

Wes Moore, Governor · Aruna Miller, Lt. Governor · Atif Chaudhry, Secretary

## **Intergovernmental Cooperative Purchasing Agreement Procurement Officer Determination**

COMAR 21.05.09.04

Per COMAR 21.05.09.02, as a Primary Procurement Unit, the DGS Office of State Procurement (OSP) may initially sponsor or participate in, renew, modify, or administer an Intergovernmental Cooperative Purchasing Agreement (ICPA) on its own behalf or on behalf of another agency when a determination is made under SFP §13-110 and COMAR 21.05.09.04.

In accordance with COMAR 21.05.09.03B, "A primary procurement unit may purchase its requirements from another government entity's contract if that contract is an intergovernmental cooperative purchasing agreement and is available for use by the primary procurement unit." As the DGS OSP Procurement Officer, I have determined that issuing an indefinite delivery indefinite quantity contract based on NASPO ValuePoint (NASPO) contract MA24155 to Goodyear Tire & Rubber Company ("Goodyear") for Tires, Tubes and Services is in the best interest of the State based upon the reasons stated below.

The proposed contract pricing meets the requirements of the ICPA under COMAR 21.05.09.01B(2)(a). The process to directly solicit such a contract would take a significantly longer period of time than participating in the completed ICPA, particularly since a competitive bid process has already been completed by NASPO. Additionally, the amount of time in the award process is reduced and this method promotes administrative efficiencies and provides cost benefits to the State as it relates to COMAR 21.01.01.03. The State will enter into an IDIQ Requirements type contract, with all State and Local government agencies placing orders against this awarded contract; therefore, the total contract value will be determined by the work orders. However, the estimated spend on the contract is around \$500,000. per year. This statewide contract is intended to supply State vehicles with the necessary equipment to perform and reduce long term vehicle expenses.

The NASPO contract was awarded April 9, 2024 and was approved for a three (3) year term with three (3) one-year renewal options, at the discretion of NASPO. The State of Maryland renewals will be based on the master contract terms and conditions, market research that will be conducted at the time of the renewal and at the discretion of the NASPO purchasing officer that issued the Request for Proposal (RFP) that resulted in the ICPA. Awarding this ICPA will provide a contract for State facilities within the State of Maryland through June 30, 2027, with three (3) potential one-year renewal options.

The solicitation was issued on July 27, 2023 and publicly opened on September 13, 2023. A contract was awarded to Goodyear as the authorized vendor. Goodyear was determined to be qualified based on their ability to an extensive range of tires, tubes and services for State vehicles. This vendor fully met and complied with all specification and requirements of the

solicitation, in accordance with the evaluation criteria of the RFP.

DGS and other agencies will receive fair and reasonable prices that were competitively bid and the proposed contract pricing meets the requirement of the ICPA under COMAR 21.05.09.01B (2)(a). The percentage off manufacturer pricing varies per tire type, from 30% to 73%, a significant percentage compared to the other three (3) participants of the RFP. This pricing aligns with prior Goodyear contract Maryland adopted under a prior NASPO ValuePoint agreement.

Therefore, based upon this independent analysis, I have determined that it is in the best interest of the State to participate in this intergovernmental cooperative purchasing agreement and issue an IDIQ contract to Goodyear Tire and Supply Company of Akron, OH as awarded on the NASPO ValuePoint contract MA24155, and that doing so will provide cost benefits to the State, promote administrative efficiencies or promote intergovernmental cooperation, and is not intended as a means to evade the purposes set forth under COMAR 21.01.01.03 and request approval of the primary procurement unit head per COMAR 21.05.09.05.

Matthew Smith 6/28/2024

Matthew Smith, Procurement Officer, DGS OSP / Date

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7/24/24

Yasin Mohammed, Director, DGS OSP / Date

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Atif Chaudhry, Secretary DGS / Date