



North American Joint Purchasing Program Letter of Understanding

The undersigned, Mayor Mike Pearson, agrees to join the North Metro Mayors Association (hereinafter "NMMA") as an Associate Member (hereinafter "**ASSOCIATE**") or as a Community Partner (hereinafter "**COMMUNITY PARTNER**") effective March 19, 2013, and be eligible to participate in the "North American Joint Purchasing Program".

Whereas, NMMA, a Joint Powers organization under Minnesota Statutes Section, Section 471.59, has invited **ASSOCIATE or COMMUNITY PARTNER** to join the Association as an Associate Member or Community Partner and participate in its "North American Joint Purchasing Program", and

Whereas, by joining with NMMA, **ASSOCIATE or COMMUNITY PARTNER** will:

- Receive best public bid pricing for program products and services that will be made available to NMMA members, associate members and community partners;
- Participate in an annual NAJPP dividend distribution program based on members' quantity purchases, minus program expenses on a pro-rate basis; and
- Have the opportunity to customize purchase and buying patterns based on requirements that best fit and benefit **ASSOCIATE or COMMUNITY PARTNER**.

In consideration of mutual promises and other good and valuable consideration, receipt of which is hereby acknowledged, the parties hereto agree as follows:

- There is no obligation to purchase any products or services as an Associate or Community Partner. **ASSOCIATE or COMMUNITY PARTNER** may elect, in its sole discretion, to participate, in any program for products and/or services offered under NMMA's NAJPP, so long as **ASSOCIATE or COMMUNITY PARTNER** remains a current Associate or Community Partner. Associate or Community Partner may withdraw participation at any time by giving written notice.
- No participation fee will be charged, and the only potential cost will be a pro-rata share of program expenses, if any, and such charge may only be assessed against and deducted from earned Program dividends payable to the undersigned based on its purchases of products and/or services under the NAJPP.

The NAJPP is managed by a committee of six (6) city managers appointed by the NMMA Board of Directors. The NAJPP Management Committee meets regularly to determine program product and service offerings that will be submitted for public bid and become authorized under the North American Joint Purchasing Program.

Now therefore the parties hereto have executed this Letter of Understanding effective as of March 19, 2013.

City of Lake Elmo

North Metro Mayors Association

By: _____
Its: _____

By: _____
Its: _____