooperative Purchasing Program **Information For Contractors**

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“A Government-to-Government Procurement Service Available Nationwide”

Welcome to the **H-GAC** Cooperative Purchasing Program. It is important that all **H-GAC** Contractors understand our Program and have resources necessary to effectively provide products and services to our Program Participants. To help you, we have prepared this brief circular to communicate some specific information about:

- **Program Participants**
- **The Procurement Process**
- **Preparing The Contract Pricing Worksheet**
- **H-GAC Administrative Fees**
- **Marketing The Program**

If you have been awarded an **H-GAC** contract, the specific products and/or services covered by that contract are now available to all of the 1500+ Participants in our Program. However, to be most effective in serving those Participants, the information provided here should be shared with all of your employees who will be involved in any way with sales through our Program. That would particularly include the principle contact(s) you have established for the contract, but also inside and outside sales staff, accounting personnel, and members of management.

### **Program Participants**

The **H-GAC** Cooperative Purchasing Program provides purchasing services to local government agencies and certain non-profit organizations. Specifically, we establish and offer blanket type contracts for a variety of capital products and services, which a Program Participant may use, or not, at their discretion. However, in purchasing thru the Program they can save time and staff resources while also getting a price as good as or better than they would get using their own process.

Under the law, just about any local government agency may become a Program Participant. They have only to download an Interlocal Contract Form (ILC) from our website ([www.hgacbuy.org](http://www.hgacbuy.org)), execute two copies and send both originally signed copies to us. Our “Frequently Asked Questions” document has some additional information from a Participants perspective, and you can find a current list of our Participants on the website.

### **The Procurement Process**

The normal process for purchasing thru the Program, which is simple and straightforward, is as follows:

1. **Participant** and **Contractor** discuss a potential order. (**Participants** who contact **H-GAC** about a product will normally be directed to the appropriate contractor or to our website – [www.hgacbuy.org](http://www.hgacbuy.org).)
2. After discussing details, **Contractor** prepares an **H-GAC** “Contract Pricing Worksheet”, or approved alternate quote form, and provides it to **Participant**. The Worksheet provides for pricing of the base bid item plus all published and unpublished options. It also has a place to indicate delivery, which should be included on every quote. (Please contact us for a copy of the latest version of the Worksheet.)
3. **Participant** reviews the Worksheet, issues a purchase order to **Contractor** referencing the Worksheet, and faxes a copy to **H-GAC** (713-993-4548).
4. **H-GAC** reviews the order, faxes an “Order Confirmation” to both **Participant** and **Contractor**, and then issues an invoice to **Contractor** for the Administrative Fee. The Confirmation document

establishes that the procurement was processed legally thru the **H-GAC** Cooperative Purchasing Program.

5. **Contractor** delivers ordered Product(s) and bills **Participant**.
6. On receipt of payment from **Participant**, **Contractor** remits the Administrative Fee to **H-GAC**.

The procurement process for Catalog/Price Sheet and Service type contracts may be somewhat different. **H-GAC** will provide affected Contractors with details regarding these as required on a case by case basis.

### **Preparing the Contract Pricing Worksheet**

Normally, price quotations furnished to Participants should be prepared using **H-GAC's** Contract Pricing Worksheet. There are currently two versions of the Worksheet, one for use with products which were bid as specific line items, and another for use with "Catalog / Price Sheet" items or services. However, if you already have an automated quotation system in place, or an online ordering process, it may be used after review and approval by **H-GAC**, and as long as it is clear to **Participant** that the order will be executed in accordance with your **H-GAC** contract.

Preparation of the Contract Pricing Worksheet, or use of proprietary quotation systems tied to **H-GAC's** contract, should be explained to all sales staff working with our Program. Please discard any old versions of the Worksheet which you may be using and contact us to obtain the current style, or if you have any questions about the process.

### **H-GAC Administrative Fees**

**H-GAC** charges an administrative fee on all purchase orders to cover the cost of running the Program and providing service to Participants. We receive no tax, grant or other funding whatsoever. When you prepare a Contract Pricing Worksheet for a Participant, there is a line near the bottom for inclusion of the appropriate **H-GAC** administrative fee. You will need to calculate it manually as the worksheet does not have a built in formula. Please contact any member of our staff if you need a current **H-GAC** Administrative Fee Schedule for use in preparing quotations for sales thru the Program.

### **Marketing the Program**

Being a non-profit government agency, **H-GAC** has limited resources available for promotion and marketing of the Program. However, we encourage and support all of our contractors in any endeavor they may wish to undertake to expand their recognition as an **H-GAC** contractor in the government purchasing community. We'd be most happy to work with you if you'd like to prepare any sort of sales brochure, signage, or other marketing materials. We can provide some graphics, and sign boards to be used at shows and conferences.

Please contact Ron Williamson (713-993-2410 or [ron.williamson@h-gac.com](mailto:ron.williamson@h-gac.com)) for additional information.

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It is our pleasure to provide you with any needed information or answers to your questions. Please call or send an email to any staff member if we can be of further assistance:

<b>Bob Wooten</b>	Program Manager	713-993-4539	<a href="mailto:bwooten@h-gac.com">bwooten@h-gac.com</a>
<b>Val Toppin</b>	Program Coordinator	713-993-2491	<a href="mailto:vtoppin@h-gac.com">vtoppin@h-gac.com</a>
<b>Gwen Norman</b>	Program Coordinator	713-993-2420	<a href="mailto:gnorman@h-gac.com">gnorman@h-gac.com</a>
<b>Ron Schmalle</b>	Program Coordinator	713-499-6665	<a href="mailto:rschmalle@h-gac.com">rschmalle@h-gac.com</a>



## H-GAC Cooperative Purchasing Program **Instructions For ILC**

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### **EXECUTING AN INTERLOCAL CONTRACT (ILC) WITH H-GAC**

In order to participate in **H-GAC's** Cooperative Purchasing Program, you must:

- 1) Be an agency, county, municipality, special district, or other political subdivision of the State of Texas or another state, or a qualifying non-profit corporation (providing one or more governmental function or service); and
- 2) Possess legal authority to enter into the Contract.

By execution of an ILC, End User warrants that both requirements are fulfilled.

#### Steps For Completion And Processing:

- Step 1: Print two copies of the **H-GAC** ILC Form and fill in all requested information.
- Step 2: Secure approval of the ILC by your governing authority and signature by appropriate individual (see below).
- Step 3: Send both documents with original signatures to **H-GAC** at the address indicated on the ILC Form
- Step 4: **H-GAC** will execute both copies of the contract and return one to you.

#### Governing Authority And Signature:

Government and non-profit agencies generally require a resolution or other official action by their governing body to enter into a contract such as **H-GAC's** ILC. The ILC must be signed by either an elected official or an individual with sufficient authority to contractually bind the governmental entity. Examples of acceptable signatories are listed below. (If your title is not listed below and you have been granted authority from your governing body to enter into ILC's, please provide the supporting documentation).

- County – County Judge or Commissioner
- Municipality - Mayor or City Manager
- Public School, College or University – Board President or Superintendent
- Hospital, Hospital District or Emergency Services District – Board President
- 9-1-1, Rural Fire Prevention Districts – Board President
- Utility District (MUD, WCID, or Irrigation) – Board President
- Judicial Court or Special District – Judge, Executive Director, or President
- Council of Governments – Executive Director
- Airport, Port, River, Water or Toll Authority – Board President
- State Agency – Director

#### Special Requirements For Non-Profit Corporations:

**Qualifying non-profit corporations providing one or more government services** (e.g. Volunteer Fire Departments, Emergency Medical Services) must also submit the following items together with the ILC documents:

- 1) Copy of Charter and By-Laws highlighting section(s) demonstrating that your organization performs a governmental service. Otherwise, provide a resolution from your governing authority affirming that your organization performs a governmental service and explaining same.
- 2) Copy of 501(c)(3) Form

Questions regarding these procedures may be directed to staff at 800-926-0234.

THIS INTERLOCAL CONTRACT ("Contract"), made and entered into pursuant to the Texas Interlocal Cooperation Act, Chapter 791, Texas Government Code (the "Act"), by and between the Houston-Galveston Area Council, hereinafter referred to as "H-GAC," having its principal place of business at 3555 Timmons Lane, Suite 120, Houston, Texas 77027, and \_\_\_\_\_, a local government, a state agency, or a non-profit corporation created and operated to provide one or more governmental functions and services, hereinafter referred to as "End User," having its principal place of business at \_\_\_\_\_

### **WITNESSETH**

**WHEREAS**, H-GAC is a regional planning commission and political subdivision of the State of Texas operating under Chapter 391, Texas Local Government Code; and

**WHEREAS**, pursuant to the Act, H-GAC is authorized to contract with eligible entities to perform governmental functions and services, including the purchase of goods and services; and

**WHEREAS**, in reliance on such authority, H-GAC has instituted a cooperative purchasing program under which it contracts with eligible entities under the Act; and

**WHEREAS**, End User has represented that it is an eligible entity under the Act, that its governing body has authorized this Contract on \_\_\_\_\_ (Date), and that it desires to contract with H-GAC on the terms set forth below;

**NOW, THEREFORE**, H-GAC and the End User do hereby agree as follows:

#### **ARTICLE 1: LEGAL AUTHORITY**

The End User represents and warrants to H-GAC that **(1)** it is eligible to contract with H-GAC under the Act because it is one of the following: a local government, as defined in the Act (a county, a municipality, a special district, or other political subdivision of the State of Texas or any other state, or a combination of two or more of those entities, a state agency (an agency of the State of Texas as defined in Section 771.002 of the Texas Government Code, or a similar agency of another state), or a non-profit corporation created and operated to provide one or more governmental functions and services, and **(2)** it possesses adequate legal authority to enter into this Contract.

#### **ARTICLE 2: APPLICABLE LAWS**

H-GAC and the End User agree to conduct all activities under this Contract in accordance with all applicable rules, regulations, ordinances and laws in effect or promulgated during the term of this Contract.

#### **ARTICLE 3: WHOLE AGREEMENT**

This Contract and any attachments, as provided herein, constitute the complete contract between the parties hereto, and supersede any and all oral and written agreements between the parties relating to matters herein.

#### **ARTICLE 4: PERFORMANCE PERIOD**

The period of this Contract shall be for the balance of the fiscal year of the End User, which began \_\_\_\_\_ and ends \_\_\_\_\_. This Contract shall thereafter automatically be renewed annually for each succeeding fiscal year, provided that such renewal shall not have the effect of extending the period in which the End User may make any payment due an H-GAC contractor beyond the fiscal year in which such obligation was incurred under this Contract.

#### **ARTICLE 5: SCOPE OF SERVICES**

The End User appoints H-GAC its true and lawful purchasing agent for the purchase of certain products and services through the H-GAC Cooperative Purchasing Program. End User will access the Program through [HGACBuy.com](http://HGACBuy.com) and by submission of any duly executed purchase order, in the form prescribed by H-GAC to a contractor having a valid contract with H-GAC. All purchases hereunder shall be in accordance with **(1)** Texas statutes and procedures governing competitive bids and competitive proposals, **(2)** in accordance with specifications and contract terms established by H-GAC, and **(3)** at published prices and administrative fees listed on H-GAC's web site. Ownership (title) to products purchased through H-GAC shall transfer directly from the contractor to the End User.

(over)

**ARTICLE 6: PAYMENTS**

H-GAC will confirm each order and issue notice to contractor to proceed. Upon delivery of goods or services purchased, and presentation of a properly documented invoice, the End User shall promptly, and in any case within thirty (30) days, pay H-GAC's contractor the full amount of the invoice plus the assessed H-GAC administrative fee. All payments for goods or services will be made from current revenues available to the paying party. In no event shall H-GAC have any financial liability to the End User for any goods or services End User procures from an H-GAC contractor.

**ARTICLE 7: CHANGES AND AMENDMENTS**

This Contract may be amended only by a written amendment executed by both parties, except that any alternations, additions, or deletions to the terms of this Contract which are required by changes in Federal and State law or regulations are automatically incorporated into this Contract without written amendment hereto and shall become effective on the date designated by such law or regulation.

H-GAC reserves the right to make changes in the scope of products and services offered through the H-GAC Cooperative Purchasing Program to be performed hereunder.

**ARTICLE 8: TERMINATION PROCEDURES**

H-GAC or the End User may cancel this Contract at any time upon thirty (30) days written notice by certified mail to the other party to this Contract. The obligations of the End User, including its obligation to pay H-GAC's contractor for all costs incurred under this Contract prior to such notice shall survive such cancellation, as well as any other obligation incurred under this Contract, until performed or discharged by the End User.

**ARTICLE 9: SEVERABILITY**

All parties agree that should any provision of this Contract be determined to be invalid or unenforceable, such determination shall not affect any other term of this Contract, which shall continue in full force and effect.

**ARTICLE 10: FORCE MAJEURE**

To the extent that either party to this Contract shall be wholly or partially prevented from the performance within the term specified of any obligation or duty placed on such party by reason of or through strikes, stoppage of labor, riot, fire, flood, acts of war, insurrection, accident, order of any court, act of God, or specific cause reasonably beyond the party's control and not attributable to its neglect or nonfeasance, in such event, the time for the performance of such obligation or duty shall be suspended until such disability to perform is removed; provided, however, force majeure shall not excuse an obligation solely to pay funds. Determination of force majeure shall rest solely with H-GAC.

**ARTICLE 11: VENUE**

Venue and jurisdiction of any suit or cause of action arising under, or in connection with, this Contract shall lie exclusively in Harris County, Texas. Disputes between procuring party and Vendor are to be resolved in accord with the law and venue rules of the State of purchase.

**THIS INSTRUMENT HAS BEEN EXECUTED IN TWO ORIGINALS BY THE PARTIES HERETO AS FOLLOWS:**

\_\_\_\_\_  
Name of End User (local government, agency, or non-profit corporation)

\_\_\_\_\_  
Mailing Address

\_\_\_\_\_  
City State ZIP Code

By: \_\_\_\_\_  
Signature of chief elected or appointed official

\_\_\_\_\_  
Typed Name & Title of Signatory Date

**Houston-Galveston Area Council**  
3555 Timmons Lane, Suite 120, Houston, TX 77027

By: \_\_\_\_\_  
Executive Director

Date: \_\_\_\_\_

Attest: \_\_\_\_\_  
Manager

Date: \_\_\_\_\_

NOTE: Facsimile copies of this document shall not be acceptable as ORIGINALS.



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**Q: What is H-GAC?**

A: The Houston-Galveston Area Council (**H-GAC**) is a regional Council of Governments and a political subdivision of the State of Texas. H-GAC conducts its affairs under the laws of Texas, and is governed by a 35-member board comprised of elected officials from the 13-county **H-GAC** region. The Board awards all contracts in public meetings, traditionally the third Tuesday of each month. Under the law, local governments nationwide may purchase needed products and services through the **H-GAC** Cooperative Purchasing Program.

**Q: What are some differences between H-GAC’s Cooperative Purchasing Program and similar services provided by others?**

A-1: **H-GAC** has offered Cooperative Purchasing since 1973. The Program specializes in high ticket, capital-intensive products and services that require an experienced professional staff for the preparation of detailed technical specifications, and for evaluation of bid and proposal responses. **H-GAC** has the experienced, professional staff, and does not “piggy-back” contracts originating with other entities.

A-2: Program Participants do not pay any membership dues.

A-3: Internal and external audits are conducted annually and reported to the **H-GAC** Board.

A-4: The competitive process has been fulfilled prior to all **H-GAC** contract awards, through either a formal Invitation To Submit Competitive Bids or a Request For Proposals. Competitive bids are prescribed unless a product is specifically determined to be “high tech.”

A-5: Contractor accountability is an important requirement of the Program. **H-GAC** requires a bid/proposal bond, certain minimum insurance levels, and restricts participation to contractors/manufacturers with a proven track record.

**Q: What defines requirements for “Competitive Bids” and “Competitive Proposals”?**

A: Chapters 252 and 262 of the Texas Local Government Code specify the criteria governing city and county procurement methods in soliciting responses from suppliers. Specifically, “competitive proposals” are limited to procurement of equipment, goods and services that are highly technical in nature (i.e. data processing, telecommunications, electronics, and technical services related to those items). “Competitive bids” are prescribed for all other products such as vehicles, heavy equipment, and others not considered “high tech.”

**Q: How does the H-GAC Program work?**

A: To become a Participant in the Program, a local government executes an “Interlocal Contract” with H-GAC. The document establishes the necessary legal relationship between the parties, and sets out the conditions, requirements, and processes through which purchase orders are received, confirmed and processed. Purchase orders are sent directly to an H-GAC contractor, with a copy to H-GAC for review and confirmation. The contractor processes the order, delivers the product/service, and invoices for payment.

**Q: Is my entity eligible to purchase through the H-GAC Program?**

A: The Texas Interlocal Cooperation Act permits joint participation by local governments, states, state agencies, and non-profit corporations providing one or more government functions and services in Texas, and also in any other states whose own laws allow. Most states have interlocal cooperation authority or other joint power provisions that allow participation in cooperative activities.

**Q: How do I purchase without going through my own bid/RFP process?**

A: When you purchase through H-GAC, your “Interlocal Contract” connects you with H-GAC’s Cooperative Purchasing Program, which performs certain procurement duties and responsibilities on your behalf. Specifically, H-GAC (1) does product and market research; (2) holds pre-bid and pre-proposal conferences; (3) prepares specifications and a formal Invitation to Submit Competitive Bids or Request For Proposals; (4) advertises; (5) holds a public “opening”; (6) receives and evaluates responses; and (7) awards blanket type contracts that are normally in effect for two years. Currently available contracts are listed on the website [www.hgacbuy.org](http://www.hgacbuy.org). To purchase thru the Program a Participant contacts the appropriate **H-GAC** Contractor, asks for a Contract Price Quote, and then issues a purchase order to the Contractor with a faxed copy to **H-GAC**. The order will be reviewed by **H-GAC** staff, and an Order Confirmation document will be issued to both Participant and Contractor to confirm that the the procurement was processed legally thru the Program.

**Q: Does H-GAC offer other services?**

A: Participation in the **H-GAC** Cooperative Purchasing Program means that you have access to professional staff support to help you with your procurement related questions. We are always available to explain the Program, discuss available products, provide contractor contact information, and to help resolve issues and problems. H-GAC staff members are listed on the [www.hgacbuy.org](http://www.hgacbuy.org) website, and our toll free number is 800-926-0234.

**Q: Where can I find a list of the products and services available?**

A: The Program web site, [www.hgacbuy.org](http://www.hgacbuy.org) has a complete listing of products and services available with descriptions and supplier contacts, as well as base contract pricing for most items. Specific contract information is password protected for Participants, but a temporary guest password may be obtained after a simple registration process.

**Q: What are the benefits of the H-GAC Program?**

A-1: Volume Purchasing.

A-2: Volume Discounts.

A-3: On-duty staff of qualified purchasing professionals ready to assist you.

A-4: Technical specifications that can eliminate the need to hire consultants.

A-5: Elimination of advertising, printing, and delivery costs.

A-6: Expedited procurement process without lengthy delays.





**CONTRACT PRICING WORKSHEET**  
For Standard Equipment Purchases

Contract No.:

Date Prepared:

*This Form must be prepared by Contractor, and provided to End User to attach to Purchase Order, with copy to H-GAC.  
The H-GAC administrative fee shall be calculated and shown as a separate line item. Please type or print legibly.*

Buying Agency:		Contractor:	
Contact Person:		Prepared By:	
Phone:		Phone:	
Fax:		Fax:	
Email:		Email:	

Product Code:	Description:
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**A. Product Item Base Unit Price Per Contractor's H-GAC Contract:**

**B. Published Options - Itemize below - Attach additional sheet(s) if necessary - Include Option Code in description if applicable.**  
(Note: Published Options are options which were submitted and priced in Contractor's bid.)

Description	Cost	Description	Cost
Subtotal From Additional Sheet(s):			
<b>Subtotal B:</b>			0

**C. Unpublished Options - Itemize below / attach additional sheet(s) if necessary.**  
(Note: Unpublished options are items which were not submitted and priced in Contractor's bid.)

Description	Cost	Description	Cost
Subtotal From Additional Sheet(s):			
<b>Subtotal C:</b>			0

**Check:** Total cost of Unpublished Options (C) cannot exceed 25% of the total of the Base Unit Price plus Published Options (A+B). For this transaction the percentage is: #DIV/0!

**D. Other Cost Items Not Itemized Above (e.g. Installation, Freight, Delivery, Etc.)**

Description	Cost	Description	Cost
<b>Subtotal D:</b>			0

**E. Total Cost Before Any Applicable Trade-In / Other Allowances / Discounts (A+B+C+D)**

Quantity Ordered:  X Subtotal of A + B + C + D:  = Subtotal E:

**F. H-GAC Fee Calculation (From Current Fee Tables)**

Subtotal F:

**G. Trade-Ins / Other Allowances / Special Discounts**

Description	Cost	Description	Cost
<b>Subtotal G:</b>			0

**Delivery Date:**  **H. Total Purchase Price (E+F+G):**







**H-GAC Cooperative Purchasing Program**  
**Administrative Fee Schedule**

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**CURRENT H-GAC ADMINISTRATIVE FEE SCHEDULE**

Product or Service Category	Fee Assessment (\$)	
	In Texas (flat fee/PO)	All Other States (fee/unit ordered)
<b>VEHICLES</b>		
Cars, Light Trucks, Utility Vehicles, Vans, etc.	<b>600</b>	<b>100</b>
Medium & Heavy Duty Trucks with bodies supplied by the truck dealer	<b>1,000</b>	<b>500</b>
Medium & Heavy Duty Truck Cabs/Chassis only, without bodies <i>(exposed frame rails)</i>	<b>600</b>	<b>300</b>
Truck Bodies installed by a Converter (i.e. Sewer Cleaners, Box Vans, Brush Fire / Wildland units, Refuse Collection Bodies etc.)	<b>400</b>	<b>200</b>
Equipment, Cargo & Dump Trailers (All Types)	<b>400</b>	<b>200</b>
Ambulances (All Types)	<b>1,000</b>	<b>500</b>
Fire Apparatus (All Types Except Brush / Wildland)	<b>2,000</b>	<b>1,000</b>
Buses, School & Transit Buses (All Types)	<b>600</b>	<b>200</b>
<b>SPECIAL &amp; OTHER PRODUCTS AND SERVICES</b>		
Food Service Products Distribution; Reverse Auction Services; Wireless Communications Services	<b>1.0% of total PO amount</b>	
All Other Not Otherwise Specified Above	<b>1.5% of total PO amount</b>	
<b>NOTE: Any H-GAC fee collected by Contractor from Participants, including Participants without Interlocal Contracts, shall be due and paid to H-GAC by Contractor.</b>		



“A Government-to-Government Procurement Service Available Nationwide”

**H-GAC COOPERATIVE PURCHASING PROGRAM**

**ORDER CONFIRMATION NUMBER: 00000000**

ENTITY ISSUING PURCHASE ORDER			H-GAC CONTRACTOR RECEIVING PO			
Name of End User:			Name of H-GAC Contractor:			
End User's ILC No.:			Contractor's I.D. No.:			
Purchase Order No.:			Mailing Address:			
Delivery Contact:			City, State, ZIP Code:			
Email:			Sales Contact:			
Voice:			Email:			
FAX:			Voice:			
Delivery Address:			FAX:			
Special Instructions:			A/P Contact:			
<p><b>INSTRUCTIONS:</b> This order confirmation issued by the H-GAC Cooperative Purchasing Program indicates the End User and the Contractor listed above have valid contracts with H-GAC for the specified procurement and product numbers stated herein. Upon receipt of this document, the Contractor is authorized to proceed with the End User's purchase and delivery in accordance with any requirements contained in the purchase order and/or attached documents. Any subsequent changes to the End User's purchase order will also require submission of <b>change order</b> documents to H-GAC and to the Contractor.</p>			A/P Address:			
			City-St-ZIP:			
			Telephone:			
Contract No.	Product No.	PRODUCT DESCRIPTION	U/M	QTY	UNIT PRICE	EXTENDED PRICE
						\$0.00
						\$0.00
						\$0.00
						\$0.00
						\$0.00
						\$0.00
						\$0.00
						\$0.00
					<b>Sub Total:</b>	\$0.00
Date Processed:					Adjustments:	
		AUTHORIZED H-GAC SIGNATURE			<b>GRAND TOTAL</b>	<b>\$0.00</b>