

WISCONSIN STATE USE BOARD MEETING
May 2, 2019, 10:00 a.m. – 12:00 p.m.
Department of Agriculture, Trade and Consumer Protection
2811 Agriculture Drive
Madison, WI

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, Chairman
- Jim Langdon, Department of Administration
- Bill Smith, NFIB
- Amy Grotzke, Department of Workforce Development - Teleconference

Board Staff Present:

- Cheryl Edgington, Department of Administration
- Nadine Malm, Department of Administration
- Terri Hagstrom, Department of Administration

Audience:

- Isabel O'Rourke, Kenosha Achievement Center
- Ken Maciejewski, Opportunities Inc.

Teleconference Participants:

- Lincoln Burr, Disability Service Provider Network (DSPN)
- Amy Newman, Shawano County – Human Services
- Amy, MARC in Stoughton
- Stacy Quickstad, Careers Industries
- Candice Sikraji, Careers Industries
- Tracy Nelson, Algoma Mop Manufacturers/ East Shore Industries

Discussion and approval of Wisconsin State Use Board meeting minutes from Thursday, February 21, 2019. No discussion. Jim motioned, Bill 2nd – Motion carried.

Discussion 2018 Fair Market Pricing – Nadine Malm – Nadine provided the board with a packet of Fair Market documentation. The overview contained the following:

- 21 work centers have no State of Wisconsin contracts.
- 23 work centers have 34 RAM & SWEF contracts with an estimated value of \$6,506,959.45.
- 12 work centers have 17 contracts under \$5,000 with an estimated value of \$49,501.05.
- 1 work center has 1 contract awarded within the last year with an estimated value of \$200,000.00
- 12 work centers submitted executive summaries for 29 contracts with an estimated value of \$2,001,830.87.

- 9 work centers submitted comparability documentation for 12 contracts.

Nadine explained the process she uses to obtain quotes market sources to complete Department of Administration (DOA)'s portion of the fair market analysis:

1. State of Wisconsin contract vendors first;
2. Contracts from other states, where purchasing from the cooperative is allowed; and
3. The open market or benchmark pricing.

These work centers have all agreed to accept fair marketing pricing:

1. Beyond Vision-floor pads;
2. Black River Industries-correctional office uniforms;
3. Diverse Options-hygiene admission kits & socks-tubes and crew;
4. East Shore Industries-mop heads, mop handles, dust mop treatment oil;
5. Lakeside Curative Services-Non-Sterile disposable gloves;
6. Lincoln Industries-men's Oxford work shoes & men's 6-inch work boots;
7. Opportunities Inc.-Alkaline batteries;
8. Aptiv Inc.-Databank Buccal swab collection kit;
9. Industries for the Blind-Brushes and Brooms and some writing instruments.

'Industries for the Blind' did not agree on fair marketing pricing for the 'Pen Clean Click, Ballpoint, BEF (P-0315 per dozen)' or Pen, Clean Click, BEF (P-0327 per dozen)'. They have requested these 2 items to be removed from contract. There was a discussion about 'Industries for the Blind' not being able to meet pricing because their pricing is based on federal pricing and they cannot go below it.

A motion to accept the fair marketing pricing as reported was made by Bill and Jim 2nd. Motion carried.

2018 Annual Report – Nadine Malm – An overview of what happened in 2018 was reported.

- Of the 55 nonprofit work centers certified to do business under the State Use Program, 35 work centers (64%) did some business with the state agencies;
- The accomplishments;
- Policy changes;
- The Fair Marketing pricing and the new procedure that was being put into place;
- The Board approved a new contract for Spices and Seasonings;
- The hourly wage for disabled employees in the State Use program has increased to \$7.60 per hour (1.9% increase);
- The total State Use purchases has decreased by 2.7%. This includes the cancellation of janitorial services contracts; and
- The distribution of State Use contracts between product, service and rest area maintenance (RAM) contracts has increased minimally.

A motion to approve the 2018 Annual Report was made by Jim and Bill 2nd. Motion carried.

Price Increase Request – Mops – Nadine Malm – East Shore Industries provided documentation to support the request including increases in raw material and shipping. A fair market analysis has been completed and all items have met fair marketing pricing. An approval is needed for the price increases

which would be effective May 6, 2019. This method is consistent on how we treat other contracts in State Procurement. Bill made a motion and Amy 2nd. Motion carried.

2019 Recertifications/New Certifications – Nadine Malm - The 52 recertifications have been completed. This is down from 55 work centers last year. One dropped out as they no longer provide janitorial services and two dropped out because they did not hold the sub minimum wage license from the Department of Work Force Development (DWD). Nadine spoke with these two work centers about holding this license, but they decided not to participate. This may be the first time all 52 of the work centers have provided information for the 'Products and Services' listing. A sample list of 'Products and Services' was provided.

Product Ideas/Opportunities (Standing Agenda Item) – Nadine Malm – When the recertifications were done this year, an additional column for NIGP (National Institute for Governmental Purchasing) codes was added to the Product and Services listing. These codes are what State agencies use to identify the product or service on our eSupplier website. It was added to make it easier for agencies to be able to sort and identify opportunities with work centers by using this listing. Work centers do not use the same nomenclature which is another reason why having NIGP codes added to the listing is helpful. On Fridays, Nadine has started to go out to eSupplier and review the simplified bids that have been posted for the week. She will be contacting any work centers with matching NIGP codes of those opportunities for a possible contract. Contact has already been made to some work centers for a janitorial services contract that was listed. If the work center is interested, they need to respond to the solicitation on eSupplier.

Public Comment

Isabel O'Rourke wondered what the price difference for fair market was for 'Industries for the Blind' writing instruments products. The difference was \$.44 per dozen for each item. Clarification was made that this work center was not losing their contract but having two items removed from their contract.

Future Meetings Review:

- a. July 17, 2019, at 10:00 a.m.-Department of Agriculture, Trade and Consumer Protection
- b. October 10, 2019, at 10:00 a.m.-Department of Agriculture, Trade and Consumer Protection

Adjournment – Jim motioned, Bill 2nd – Motion carried.