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Chair Sourcewell June 19, 2023

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Rep. Thomas Hall

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Services

To: Ohio House of Representatives State and Local Government Committee.

Dr. Chad Coauette Sourcewell

Subject: **Interested Party of HB 145**

Eric Frank

E&I Cooperative Services

Doug Looney OMNIA Partners

Thank you for the opportunity to submit testimony as an interested party for HB145. The National Cooperative Procurement Partners (NCPP), North America's professional association for cooperative procurement represents cooperative organizations, construction companies and public procurement professionals.

This proposed legislation will provide an additional contracting tool for your Ohio Procurement and Public Works teams by allowing school districts and political subdivisions to increase efficiencies and save taxpayer dollars for construction projects through cooperative contracting.

As a former government manager and procurement professional, I can personally testify to the benefits of cooperative procurement.

- Competition is still prevalent in cooperative procurement, and must adhere to public works bidding rules, resulting in a ready-to-go contract. This contracting method is approved by the American Bar Association and the National Institute of Government Procurement.
- It can often take months to solicit and award a construction contract. When addressing a parking lot or basketball court that must be resurfaced during a 3-week timeframe when students aren't on campus; a leaky roof that is impacting a classroom, or a falling tree that takes out a recreation facility, government teams need a contracting tool to quickly address these issues. Traditional bidding takes too long to be effective in these unique situations.

- While cooperative organizations may be located inside or outside the state of Ohio, all actual work is primarily performed by local contractors, keeping dollars within the community.
- By virtue of being a public contract, all cooperative contracts are subject to audits by the State Auditor or similar responsibility in their jurisdiction. Cooperative contracts are probably the most vetted contracts in the public arena, as each contracting entity performs their own due diligence before using any cooperative contract.
- Items such as school security systems, HVAC and air quality units, and gymnasium scoreboards now require specialized training, with electrical components, computer system integration, and ongoing monitoring and maintenance. Purchasing a product and having school facility teams install is not always an option, as it can take specific manufacturer training and skill sets. Bundling installation services with a commodity is becoming the norm in government contracting.
- When agencies aggregate their combined spending power through a cooperative contract, it often delivers better pricing than they might have received through their own bid process, or from a small, regional cooperative contract.
- Emergencies can be handled quickly, as contracts are ready to use, with set pricing. Your government teams now have an extra tool to use in making decisions on how to quickly address these time-sensitive issues.

HB145 seeks to clarify the ability for Ohio political subdivisions to procure construction services through cooperative procurement. NCPP offers its full support of this proposed legislation to benefit local Ohio municipalities, school districts, and taxpayers.

Thank you for your consideration,

Tammy Rimes, MPA

NCPP Executive Director

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