

Revised 3-25-09

**INTERGOVERNMENTAL AGREEMENT ESTABLISHING  
THE SOUTH ALABAMA PURCHASING ASSOCIATION**

This Agreement made this day \_\_\_\_\_ of \_\_\_\_\_, 20\_\_ between the public bodies governed by the General Provisions of the public contracts law of the State of Alabama (Code of Alabama, '41-16-21.1 and 41-16-50) located within the southern region of Alabama, (southern region being defined as the counties of Escambia, Baldwin and Mobile counties), within each of these counties, or adjoining counties, of Alabama, or other entities that choose to be governed by the provisions of the **SOUTH ALABAMA PURCHASING ASSOCIATION** intergovernmental agreement and by-laws as hereinafter set forth,

**WITNESSETH:**

In consideration of the premises and the mutual covenants and agreements stipulated herein, and pursuant to the authority granted by the State of Alabama under the General Provisions of the public contracts law of the State of Alabama (Code of Alabama, '41-16-21.1 and 41-16-50), the parties hereto do hereby agree as follows:

**SECTION 1**

The parties hereto do hereby create, as a voluntary association, the **SOUTH ALABAMA PURCHASING ASSOCIATION**, hereinafter referred to as "the Association", for the purpose of coordinating Association joint purchases for the mutual economic advantage of its members. The Association shall consist of each entity participating in this Agreement. Said Association shall be free to adopt such rules for organization and procedure as it may deem suitable for the conduct of its business.

**SECTION 2**

There is hereby established an Executive Board comprised of the Chief executive or their designate of each participating entity, with one vote being allocated to each participant on all matters. The Executive Board shall promulgate rules, regulations, and/or bylaws in accordance with the laws of the State of Alabama, for the operation and maintenance of the Association, including but not limited to the employment of a coordinator and the determination of the assessment or method of determination of the assessment for membership. Annually, the Executive Board shall elect by majority vote of those present, a chairperson. The chairperson shall have signature authority for the Association in the matter of employing the coordinator. The coordinator is designated as the purchasing agent for the members of the Association pursuant to Code of Alabama "41-16-21.1. this agreement and the by-laws of the Association.

### SECTION 3

There is hereby established an Advisory board comprised of a representative of each participating entity with one vote being allocated to each participant in all matters. The Advisory Board shall work with the coordinator to determine commodities and services to be bid and to recommend operational changes to the Executive Board. Each participating entity shall determine the manner of selecting its representative; however, it is recognized that personnel with responsibilities associated with the purchasing process are more ideally suited as representatives.

### SECTION 4

The parties to this Agreement will identify by way of their membership on said Advisory Board those items and classes of items for which joint purchase may be advantageous for the period commencing with the execution of this Agreement and continuing until terminated, as hereinafter provided.

### SECTION 5

The specifications for items to be purchased will be prepared by the Coordinator of the Association for use by all members of the Association. Where feasible, the Coordinator shall seek input from the other participants to insure that said specifications meet the broadest range of needs. Each participating government shall identify the items to be jointly purchased and indicate therein the quantities, or range of quantity desired, the location for delivery and other requirements, to permit the preparation and filling of plans and specifications as provided by law. In all cases where appropriate, the Association shall seek to use standard specifications such as those used by the State of Alabama, the National Institute of Governmental Purchasing, the American Society of Testing and Materials, and other appropriate standards not cited herein.

### SECTION 6

One member agency, hereinafter referred to as the host agency, shall act as the lead agency for the Association and will assume the responsibility for housing the coordinator and the operations of the Association. The coordinator and the host agency have the authority to expend the funds of the Association for operations. The coordinator with assistance from the host agency will be responsible for coordinating and advertising for bids on behalf of the other members of the Association participating on a particular bid. As such, the host agency and the coordinator shall be designated to receive, open and tabulate the bids, and make the award for the bid on the behalf of the other participating governments at the time and in the manner provided by law with at least two members of the advisory board present.

## **SECTION 7**

Responses to all bids will be received by the Coordinator and host agency. Not later than fifteen (15) days following the receipt of bids, the Coordinator will submit to all participating members a complete tabulation of all bids received and a recommendation as to the lowest responsible bidder.

If the Coordinator determines that the lowest bidder is not responsible and accordingly certifies that some other bidder has the lowest responsible bid, it will include an explanation and report on items coordinated through and in accordance with any recommendation by the Coordinator.

## **SECTION 8**

Contracts of purchase will be awarded to the lowest responsible bidder as recommended by the Coordinator, except as provided for herein. Each party to this Agreement shall prepare separate and individual contracts and requisitions when providing for procurement of items coordinated through and in accordance with any recommendation by the Coordinator.

## **SECTION 9**

Each individual member may reserve the right to disregard the recommendation of the host agency and the Coordinator as to the lowest responsible bid in favor of applying its existing residence privilege pursuant to the public contract law of the State of Alabama (Code of Alabama '41-16-50). In that event, each member jurisdiction may reserve the right to utilize specifications and bids prepared through the Association and to award contracts of purchase, individually and on its own behalf; provided, however, that invitations for such individual bids are not advertised, nor are awarded within sixty (60) days of the period in which the Association is soliciting and awarding bids for the same products and/or services, except in cases of emergency or extreme hardship pursuant to the public contract law of the State of Alabama (Code of Alabama '41-16-53).

## **SECTION 10**

The Association, the coordinator, and the host agency will not assume any financial or contractual obligation for any commodities, materials, and/or services for which the Association, the coordinator, and the host agency coordinates the bidding on behalf of the Association. Each participating entity assumes sole and complete responsibility for its own procurement, delivery, storage, and payment, and will not impose or accept any additional obligations on either the host agency or any other member of the Association relating to those responsibilities, either by way of this agreement or by stipulating to its provisions.

## **SECTION 11**

Any dispute arising between any of the parties hereto and a successful bidder not relating to either the validity of the award or contract of purchase or contract of service, or the rejection of any bid or bids will be settled by and the cost of that party involved in the dispute and without obligation or responsibility on the part of the host agency, the Association, or the other member jurisdictions.

## **SECTION 12**

In the interest of the success of the Cooperative, those parties stipulating to this Agreement will be required to remain as members of the Association for a period of not less than twelve (12) months from the date of inception or from the date of signing of this agreement and this beginning of a fiscal year (defined as October 1<sup>st</sup> of each calendar year). Any entity that signs this agreement during a fiscal year shall be charged a pro rata share of the annual assessment for the remainder of the fiscal year.

## **SECTION 13**

Any jurisdiction that wishes to terminate its membership in the Association may do so by indicating the same in writing to the Coordinator and the chief executive of the host agency. Members will agree to exercise this option only at the beginning of each fiscal year. Likewise, membership in the Association will be terminated automatically upon legal dissolution of any participating entity. However, under no circumstances will any exiting or dissolved jurisdiction be entitled to reimbursement of fees or other funds previously expended for the establishment, operation, or maintenance of the Association.

## **SECTION 14**

To facilitate the success of the Association, the executive board agrees to employ under contract the coordinator who is designated as the purchasing agent for the Association and will have primary responsibility for contract design and coordination of joint bids with the other members to this agreement. The coordinator shall hire and employ other personnel as needed and allowed within the budget of the Association. The total expense of the coordinator, other personnel, and operations of the Association will be divided among the participating members. The participating members reserve the right to assess themselves, based on a fee and/or formula to be determined on an annual basis.

## **SECTION 15**

Any participating member's use of the Association contracts can be terminated for non-payment of their annual assessment. If a member does not pay the host agency within 45 days of the billing date the coordinator shall contact the member to determine the reason for nonpayment. The member then has 45 days from the contract date to pay the due amount in full, unless otherwise agreed upon by the coordinator and the agency in question. If after 90 days from the billing date, the member has not paid in full, the name of the agency will be removed from all Association contracts and all vendors will be notified that the agency is, by law not allowed to use the Association contracts.

**SECTION 16**

The members of Association and coordinator shall have the power, pursuant to laws of the State of Alabama (Code of Alabama '41-16-21.1 and 41-16-50), to jointly contract with consultants and other such resources as is deemed necessary to provide services authorized by law for the development and realization of the Association's objectives.

**SECTION 17**

This Agreement will take effect upon execution by the signatories. Thereafter, other entities may elect to join the Association by executing this Agreement in the form prescribed by the existing members of the Association, and such execution subsequent to the date herein written above will not be deemed to require re-execution of this Agreement by any party previously stipulating to its provisions.

IN WITNESS WHEREOF, the parties hereto, having obtained the full consent of their governing bodies, have caused this Agreement to be executed by their duly authorized officers on the day and year written above.

SOUTH ALABAMA PURCHASING ASSOCIATION  
A SAPRC Affiliate

BY: \_\_\_\_\_

Its: \_\_\_\_\_

ATTEST:

\_\_\_\_\_

Its: \_\_\_\_\_

CITY OF \_\_\_\_\_, ALABAMA  
A Municipality/Public Corporation

BY: \_\_\_\_\_

Its: \_\_\_\_\_

ATTEST:

\_\_\_\_\_

Its: \_\_\_\_\_