

THE TORTURED PURCHASING DEPARTMENT

*Special “Cooperative Purchasing” Edition
in “2026 Galveston Beach Glitter Blue”*

Texas City Attorneys Association — 2026 Summer Conference
Sandy Hellums-Gomez and Courtney White

The Track List

We hereby conduct this post-mortem...

01

Mechanics

"All Too Well (Ten-Minute Procurement Version)"

02

Special Issues & Considerations

"I Knew You Were Trouble (Vendor Edition)"

03

Hypotheticals

"Speak Now (Before You Sign That P.O.)"

"(Cooperative Purchasing is) Better Than Revenge"

...Cooperative Purchasing Has Really, Really Great Benefits



Satisfy Legal Requirements

"The 1 (Statute) "

Loc. Gov't Code Ch. 271, Subch. F
and § 252.022(a)(12)(D).



Buying Power

"Bejeweled"

Pre-negotiated terms and discounts
that make your budget sparkle.



Efficiency

"Long Story Short"

Stop wasting time. Use the co-op.

"The 1 (Statute)"

Satisfy Legal Requirements

Local Government Code § 252.021 requires advertised bids for purchases above **\$100K**

Some Exemptions:

- Professional services (like the legal services Taylor used to get her catalog back)
 - Gov't Code Ch. 2254, Loc. Gov't Code § 252.022(a)(4)
- Sole source (rare — like Taylor's friendship with Selena Gomez)
 - Loc. Gov't Code § 252.022(a)(7)
- Emergency (even more rare — like a surprise album drop at midnight)
 - Loc. Gov't Code § 252.022(a)(1)
- Cooperative purchasing ✓ (common — like Taylor's collaborations with Jack Antonoff)
 - State: Local Government Code Ch. 271, Subch. F allows cooperative purchasing program
 - Federal: 2 CFR 200 encourages cooperative purchasing

"I Can Do It With a Broken Heart (an Interlocal Agreement)"

Cooperative Purchasing Using an Interlocal Agreement

Gov't Code § 791.011(j) (City and Ch. 791 Administrative Agency)

Authorizes interlocal contracts and defines "purchasing cooperative" as group purchasing organization that government entities join as members, managed by an entity that receives fees.

Examples: BuyBoard (State and National), TIPS

Loc. Gov't Code § 252.022(a)(12)(C) (City and Regional Planning Commission)

Permits purchasing through interlocal contracts with a regional planning commission.

Example: HGACBuy

Loc. Gov't Code Chapter 271, Subchapter F (City and ????)

Authorizes and defines "local cooperative organization", an organization of governments that provides local governments access to contracts with vendors.

Example: OMNIA

"Don't Blame Me (Blame the Procurement Code)"

A Caveat for Construction Services

Construction Purchases

Gov't Code § 791.011(j)

- Over \$50,000 requires certification by architect/engineer
 - No plans needed, OR
 - Plans prepared

Architect/Engineer Services

Gov't Code § 791.011(h)

- No procurement of architect/engineer through co-op.

“You’re (Not) Own Your Own, Kid”

Other Types of Cooperative Purchasing

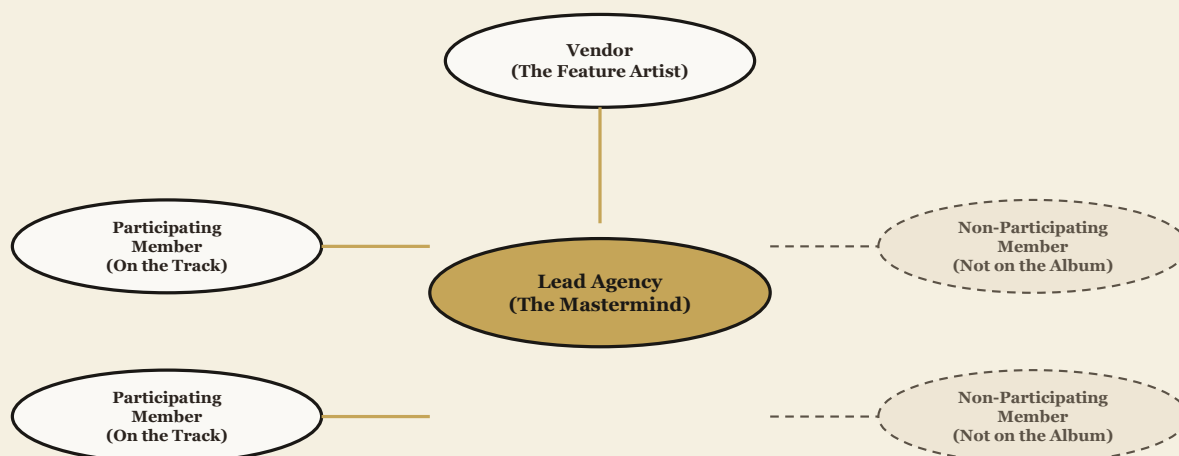
Loc. Gov’t Code Ch. 271, Subch. D

Authorizes local governments to participate in a purchasing co-op created by the Comptroller’s office.
File resolution with Comptroller’s office.
Examples: DIR, TxSmartBuy

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“the last great american dynasty”

Interlocal: Group Cooperative Map

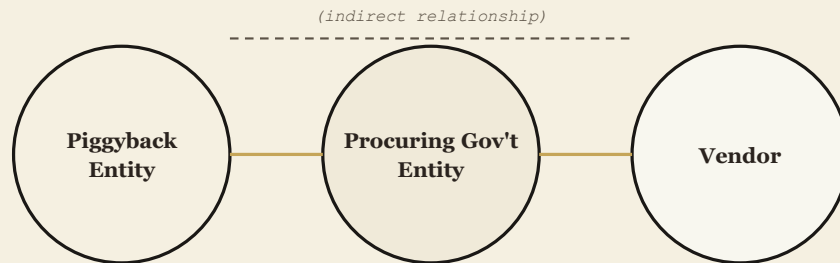


Participating member = member purchasing from this vendor | Non-participating member = member but not purchasing from this vendor

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“imgonnagetyou(piggy)back”

Interlocal: “Piggybacking” Map



“Wi\$h Li\$t (for Valid Interlocal Contracts)”

Interlocal Agreement Requirements

I

Current funds and fair compensation

Gov't Code § 791.011(d)(3), (e).

II

Council approval

Gov't Code § 791.011(d)(1).

III

Renewable or for term of years

Gov't Code § 791.011(f), (i).

IV

Purpose, terms, rights, and duties of the parties

Gov't Code § 791.011(c), (d)(2).

"You Need to Calm Down (and Check These Boxes)"

Co-op Procurement Tips

I

Own Your Compliance (It's Never Not Your “Champagne Problem”)

City is responsible for its own legal compliance.

II

Get the Board On Board

Council approval of interlocal agreement required (Gov't Code § 791.011(d)(1)).

III

Verify Every Purchase

Ensure sufficiency of each individual procurement.

IV

"I Knew You Were Trouble" — Beware of Vendor Assurances

If a vendor tells you everything is fine, verify it yourself.

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"Look What You Made Me Do (Sign)"

Co-op Contracting Tips

What is a contract? (*Asking for a friend — who just signed a P.O.*)

Which contract documents control? (*Spoiler: not always what the vendor says*)

Beware of vendor attempts to override cooperative terms. (*They will try. They always try.*)

Be sure to have all essential terms. Supplement co-op contract if needed.

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“Who’s Afraid of Little Old Me [the Feds]?”

Federal Funds

Federal fund purchases are governed by 2 CFR § 200.

EDGAR encourages use of co-ops when doing so fosters economy and efficiency.

Some co-ops take steps to comply with EDGAR — but your entity remains responsible for ensuring compliance.

⚠ Some EDGAR requirements cannot be satisfied by the co-op (e.g., cost-price analysis).

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The Vault Tracks — Odds and Ends

(The stuff that gets released on TVs and special editions)

Purchasing contract through a co-op?

- Must document the amount, purpose, and disposition of any contract-related fee (including management fee).
- Council approval of co-op membership.

Tariffs and prices that aren’t firm?

How do distributors fit in?

This is why we can’t have nice things...

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"Speak Now (Or Forever Hold Your P.O.)"

Hypo — Computer Software Purchase

A tale of urgency, trust, and a purchase order that raises more questions than it answers.

Your IT Chief needs a computer learning platform for a department. The purchase exceeds \$100K. One company seems to be the best fit.

Your purchasing department: "No time for an advertised bid."

The vendor's rep: "We're an approved vendor through an interlocal contract co-op" — and hands you a P.O. referencing that co-op.

The Question: Do you have enough information to make this purchase?

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"Speak Now, Part II — The Plot Thickens"

Hypo — Computer Software Purchase (cont'd)

Good news: The interlocal co-op did procure the correct product and the contract term is still current.

Bad news: Your entity has never entered into an interlocal contract with the co-op's lead agency.

Your City Manager: "This purchase needs to happen in two weeks."

The Question: What steps must occur? Is there time?

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"Plot Twist" — The DIR Plot Twist

Hypo — Computer Software Purchase (cont'd)

You are a month out from your next council meeting.

Your Mayor does not want to call a special meeting just for this purchase.

However — after further research — you learn that the vendor is listed on DIR's website for various software and technology products.

The Question: Does this solve your problem?

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"Look What You Made Me Do (Click)"

Hypo — The P.O. That Referenced a Website

DIR has a contract for the specific product. ✓

The city budget includes the purchase. ✓

The administration has delegated purchasing authority. ✓

The sales rep sends a new P.O. referencing the DIR contract number. ✓

But wait.

The P.O. also references the company's website terms and conditions — and states those terms control over any others.

The Question: Can you proceed?

"I don't trust nobody and nobody trusts me" — your procurement attorney, re: vendor website T&Cs.

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"Anti-Hero" — Federal Funding Finds You

Hypo — Computer Software Purchase (cont'd)

You have everything in order — but now find out that a federal grant may be a potential funding source.

The Question: What additional steps must be taken?

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“thank you aIMee (TCAA)”

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All's fair in love and purchasing.

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