

Gordian
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April 5, 2022

Chairwoman Theresa Gavarone
Senate Local Government & Elections Committee
Senate Building
1 Capitol Square, 2nd Floor
Columbus, OH 43215

RE: Support for Senate Bill 260 & Addressing Opposition Testimony

Dear Chairwoman Gavarone & Members of the Committee,

On behalf of *Gordian*, the nation's leading provider of construction and facilities data, software, and expertise, I write to express our continued support for Senate Bill 260 to reinstate the ability of Ohio political subdivisions to utilize cooperative purchasing for construction services and address the testimony offered by the legislation's opponents.

In August 2019, the Attorney General issued Opinion No. 2019-028 to detail political subdivisions' authority under R.C. 9.48(B) to utilize certain cooperative purchasing options and restrictions on others. Prior to its issuance, local governments, school districts, and other public entities throughout Ohio routinely accessed cooperatively procured construction services. As noted in *Gordian's* earlier testimony, Senate Bill 260 remedies the issue identified by the Attorney General in the statute to explicitly permit political subdivisions to utilize cooperatively procured construction services to save finite taxpayer funds, reduce administrative burden, and expedite project delivery.

Cooperative Contracts Are Competitively Bid & Awarded

The rhetoric used by the bill's opponents to describe the effect of this legislation is not supported by the facts or what existed in Ohio just three years ago. The inflammatory allegations of fraud and corruption were not accompanied by any evidence demonstrating their veracity. Cooperative purchasing agreements, a best practice of the National Institute for Government Procurement, are a highly successful, cost-effective, and efficient procurement method that local governments and public entities in Ohio and across the nation have used for decades. Cooperative contracts are publicly advertised and competitively bid and awarded to ensure that the products and services offered are provided by reliable vendors, competitively priced, and of high quality.

Contractors participate in a competitive bid process and are awarded contracts. These cooperative contracts, many of which are held by Ohio contractors, are in no way inherently more susceptible to fraud or corruption than any other procurement method. Further, testimony stating that only an exclusive list of preferred contractors are permitted to bid on the cooperative contracts is simply not accurate. As noted in one opponent's testimony, all of the documents related to the bid process and the awarded contract are publicly available online.

Local Education Service Agencies & Council of Governments' Concerns

Senate Bill 260 does not affect the ability of Local Education Service Agencies and Councils of Government to continue providing their valuable services to their members or their rebate arrangements. This legislation simply provides additional procurement options for local governments to utilize finite taxpayer dollars in the most efficient and economical manner available. Political subdivisions can and should opt to utilize whatever procurement method best serves their needs and provides the best value.

Harnessing the efficiencies of cooperatively procured construction is not an experimental endeavor. Ohio can not only rely on the evidence and the facts of its own recent history with this practice but also on the extensive successful track record of cooperatively procured construction utilized across the country for decades to confidently know that ensuring political subdivisions access to it is in the best interests of local governments, taxpayers, and the contracting community.

Thank you for your consideration and the opportunity to express *Gordian's* strong support of Senate Bill 260.

Sincerely,



Tim Keller
Manager, Government & Regulatory Affairs
Gordian