

ALLIANCE FOR INNOVATION PURCHASING COOPERATIVE  
**MASTER COOPERATIVE PURCHASING AGREEMENT**

This **MASTER COOPERATIVE PURCHASING AGREEMENT** is hereby established this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, and administered by the **ALLIANCE FOR INNOVATION** (hereinafter called the “**ALLIANCE**”) a non-profit association of local governments, together with an accompanying **PARTICIPATING ADDENDUM** (collectively called the “**AGREEMENT**”) executed by their duly authorized representative, between those **LOCAL GOVERNMENTS** (“**MEMBERS**”) listed herein, for the purpose of participating in cooperative procurement opportunities and is to be known hereinafter as the “**ALLIANCE FOR INNOVATION PURCHASING COOPERATIVE**” (hereinafter called the “**PURCHASING COOPERATIVE**”).

**RECITALS**

WHEREAS, voluntary purchasing cooperatives between and among local government entities in the State of Texas have been shown to improve competition, quality, and services, provide lower prices for materials and services, and avoid duplication of efforts; and

WHEREAS, Chapter 791 of the Texas Government Code, the Interlocal Cooperation Act, authorizes local governments to contract, to the greatest possible extent, with one another and agencies of the state; and

WHEREAS, Chapter 271 of the Texas Local Government Code, permits local governments to form purchasing cooperatives, engage in cooperative purchasing for the benefit of all parties; and

WHEREAS, the parties hereto desire the free exchange of information, technology, and other services that may assist in improving the efficiency or economy of the procurement of necessary goods and services; and

WHEREAS, cooperative purchasing results when a lead government establishes cooperative contracts, through required competition or as otherwise legally allowed, and makes these contracts available for use by participating governments that have entered into a cooperative agreement with the lead local government; and

WHEREAS, each participating government is independently responsible for executing its own contract based on the lead local government’s cooperative contract; issuing, receiving, inspecting, and accepting its own orders; resolving its own contractual disputes, and making its own timely payment for invoiced amounts; and

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WHEREAS, the goods and services purchased under this Agreement will serve a government function as defined by Texas Government Code Section 791.003(3); and

WHEREAS, this Agreement will serve these ends;

**TERMS AND CONDITIONS**

NOW, THEREFORE, in consideration of the mutual promises contained in this Agreement, and for the mutual benefits to result therefrom, the “Members” agree as follows:

1. Purpose:

The purpose of the Agreement is to streamline and simplify compliance with Texas Local Government Code, Ch. 791, by establishing a collective or master cooperative purchasing agreement, under Texas Government Code Ch. 271, in which parties, “Members,” may leverage the combined purchasing power to obtain goods and services at competitive prices, under Texas Local Government Code § 271.101, and authorize and access one another’s cooperative contracts, without needing to execute and maintain multiple interlocal agreements with each “Member” individually.

2. Name.

This “Purchasing Cooperative” shall be known as the Alliance For Innovation Purchasing Cooperative.

3. Administrator.

This “Purchasing Cooperative” shall be administered by the Alliance For Innovation Board, a nonprofit association of local governments, its Chairman, the Purchasing Officer, or duly authorized delegate.

- A. The “Purchasing Cooperative” agrees to leverage the combined purchasing power of “Member” agencies for the procurement of various goods and services commonly utilized by all participants, where available and applicable. Under such program, the “Purchasing Cooperative” or the “Members” of the “Purchasing Cooperative” may purchase goods and services from vendors, under present and future contracts, and enter into individual contracts with vendors as provided for under this Agreement.
- B. Vendors that have been selected, awarded, and contracted through a competitive solicitation process, such as a Request for Proposals (RFP) or other formal procurement method, are available to provide their products or services to “Members” of the “Purchasing Cooperative.”

4. Members.

- A. In accordance with Texas Local Government Code, Ch. 271.102, Local Governments may participate in this “Purchasing Cooperative” without any joining fees to the Agency.

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“Members” agree that other Local Governments may, at their discretion, join this Agreement and become “Members” of this “Purchasing Cooperative.”

- B. The list of current “Members” of this Agreement is included herein and shall be periodically updated by the Administrator. See Appendix A.
- C. To join this “Purchasing Cooperative,” Local Governments must complete and authorize a Participating Addendum, the same or substantially similar to the Form included herein, and submit it to the Administrator. See Appendix B.
- D. Each “Member” represents and warrants that its governing body has duly authorized its participation, has designated the “Purchasing Cooperative” to act on its behalf in all matters relating to the program, including the purchase of items from the vendor under any contract, in compliance with all state and local laws and policies pertaining to purchasing goods and services.

5. Effective Date of Memberships.

The Agreement shall take effect upon the execution of the Participating Addendum by both parties.

6. Lead Cooperative Contracts.

- A. As requested, “Members” shall provide information and access to those contracts in which they have included cooperative language, and thereby making these lead cooperative contracts available for use by other “Members.”
- B. “Members” making their lead cooperative contracts available to other “Members,” shall have no obligation or liability for any participating cooperative contracts established by other “Members.”
- C. Administrative Fee Revenue: Administrative Fee Revenue percentages by contract will be determined between the “ALLIANCE” and the “Member” when Lead Cooperative Contracts become available. “Administrative Fee Revenue” is defined as gross revenue received from sales on awarded contracts agreed to as disclosed in each bid conducted by a member agency. These fees may be used to administer the “ALLIANCE’s” responsibilities under this agreement for the benefit of its “Members,” including technology and services required to support the program.
- D. Per-Purchase Rebate Fee: The “Purchasing Cooperative” and the “Member” may agree to implement a Per-Purchase Rebate Fee for Lead Cooperative Contracts submitted for use. A Per-Purchase Rebate Fee of the total purchase price may be rebated back for each purchase made through the “Purchasing Cooperative.” The “Member” shall only receive remuneration for individually bid and initiated contracts only. The per-purchase fee shall be invoiced at the time of the transaction and payable within 30 days of the invoice date.

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7. Participating Cooperative Contracts.

- A. “Members” shall be solely responsible for the legal compliance, administration, interpretation, ordering, payments, liabilities, enforcement, and remediation of their participating cooperative contracts.
- B. Each “Member” shall pay for the performance of their cooperative contracts from current revenues available to the “Member.”
- C. “Members” shall not create participating cooperative contracts to procure professional services as defined by Texas Government Code Ch. 791.011 (h) and (j).

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8. Fees.

The Vendor shall pay a Fee Percentage for the total lifetime contract value of any award received, or contract entered into, between a “Member” and the Vendor as a result of participating, and for the avoidance of doubt, shall apply to all renewals or modification to contracts and awards.

9. Term and Termination.

- A. This Agreement shall remain in effect until participation has been terminated by all but two of the parties.
- B. Upon providing 60 days' notice to the Administrator, “Members” may terminate their participation in this Agreement and with it their membership at any time.
- C. Upon providing 60 days' notice to the “Member,” the Administrator may terminate a “Member’s” participation in this Agreement for any material violations of this Agreement.

10. Amendment by Notice.

The Administrator may amend this Agreement, in accordance with statutorily adopted procedures, provided that prior written notice is sent to the “Members” at least 60 days prior to the effective date of any change described in such amendment and provided that the “Member” does not terminate its participation in the “Purchasing Cooperative” before the expiration of the 60 days.

11. Jurisdiction/Venue.

This Agreement shall be governed by and construed in accordance with the laws of the State of Texas and, to the extent permitted by law, venue for all disputes arising under this Agreement shall lie in Tarrant County, Texas.

12. Limitation of Liability.

- A. By entering this Agreement, “Members” do not waive their governmental or sovereign immunity from liability afforded under law.
- B. In regard to any lawsuit or formal adjudication arising out of this Agreement, “Members” shall not be liable to the other “Members” for any special, incidental, consequential, or exemplary damages.

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13. Notice.

Any written notice to the “Purchasing Cooperative” shall be addressed to the following:

Alliance For Innovation  
ATTN: Executive Director  
PO Box 1662  
Keller, TX 76244

[claypearson@transformgov.org](mailto:claypearson@transformgov.org)

14. Entire Agreement.

This is the complete and entire Agreement, including Appendix A - B, between the “Members” with respect to the matters herein and supersedes all prior agreements and negotiations, if any.



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**APPENDIX – B**

With this **PARTICIPATING ADDENDUM**, as of the effective date and as executed by their duly authorized representative, the **LOCAL GOVERNMENT** identified below hereby indicates itself as a party to the Agreement and a Member of the **ALLIANCE FOR INNOVATION PURCHASING COOPERATIVE**.

**LOCAL GOVERNMENT**

**EFFECTIVE DATE**

\_\_\_\_\_  
(Local Government)

\_\_\_\_\_  
(Date)

**AUTHORIZED REPRESENTATIVE AND/OR DESIGNEE**

\_\_\_\_\_  
(Signature)

\_\_\_\_\_  
(Address)

\_\_\_\_\_  
(Name)

\_\_\_\_\_  
(E-mail)

\_\_\_\_\_  
(Title)

\_\_\_\_\_  
(Phone)

\_\_\_\_\_  
(Signature) Department Director, if applicable

\_\_\_\_\_

\_\_\_\_\_  
(Name)

\_\_\_\_\_  
(E-mail)

\_\_\_\_\_  
(Title)

\_\_\_\_\_  
(Phone)