

State of Maine Procurement Justification Form

This form must accompany all contract requests and sole source requisitions (RQS) over \$5,000 submitted to the Division of Procurement Services.

INSTRUCTIONS: Please provide the requested information in the white spaces below. All responses (except signatures) must be typed; no hand-written forms will be accepted. See the guidance document posted with this form on the Division of Procurement Services website (Forms page) for additional instructions.

PART I: OVERVIEW

| | | | | |
|---|--------------------------|---|--------------------|-------------------------|
| Department Office/Division/Program: | | DMR/Bureau of Marine Patrol | | |
| Department Contract Administrator or Grant Coordinator: | | Capt. Matt Talbot | | |
| (If applicable) Department Reference #: | | | | |
| Amount: (Contract/Amendment/Grant) | \$25,000.00 (est annual) | Advantage CT / RQS #: | | |
| CONTRACT | Proposed Start Date: | December 1, 2020 | Proposed End Date: | December 1, 2023 |
| AMENDMENT | Original Start Date: | | Effective Date: | |
| | Previous End Date: | | New End Date: | |
| GRANT | Project Start Date: | | Grant Start Date: | |
| | Project End Date: | | Grant End Date: | |
| Vendor/Provider/Grantee Name, City, State: | | Mercury Marine W6250 Pioneer Rd P.O. Box 1939 Fond du Lac, WI 54936-1939 | | |
| Brief Description of Goods/Services/Grant: | | Mercury Marine Outboard engines, Parts, Supplies | | |

PART II: JUSTIFICATION FOR VENDOR SELECTION

Mark an "X" before the justification(s) that applies to this request. (Check all that apply.)

| | | | |
|----------|-----------------------------------|--|----------------------------------|
| | A. Competitive Process | | G. Grant |
| | B. Amendment | | H. State Statute/Agency Directed |
| X | C. Single Source/Unique Vendor | | I. Federal Agency Directed |
| | D. Proprietary/Copyright/Patents | | J. Willing and Qualified |
| | E. Emergency | | K. Client Choice |
| | F. University Cooperative Project | | L. Other Authorization |

PART III: SUPPLEMENTAL INFORMATION

Please respond to ALL of the following:

- 1. Provide a more detailed description and explain the need for the goods, services or grant to supplement the response in Part I.**

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PART III: SUPPLEMENTAL INFORMATION

The Department of Marine Resources - Bureau of Marine Patrol maintains and operates a fleet of patrol vessels along the coast for enforcement of fisheries and boating safety laws and regulations, as well as to conduct search and rescue missions within Maine's coastal waters. A portion of the Bureau's fleet is comprised of small and midrange vessels, 12 to 32-foot boats, which in the spring, summer, and fall months are critical to the Bureau's ability to carry out their statutorily mandated purpose and duties both inshore and on tidal rivers. These vessels are relied upon for not only routine patrol and complaint investigation but serve the role of fast-response boats when officers are responding to boat accidents, search and rescues, and other coastal emergencies. Several of these vessels are in use year-around to supplement the Bureau's fleet of large vessels.

The Bureau currently has vessels equipped with either single or twin Mercury or BRP-Evinrude outboard engines. In June 2020 BRP-Evinrude announced they would no longer manufacture or sell outboard engines. The maintenance, service, repair, and installation of outboard engines on DMR watercraft is conducted by the Bureau's own marine mechanics at a Department owned facility in Rockland. The DMR marine mechanics have the tools and computer diagnostic equipment to service Mercury and BRP-Evinrude outboard motors. They also maintain a relationship with Mercury Marine so they may conduct warranty work and service for Mercury engines.

Three-quarters of the outboard engines currently in service with the Bureau are Mercury outboard engines. Continuing to utilize outboard engines from this vendor allows the Bureau to use and re-use many components, parts, and service supplies interchangeably between vessels. The use of Mercury engines is also supported by the Bureau's current inventory of specialized tools and diagnostic equipment. Purchasing engines or equipment from another manufacturer would require purchasing new specialized tools, diagnostic equipment, training for DMR's mechanics, parts and supplies, as well as having to completely re-rig a vessel if an engine or components required replacement.

As it pertains to marine outboard engines, it is in DMR's best interest to utilize parts and equipment from the same manufacturer whenever possible.

2. Provide a brief justification for the selected vendor to supplement the response in Part II.

Mercury Marine is a reputable commercial marine outboard engine manufacturer offering a full line of marine outboard engines, components, parts, and equipment. Mercury Marine has been in business for 75 years and is well established in the industry. DMR's marine mechanics maintain a government dealer relationship with the vendor that allows the Bureau to purchase engines, components, and parts at a dealer pricing level considerably less than retail costs. This relationship also allows the Bureau's mechanics to perform approved warranty work on Mercury engines.

The Bureau's marine mechanics possess a level of knowledge and experience to properly install, maintain, and repair this vendor's equipment. The mechanics also possess specific tools and computer diagnostic equipment specific to Mercury engines and equipment.

Approximately three quarters of the Bureau's current fleet of outboard powered vessels are equipped with Mercury brand outboard engines.

The vendor-direct level of service and pricing for marine outboard engines, replacement parts, and supplies currently available to the Bureau from the Mercury Government Sales Program historically and routinely exceeds the retail pricing available for these items from commercial Mercury retail dealers.

3. Explain how the negotiated costs or rates are fair and reasonable; or how the funding was allocated to grantee.

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PART III: SUPPLEMENTAL INFORMATION

The cost for Mercury Marine outboard engines, parts and components required to maintain the Bureau's fleet of patrol vessels is being offered at government dealer level pricing direct from the manufacturer. The attached Mercury Marine price list, current as of November 2020, indicates a State Price 27.5% less than the Base Price and 34.1% less than the MSRP for marine outboard engines. Independent Mercury dealers are able to provide the same equipment to the Bureau, but not at the pricing level available directly from the manufacturer.

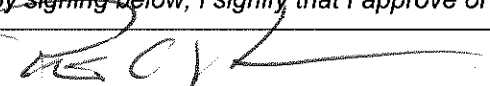
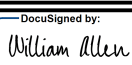
The validity of the pricing available direct from the vendor to the Bureau in comparison to the pricing available from other Mercury dealers has been proven numerous times in the past by comparing quotes. Independent Mercury dealers are now often unwilling to work with the Bureau as they recognize they will not be selected due to the price point available direct from Mercury which often exceeds their own dealer direct pricing.

In consideration of the Government Dealer relationship maintained by DMR; the current inventory of Mercury engines, parts, diagnostic equipment and proprietary tools; and the knowledge and experience of DMR's marine mechanics in servicing this brand of outboard equipment it is in DMR's best financial and operational interest to establish a master agreement with Mercury Marine for continued sales of engines, parts, and supplies.

4. Describe the plan for future competition for the goods or services.

The Department constantly reviews each vessel's maintenance and repair needs and attempts to balance the best up-front cost for equipment with the ability to service and maintain the equipment over the long term. The Department will continue to identify the most competitive and reliable source for marine outboard engines and equipment to maintain the vessel fleet.

PART IV: APPROVALS

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|---|---|--------------|------------|
| Signature of requesting Department's Commissioner (or designee): | <i>By signing below, I signify that I approve of this procurement request.</i> | | |
| |  | | |
| Printed Name: | Patrick Keliher | Date: | 12/16/2020 |
| Signature of DAFS Procurement Official: | <small>DocuSigned by:</small>  <small>2D5B6E39F57E44A...</small> | | |
| Printed Name: | William Allen | Date: | 11/16/2020 |

NOI 1120201040 11/16/2020 - 11/22/2020