

WISCONSIN STATE USE BOARD MEETING
October 10, 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 10:04 a.m.

Introductions

Board Members Present:

- Jean Zweifel, Chairman
- Nick George, MFPA
- Jim Langdon, Department of Administration
- Bill Smith, NFIB
- Amy Grotzke, Department of Workforce Development - Teleconference

Board Staff Present:

- Andrew Shuck, Department of Administration
- Nadine Malm, Department of Administration
- Terri Hagstrom, Department of Administration

Audience:

- Jason Frey, Opportunities Inc.
- Isobel O'Rourke, Kenosha Achievement Center
- Susan Davis, Disability Service Provider Network (DSPN)
- Pat Carlin, Disability Service Provider Network (DSPN)

Teleconference Participants:

- Aaron Porter, Beyond Vision
- Tammy Weber, Black River Industries
- Allan Wartella, East Shore Industries
- Wanda Kleinschmidt, Lincoln Industries

Discussion and approval of Wisconsin State Use Board meeting minutes from Thursday, July 17, 2019.

No discussion. Amy motioned, Jim 2nd – Motion carried.

Contracts Cancellation Request – Nadine Malm

- Brushes & Brooms – Industries for the Blind & Visually Impaired
- Writing Instruments – Industries for the Blind & Visually Impaired

Brushes & Brooms - Fair market pricing was sent out and Nadine received notification from 'Industries for the Blind' that they are requesting to cancel the contracts due to low volume of sales. The contracts

would be cancelled immediately with an effective date of October 11, 2019. These can be moved over to mandatory contracts which are already available on our Mandatory MRO contract and Office Supplies contract. No discussion. Nick motioned, Jim 2nd. Motion to cancel effective October 11, 2019. Products should be available on Monday, October 14, 2019.

Allan Wartella of East Shore Industries said they would be interested in possibly looking at adding a larger variety of brooms to our offering of mops. This would have to be put to a set-a-side. Board member, Jim Langdon asked if we could move that to the 'Product Ideas/Opportunities section.

Writing Instruments – 'Industries for the Blind' requested to cancel the contracts immediately due to low volume of sales. Nick motioned, Jim 2nd. Motion carried to cancel effective October 11, 2019 with products available on Monday, October 14, 2019 under the Mandatory MRO contract and Office Supplies contract.

2019 Fair Market Pricing – Nadine Malm – Nadine gave an overview of the fair market pricing which was handed out to the Board.

- 20 work centers have no State of Wisconsin contracts.
- There were no work centers with no contracts awarded within the last year.
- 10 work centers have 14 contracts under \$5,000 with an estimated total value \$44,254.79.
- 11 work centers submitted executive summaries for 26 contracts with an estimated value of \$2,001,627.39.
- 21 work centers have 34 RAM & SWEF contracts with an estimated total value of \$6,294,916.04.
- 11 work centers submitted for comparability documentation for 14 contracts.

The total estimated value of supplied contracts came to \$8,343,798.00. Since the 'Brushes and Brooms' and the 'Writing Instruments' contracts were being cancelled, they did not submit Fair Marketing pricing and their numbers were not included.

The Fair Marketing pricing for work centers included:

1. Beyond Vision – they had 4 items that did not meet fair market pricing. They are not agreeing to lower their prices. There was discussion from Aaron Porter of Beyond Vision, Board member, Jim Langdon and Nadine on this matter and it was decided to table it for another meeting where the three of them would be included. Additionally, Andrew Shuck (Nadine's supervisor), Jim Kirilin (Beyond Vision) and Board member, Nick George would also be included in this meeting.
2. Black River Industries – They are within fair market on all items.
3. Diverse Options – They had one item outside of fair market but have agreed to lower their price effective Monday, October 14, 2019. Nadine will inform Department of Corrections to update their pricing.
4. East Shore Industries - They are within fair market on all items.
5. Lakeside Curative Services - They are within fair market on all items.
6. Lincoln Industries - They are within fair market on all items.
7. Opportunities Inc. - They are within fair market on all items.

Motion to table Beyond Vision was made by Nick, Amy 2nd. Motion to table the items with Beyond Vision and okay the rest of the fair market was carried.

Price Increase Request – Alkaline Batteries – Nadine Malm – Opportunities Inc. has requested an increase on their battery prices for raw material and shipping. The increase is still within fair marketing pricing. These batteries have a 10-year shelf life period. Motion to approve the increase effective November 1, 2019 was made by Jim and 2nd by Bill. Motion carried.

2019 Annual Report – Nadine Malm – A copy of the report was given to the Board. Nadine was very proud to be able to have completed the report before October 1st and will get to approve it at an October meeting.

One of the things that has been added is the WISBuy sales. A few years ago, a gentleman came and did a presentation on our E catalog type items for people to purchase on line. This is like Amazon shopping but for state agencies. Five work centers have product catalogs featured on WISBuy. Since FY16, sales of state use contracts via WISBuy have increased from \$907,898.00 to \$1,747,582.00 in FY19. This is an increase of 92.5% on work center contracts by using WISBuy. Of the 52 nonprofit work centers certified to do business under the State Use Program in FY19, 34 work centers (65%) did some business with the state.

The Polyethylene Can Liners contract was cancelled due to 'Careers Industries' not being able to meet fair market pricing. This contract took a lot of spend out of our program as indicated by the numbers.

Accomplishments of the State Use Board include:

- A contract with Sunshine House provided mailing services of the hardcover book, "Great Lakes Chronicle". The books were mailed to every Wisconsin state high, Wisconsin public library and the University of Wisconsin library. This was the first State Use contract Sunshine House had been awarded.
- A price increase requested from East Shore Industries on their mops was approved. They provided documentation with price increases of raw materials and shipping costs and were within fair market pricing.
- There was an update to the Products and Services listing on the State Use program website. A column was added for NIGP (National Institute of Governmental Purchasing) codes. That is what the agencies list when doing a procurement solicitation. This code has helped agencies sort and find a work center that provides that product or service. The agencies are thankful for this change. Allan Wartella, of East Shore Industries asked for a list of NIGP code numbers and Nadine said she would call him later with that information.

Program Results

- There are 771 Wisconsin citizens with disabilities who worked 206,923 hours and earned \$1,543,355.68 in wages. The average hourly wage earned by people with disabilities employed through the State Use Program was \$7.46, which is a decrease from FY18.
- The distribution of State Use contracts products we're down and services stayed about the same for FY18. The RAM services were up from FY18.

A motion to accept the 2019 Annual Report was made by Nick, Amy 2nd. Motion carried. There was some discussion on how with DocuSign being implemented this year has helped tremendously, by being a huge time saver. The report is posted on the State Use Program website and goes to the Secretary. There was a suggestion to add the work centers to the list of receiving a copy of the annual report.

Product Ideas/Opportunities (Standing Agenda Item) – Nadine Malm – Nadine goes out at least once a week to eSupplier (our online solicitation website). She is normally notified every time there is a solicitation for over \$50,000 but not for any simplified bids. These are recent finds:

1. Janitorial Services for Department of Workforce Development – Hayward. Nadine contacted the work center and they are not able to do that based on their MCO's rules.
2. Snow Plowing Services – Milwaukee, Waukesha and Sussex Armories – there is one work center that lists snow removal services which comes up as the same code for snow plowing.
3. Brushes and brooms – Allan Wartella of East Shore Industries would like more information on both brushes and brooms and writing instruments. There was discussion on whether they should be put on a set a side. A motion for brooms and brushes and writing instruments to be given a set a side was made by Nick, Jim 2nd. Motion carried.
4. Shur-Tite Drivable Delineator Kit – Allan Wartella asked if we had ever heard back from the company on the reflective poles from the Supra Conference. Nadine said she resent the email and has not heard from them.

2020 Supra Conference – Mobile, Alabama – Nadine Malm – The conference is January 29th thru February 1, 2020. The estimated total cost would be approximately \$1,200.00. She is waiting on the agenda to submit her paperwork. A motion for Nadine to attend the Supra Conference was made by Bill, Nick 2nd. Motion carried.

Public Comment – Pat Carlin of DSPN introduced herself to the board. She had a request that DSPN be added to the email for the annual report that Nadine sends out.

Nadine mentioned that she will give Allan Wartella a call this afternoon to set something up regarding the brooms and brushes and the writing instruments.

Future Meetings Review:

- a. February 6, 2020, at 10:00 a.m.-Department of Agriculture, Trade and Consumer Protection
- b. April 9, 2020, at 10:00 a.m.-Department of Agriculture, Trade and Consumer Protection
- c. July 9, 2020, at 10:00 a.m.-Department of Agriculture, Trade and Consumer Protection
- d. October 8, 2020, at 10:00 a.m.-Department of Agriculture, Trade and Consumer Protection

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