WISCONSIN STATE USE BOARD MEETING

January 9, 2014, 10:00 a.m. – 12:00 p.m.

Department of Agriculture, Trade, and Consumer Protection (DATCP)

2811 Agriculture Drive

Madison, WI 53718

**Opening Business**

Call to Order – The meeting was called to order by Jean Zweifel at 10:05 a.m.

Introductions

Board Members Present:

* Jean Zweifel, Greenco Industries
* Marie Danforth, Department of Health Services
* Bill Smith, Small Business
* Nick George, Midwest Food Processors Association
* Helen McCain, Department of Administration

Board Staff Present:

* Nadine Malm, Department of Administration
* John Gibson, Department of Administration

Audience:

* Jim Kerlin, Beyond Vision
* Rob Buettner, Beyond Vision
* Ryan Hoffman, Beyond Vision
* Gary Goodsell, Careers Industries
* Nancy Rupp, Kenosha Achievement Center
* Rich Weigold, Industries for the Blind
* Jeff Martinelli, Industries for the Blind
* Todd Krukowski, Goodwill Industries
* Ken Maciejewski, Opportunities Inc
* Traci Logothetis, Opportunities Inc
* Audra Beil, Pathways of Wisconsin
* Susan Davis, Rehabilitation for Wisconsin
* Brandi Grayson, Rehabilitation for Wisconsin
* Thomas Cook, Rehabilitation for Wisconsin

Teleconference Participants:

* Ron Opicka, East Shore Industries
* Paul Thornton, Black River Industries
* Kathy Kaeding, Department of Corrections

Introduction of new section chief Cheryl Edgington (replaced Pam Viner) postponed until next meeting because Cheryl had a conflicting appointment this day.

Approval of October 10, 2013 Minutes – Chairperson Zweifel inquired about the letter the Board was going to send to Congress regarding new legislation on integrated settings. Some Board members had concerns about the first draft, and DOA Legal also wants to make some changes.

**Nick motioned, Marie 2nd and approved**

Chairperson Report

* Nothing to report

**Continuing Business**

Update on Drug Testing Kits – Two vendors want to partner with Greenco. Location testing reports were to be in by January 6th. 90 day extension needed:

**Bill motioned, Marie 2nd and approved (Jean abstained)**

Fair Market 2012 – Nadine has the paperwork ready to go, and she should be able to send it to the Board members next week.

Annual Report 2012 – Nadine said the Annual Report’s numbers aren’t working out correctly, and need to be looked at some more. She should be working on it next week.

Helen inquired as to the date by which this needs to be submitted. It is due on October 1st by Statute, but that date never seems to have been achieved in previous years.

Price Increase Request for Various Brushes and Brooms by Industries for the Blind – Nadine presented pricing spreadsheets for price increases with her notes, and she believes that the issues have been worked out and that the properly submitted pricing meets fair market value. Jeff Martinelli does need to submit a couple new SUB-007 forms to her to complete the process.

**Nick motioned, Marie 2nd and approved**

New items to be added to the contract were in a separate spreadsheet. Nadine had called out a number of items that are on existing contracts, and thus can’t be added to Industries for the Blind’s contract without a Set Aside. Jeff will send Nadine information on five remaining products. Jeff asked about a Set Aside for paint brushes, which are on our Facilities MRO contract. Bill asked about the fair market pricing process, and Nadine explained how she gathers quotes and assured that Industries for the Blind is within fair market.

**Nick motioned, Marie 2nd and approved (Set Aside for R&D on added items)**

Universal Paper Products Set Aside for Beyond Vision – Beyond Vision would like to partner with N & H Tissue to provide paper products under this contract. An existing vendor, H Derksen, gets over 15% of its gross business from this State paper contract, thus Beyond Vision cannot take their contract due to the 15% impact rule. Because of this, Beyond Vision has proposed a few solutions to divide or split the contract to allow them to get some, but not all, of the sales. Beyond Vision’s price would not increase much, if at all, based on any split. Board Member McCain says the contract does not have flexibility for multiple awardees, and commented that H Derksen is an established Minority Business Enterprise. The contract is up for renewal in March, so that’s when Beyond Vision would have to be ready to sign on.

Meetings will be scheduled with DOA Legal, since Procurement’s regulations seem vague as to whether these options can or cannot be executed. A 90 day extension is needed.

**Nick motioned, Bill 2nd and approved**

Board Member Smith noted extra concern regarding the impact on the State’s MBE spend.

Appreciable Contribution – The current system does not work, as commented on by Ron Opicka during the previous topic. Nobody can meet the Appreciable Contribution as currently defined. Board Members McCain and Smith spoke a bit about the historical calculation.

Since DOA Legal hasn’t been consulted yet, this will wait until next meeting. There was an idea to possibly invite Legal to attend the April meeting.

**Tabled**

SciQuest Update – Board Member McCain mentioned that the State has contracted with Accenture for an ERP system. The Procurement and Finance modules could come as early as 2016. This may or may not replace VendorNet. SciQuest’s e-Procurement software is coming soon, and the rest of ERP is on a four year plan.

We will kick off the SciQuest catalog with a selection of the largest statewide contracts. Board Member Smith worries about the impact on small business spend.

If a vendor doesn’t accept a P-Card, there will be separate instructions on the catalog site. Nadine isn’t sure if there will be ACH capabilities.

**New Business**

Fair Market 2013 – Documentation should be going out some time in February. Work Centers will have 3 weeks to get that turned in.

Annual Report 2013 – This information will be sent out following Fair Market. Nadine hopes to have it all returned by the end of March.

Price Increase for Careers Industries – Nadine did not bring the paperwork, but she did determine that the increases meet fair market pricing. It is approximately a 6% increase across the board, and it would have to be held for at least one year.

Kathy Kaeding asked when these new prices will come into effect, and Nadine said they would be effective February 1st.

**Nick motioned, Marie 2nd and approved**

**Old/Other Business**

Public Comment

* Ron Opicka of East Shore Industries asked about the current status of the Board’s letter to Congress. Helen will inquire with DOA Legal.
* Thomas Cook thanked the Board for letting him present at the previous meeting on the potential new law. He says that the regulation went to the Office of Management and Budget, and is still being worked on.

Future Meetings:

* Thursday, April 10, 2014 10am – 12pm, DATCP
* Thursday, July 10, 2014 10am – 12pm, TBD off-site location in Northern or Southern Wisconsin; Nadine will gauge interest from Work Centers. (DATCP is reserved as well)
* Thursday, October 9, 2014 10am – 12pm, DATCP

Adjournment – 11:28 a.m.

**Nick motioned, Helen 2nd and approved**