

Supplement B
Department of Budget and Management
ACTION AGENDA
September 6, 2017



DBM 24B

REVISED

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12-S. DEPARTMENT OF BUDGET AND MANAGEMENT
Division of Procurement Policy & Administration
Services Contract

Contract ID: Small Package Delivery and Express Services; ADPICS # 050B7400010

Contract Description: Statewide contract to provide non-exclusive small package delivery services at a discounted rate.

Award: United Parcel Service, Inc. (UPS)
Atlanta, GA (local offices in Maryland)

Term: 10/1/2017 (or earlier upon BPW approval) – 3/20/2022

Amount: \$3,500,000 NTE (Approx. 4½ Years)

Procurement Method: Intergovernmental Cooperative Purchasing Agreement

Bids/Proposals: N/A

MBE Participation: None (Single Element of Work)

Incumbent: Same

Requesting Agency Remarks: Request for approval of the State's participation in an Intergovernmental Cooperative Purchasing Agreement competitively procured by the National Joint Powers Alliance® (NJPA) program. The NJPA, on behalf of NJPA and its current and potential member agencies, which includes all governmental, higher education, K-12 education, not-for-profit, tribal government, and all other public agencies located in all 50 states, Canada, and internationally, issued a Request For Proposal (RFP) to result in a national contract solution for the procurement of Express Courier, Overnight, Ground Delivery Logistics Services.

The Department of Budget and Management seeks to participate in the **Statewide** contract with UPS as a non-exclusive contractor. The contract would afford all State agencies, Maryland local governments, and Maryland non-profit entities access to receive discounted shipping rates on UPS services. Previously, State agencies using UPS shipping services procured these services individually as needed. The **Statewide** contract offers discounted pricing projected to decrease annual Statewide spending on UPS services by half, according to current usage estimates. Depending upon the zones sent to and from, the discounts can be upwards of 50% savings over the list prices.

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In accordance with COMAR 21.05.09.04, it is in the best interest of the State to participate in the NJPA Express Courier, Overnight, Ground Delivery Logistics Services in order to achieve cost savings, administrative efficiencies, and intergovernmental cooperation. The **Statewide** Contract will provide the State with favorable contract terms and an administratively efficient means to procure the requested services. Furthermore, it is determined that participation in this purchasing agreement is not intended to evade the purposes set forth under COMAR 21.01.01.03.

Fund Sources: Various
Appropriation Codes: Various
Resident Business: Yes
MD Tax Clearance: 17-2388-0111

BOARD OF PUBLIC WORKS ACTION – THIS ITEM WAS:

APPROVED

DISAPPROVED

DEFERRED

WITHDRAWN

WITH DISCUSSION

WITHOUT DISCUSSION