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November 14, 2022

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State of Ohio

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Treasurer
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Services

Local Government and Elections Committee

1 Capital Square – Senate Bldg

Columbus, OH 43215

Ronnie Barnes
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To: Chair Gavarone, Vice Chair O'Brien, Ranking Member Maharath, and members of the Local Government and Elections Committee

Dr. Chad Coquette
Sourcewell

Gary Link
E&I Cooperative
Services

Subject: **Support of SB 260** to Amend Section 9.48 of the Revised Code

Doug Looney
OMNIA Partners

As North America's professional association for cooperative procurement, the National Cooperative Procurement Partners (NCPP)'s membership is comprised of purchasing cooperatives, strategic suppliers, affiliated organizations, and public procurement professionals to serve as a resource, educational voice, and advocate for cooperative procurement. The NCPP wishes to **affirm and support SB 260**.

Cooperative purchasing has long been used by municipalities in Ohio as an established method of procurement to increase efficiencies by reducing administrative costs, increasing access to best value of products and services, and obtaining national volume discount pricing. The value of cooperative purchasing has long been recognized as an acceptable and legal means of government procurement by both the American Bar Association as well as the National Institute of Government Procurement.

SB260 seeks to clarify the ability for Ohio political subdivisions to procure construction services within the scope of the joint purchasing law, RC 9.48. Currently, political subdivisions may utilize joint purchasing contracts to purchase commodities and historically, Ohio political subdivisions have successfully utilized joint purchasing agreements to obtain construction services for local projects.

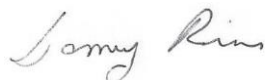
During the conversations and testimony over the past few months, perceived issues have been raised. NCPP would like to address these in a factual manner:

- With cooperative procurement, the solicitation process is conducted using best practices and government procurement processes that ensure competition and transparency. The resulting contract is then available for multiple entities – states, cities, counties, and schools – to leverage their spend for better pricing for all.
- Cooperative contracts are vetted and audited across multiple jurisdictions. As procurement professionals review these contracts, the due diligence process includes a review of all documents and procedures, insuring greater oversight and assurance.
- Most cooperative contracts are served at the local level. Construction or repair projects at a local school could be completed by local contractors and subcontractors who live or work within that community.
- This clarification would open the doors for municipal teams to take advantage of a contracting tool that can save money and significantly shorten timeframes. In choosing a solution, facility and public works managers may consider multiple factors, including experience, references, and past performance. In comparison, the traditional process is a low bid award, which does not necessarily offer the best value.

To rectify any confusion, SB260 would add language to clarify that the Ohio Revised Code (RC) does provide the ability for cities, counties, and local education agencies to utilize cooperative contracts for construction services, in addition to purchasing equipment, materials, supplies and services.

NCPP commends your leadership and offers its full support of this proposed legislation for local Ohio municipalities and taxpayers, who have already benefitted, and will continue to benefit, from the use of cooperative purchasing.

Thank you for your consideration,



Tammy Rimes, MPA
NCPP Executive Director