

MEETING MINUTES

April 28, 2014

GOVERNOR'S COMMITTEE FOR THE PURCHASE OF COMMODITIES AND SERVICES FROM THE HANDICAPPED

A special meeting was called to order by Chairperson Cedric Greene at 1:00 p.m. April 28, 2014 at the WVARF office located at 400 Allen Drive, Charleston, West Virginia.

ATTENDANCE: Cedric Greene, (Chairperson); Aaron Jones, Executive Director; Everette Sullivan; Carol Jarrett, Recording Secretary.

WVARF Staff: Aaron Jones
Mark Jackson
Paula Koontz

Attended by Conference Call Jan Smith, OP Shop
Brenda Bates, Division of Rehabilitation Services
Carla Cleek, Division of Rehabilitation Services

ABSENT: Phillip Mason

COMMITTEE CHAIR REPORT:

Mr. Greene, we are here today to give Mr. Jones and his staff some guidance. What we want to talk about are the prices you submitted to us and I was concerned about the prices, not any particular one but as a general statement just concerned about what appeared to be anywhere up to 24% - 35% increase. Doesn't mean it is wrong but it doesn't necessarily mean it is right either. Just means I was shocked by the increase. We have to be mindful and make sure that we do our due diligence because when it gets to Purchasing they are going to need justification on why it is such a large increase. Saying that the prices have gone up is not going to cut it, you, the CNAs or CRPs have to show due diligence to the Committee that there is value in the increase and that there is value in the work product that you produce to show us that it is. If not, the Committee can approve it until the cows come home but when it gets to Purchasing they are going to take a look at it, even though we approve it, Dave Tincher and his staff is responsible for the approval of the fair market price and making sure that the CRPs and CNAs have met their obligation of proving that it exists.

Mr. Jones, I talked to Brenda this morning and she said there needs to be a differentiation between new products and existing products where the price may have changed. I just highlighted some of these after I talked to Brenda and if you notice on your sheet, if there is no old price then that means it is a new product. What we have done, behind this are the comparisons and what the CRPs had submitted to us and how they did their pricing comparison and justifying any increases due to labor, etc. We have products from all those CRPs who are currently selling commodities that we are selling to the state. Basically, we can go down through each item.

Bright Horizons has a list of 12 items and 4 of those items are new items. I notice on their absorbent pad they have a universal pad now and that is less than the one they normally sold. I am not real familiar with all these products but you can do a comparison. The purchasing fee we added, a lot of the commodities are paid with the pcard, so we have concluded if we are indicating they will be paying by pcard then that is the purchasing fee that you see on the list.

Mr. Greene, let's look at the first one - Absorbent Pad. That is a \$34.00 increase before we get to the purchasing fee. That would be a 30% increase.

Mr. Sullivan, I am not in disagreement with what you are doing but my question, is there a survey or check been made about the fair market price staying in line with these?

Mr. Jones, to my knowledge if you will look at the back page of the first group there is a comparison of different companies that supply this and if you will notice the average. I know that doesn't have a bearing on all the reasons why we approve these. You can see this particular one has the comparison.

Mr. Sullivan, with that particular one I can see we are ok.

Mr. Jones, the next item on the list is the universal kit which they use the average as their selling price.

Mr. Greene, the problem is some could obviously say they could get on line for almost 50% cheaper. Brenda and Jan what are your thoughts? Does this shock you that it is about 30% higher?

Ms. Smith, it does surprise me but when I looked at the open market survey averages I felt like they were more in line and did their due diligence in showing how they came up with their figures and the comparison to what is on the open market.

Mr. Greene, here is the million dollar question going along with what you just said. If we are keeping in line with the average then someone is going to ask and I am going to ask if the average for the very first item is \$91.00 versus the old price which was \$84.00 and the average is \$91.00 what is the justification from going from the average of \$91.00 to \$118.00 because that would be a \$20.00 increase and what is the justification for that? If I were Aaron and I were a CRP what I would come back and say hey, the reason that is what it is in which I don't think you should put on this form is that online price. You need to throw that online price out the window because that skews the entire thing. That is what had you all jacked up. If you didn't have the online price on there I probably wouldn't say a word. The online is unfair.

Ms. Smith, I think we are trying to be fair in showing it but I agree with you without the online price on there they wouldn't look that far out of range.

Mr. Greene, they would be where they needed to be probably. But with that online price on there that is never going to make it.

Mr. Jones, the CRPs submit this.

Mr. Greene, I think there is no value in the online because if I were in business I would order online. I am in state government and that is different. If I were in business I wouldn't bother with you all and I wouldn't bother with Brady because their prices are through the roof. I think it is unfair to the CRPs and it is unfair with what you guys are attempting to do by putting that price in there. What is your concern Brenda or Carla?

Ms. Bates, I agree with that, throwing that in skews that. I agree with you.

Ms. Koontz, most of them that had a price increase are a new item.

Ms. Smith, can we just send this back to them saying remove the online?

Mr. Greene, I think Aaron can do that on their behalf, whatever he feels comfortable in doing.

Mr. Sullivan, is that the only one that added the online?

Mr. Jones, if there is a new product I think they did it but the bulk of them are the same products and a lot of them had no changes in prices.

Mr. Greene, the other thing I don't think you should put in there when it goes to Purchasing is don't put your pcard in there as it is a cost of doing business. That should not factor in to what we are doing here as the Committee, you didn't put the electric bill in there or the water bill so you shouldn't put your pcard in there as it takes it up another dollar or so and that kind of skews the number. The online skews it and the pcard skews it. Let's just deal with the product.

Ms. Smith, does that mean that WVARF has to absorb the purchasing fee?

Mr. Greene, no that is not what I am saying, I am just saying that is for Aaron and his staff to work out when the final bill comes through. I don't think this is an avenue to throw the pcard fee in there.

Ms. Smith, all this information does not go to Purchasing anyway. They just get the list with the price on it, correct? We are the group that is responsible for decided whether or not it is fair market price.

Mr. Greene, the email from Mike Sheets says: "For initial fair market price determination procedures. This would be the new items added to the bottled water category for instance. The Legislative Rule 186.1-5 lays out procedures for the CNA to approve the price then submits to the Committee. For changes to existing prices 186.1-6 specifies what has to be submitted to the CNA by the CRP which is submitted to the Committee, once new prices and price changes are approved by all parties. The 186CSR3 spells out the process to submit to Purchasing for inclusion on the statewide contract."

Mr. Greene, the Committee would likely want to also question the purchasing fee that has been added which hovers around 3% of the unit cost which is the pcard. You don't put the electric bill in there so I wouldn't put it in there. It is a cost of doing business. I think it adds to the cost.

Mr. Jones, would we use the total price instead of the price of the unit.

Mr. Greene, I think you would use for instance #1 and I would think the new price would be \$118 - \$225.

Mr. Jones, where do you collect the pcard then?

Mr. Greene, you collect it on the back end. Does that make sense?

Ms. Bates, I don't think they will pay it unless it is included in the total because we did go through that before and it is a budgeting issue too depending on what it is and how much business the state agency does and that amount can be a lot. In the past, they wouldn't allow it unless it was included in the contract.

Mr. Greene, what are you saying Brenda?

Ms. Bates, I don't know how to do it but from what I hear you saying I don't know how you get that in there without showing it as a cost. I think Purchasing's position in the past may have been that they wouldn't include it. I think it should be included I just don't know what the best way to do it with Mike Sheets' comment. I don't know the best way to get it included.

Mr. Greene, let me read it again. We really can't do much with these sheets until they have gone through the Governor's Committee. The Committee would likely want to also question the purchasing fee.

Ms. Smith, the last time we tried to add this and show that we were adding it they said absolutely not, we are not paying it and we had to go back to what would be listed on here, new price rather than total price.

Mr. Sullivan, list overall price and not list it separately is that what she is saying?

Mr. Greene, you wouldn't want to clump it in with the CRPs original price.

Mr. Jones, this is the price we would bill the state, the new price.

Mr. Greene, the new price or the total price?

Mr. Jones, what I am saying, that is not the price. This includes the 4.1% in it for our portion of it. This is the price that would go to the state. If we are going to include the fee it would be the total price. The problem that we have on the commodities, not the rest areas and not those presort all the big items, they are paid by direct payment so they are not on the pcard. These commodities that are tangible, a great majority of them are paid with pcard and if we don't include it somewhere we will eat that. We have probably eaten \$25,000 this year because it is not anywhere in the contract that we can collect it.

Mr. Sullivan, what would happen if you put it into a new price? What would that do to the overall?

Mr. Jones, it would go from \$118 to \$121 on this. This would be the price that we would show for that item if it is included with it.

Mr. Sullivan, does that put it out of range with the fair market price?

Mr. Jones, it would go from \$118 to \$121. We can refigure these averages taking out the online. If it is a cost of doing business, the cost ends up with us it doesn't end up with the CRP.

Mr. Greene, if you include it in there on the front end then some people are paying for services not rendered because maybe they are not going to pay with the pcard. If you just make it a unit price for absorbent pad kit, and you say that item is \$121 then it comes to me and I don't pay with pcard.

Mr. Jones, the only other way I could see to do it, the new RFP does not require us to use the pcard. If we don't accept the pcard then we don't have this issue anywhere.

Mr. Greene, but that is the kiss of death.....

Ms. Smith, slows down payment too.

Mr. Jones, have you talked to the Auditor's office, are they pushing going to the pcard.

Mr. Greene, yes obviously they make a percentage off the purchase. I remember when I was in the Secretary of State's office, it came up that it cost \$39.00 to issue a check so they try to stay away from the check business as much as possible. I don't believe it is the right thing for you guys to eat \$25,000 a year.

Ms. Smith, how many of the commodities would you say people pay pcards for?

Mr. Jones, normally we are talking about DOH for stakes and water and I would say the water is a very high percentage. We have some small janitorial contracts that they pay with pcard. I think the janitorial contracts we are covered with the way we have done it, now as we let them tell us up front which way they are going to pay then they choose what price. On this what we will run into is if we take an order I guess at that point we could say how do you intend to pay for this and then we would add it on then.

Mr. Greene, it is an administrative fee, when you stick it in on the front end it looks like everyone is getting charged \$121.00. They may say they are not going to pay with pcard; they may want to pay by ACH or write a check. Shouldn't get charged for pcard when they don't use the pcard. If you pay with pcard it is X if you pay without pcard it is Y. Is that right or wrong Brenda?

Ms. Bates, I think that is the best way. Purchasing said for us to review it and we reviewed it and this is what we agree to and they will have to trust that if they don't want us to do it that way....

Mr. Jones, when it goes to Purchasing and it is \$10.13 for a case of water then it goes with that on there are they going to refuse to pay it.

Mr. Greene, it doesn't go through Purchasing, paying doesn't go through Purchasing, paying goes through the Auditor.

Ms. Bates, all of our purchases through requisitions and pcard goes through our purchasing officers so although it doesn't go through Purchasing per se, a purchasing person looks at payment for us at least and probably other state agencies too. In my mind I think the only way to do it is just to tell them up front that we think this is a reasonable cost and that you will give state agencies the option of paying through pcard or through requisition.

Mr. Greene, I agree with you and I think that is what they have been doing on all of their paper work they have told them – this is the price if you use the pcard and this is the price if you don't use pcard.

Mr. Jones, we haven't on these.

Mr. Greene, not on these?

Mr. Jones, what we are striving to do now on the other contracts, yes. I think they look at it as a convenience fee from Purchasing. I assume that when they send their purchasing request to us they need to be made aware that if they intend to pay – I don't know how we go about that if there is a direct line to each agency's purchasing as Brenda said as a lot of times they are not on the same page, they are doing different things.

Mr. Greene, do you have points of contact for all the people you invoice to?

Mr. Jones, we know who we send it to.

Mr. Greene, example like sending to Melody Haynes at General Services. I would suggest that the Committee do a very short memorandum for the record that we approve or disapprove after someone makes a motion, that we send a letter out to all of purchasing agents in a one liner just saying, due to the fact business model moving more and more towards technology that the pcard is more than likely be the acceptable manner of payment. If you choose to pay with pcard the price will be whatever number you come up with like 3% and put it out there and we sign it as a Committee and we send it to the purchasing people.

Mr. Jones, I think that would be great.

Ms. Bates, I'm trying to think through how our process works and how it would look. When you do a pcard you have to break down what the invoice says on the pcard. For instance if you buy three (3) widgets and there is a fee then you have to say three (3) widgets then the fee, then the total. I think the thing to do would be once an agency decides to go with the total is to charge the total and not break it out as a fee, do you see what I am saying? In other words, if for the first thing on that list they decide to use the pcard then you would just invoice for the total amount of \$121.00 rather than invoicing for \$118.00 then adding \$3.50 as a purchasing fee.

Mr. Greene, I agree and the memorandum will be the warning letter. You won't need to rehash it up every single day or month when you send out an invoice so I agree with that.

Ms. Bates, when you are invoicing you just invoice for the total you don't break it out because when you do that the state attempts not to pay fees like that and to not pay for tax, etc. When a purchasing officer sees a fee it is a huge red flag to them.

Mr. Greene, if someone were to pull your punt card on this purchasing fee you guys can justify it, you can show it is really \$3.55. That someone is charging you guys, because if someone wanted to say prove that to me, you have to be able to prove that. We are taking you guys at face value that this is accurate. Like Brenda said anytime you see a fee or a tax, people get concerned about that. Two things: 1) they want to see if they are exempt and, 2) prove to me that number is real. You just have to make sure you can prove that number is accurate. Don't take for granted that someone is going to take your word for that.

Ms. Bates, I am by no means saying hide it, I'm saying that when you do the original contract you would give them the choice and on that it will say, but when you actually do the invoice for the full amount they pay the full amount. So there is back up for it in the contract that you do. When you let them choose, it would show it on that, it wouldn't show on your invoice – no need to break it out on pcard – no need to do that. Other companies don't say hey, I am going to charge you \$300.00 for this and then my fee is \$3.50, they don't do that and you don't want to do that either. Because you have to show your costing it needs to be on the contract where you have given them the choice.

Mr. Greene, that makes sense. I do see that in each one of these they have costs for labor, etc. are you comfortable Aaron that these new prices that seem to me going from 1% to 34% higher, are you comfortable that this is a cost that is justified?

Mr. Jones. I am going to be honest, I haven't peeled away at the product either as I haven't had the time to but Paula has dealt with them one-on-one trying to gather this information.

Ms. Bates, someone on your staff has to verify all of them. If you haven't had the chance to peel away at all of them at least the person working on the contracts has to indicate to the Committee that they are certain that the information presented is in line with the fair market price on each one of these commodities.

Mr. Greene, do you Brenda, Carla & Jan have what we have here. There must be a thousand of these.

Ms. Bates, your contracting officers usually are the ones who know within reason that all of these things are correct. I was explaining to Aaron this morning, the differences that we have had in the past with Purchasing is that when you increase and you will show your reasoning for that but then you also have the new commodities and I had asked that someone from Purchasing be with us today because if Purchasing doesn't agree that the new commodities are reasonable based upon business then it is a null point. They will look at it or have in the past two different ways. They are going to look at the commodities and the increases and take the information that we have looked at and that you have assured us that each one their market price is correct and then they are going to look at the new commodities and what they normally do on that is look and see how it affects small business in terms of the whole statewide procurement process.

Mr. Greene, Jan is your CRP in here?

Ms. Smith, no although not on anything there has been a change on as we are grounds maintenance and rest areas and they are different.

Mr. Jones, would it be best if we prepared a sheet like the old and new price and have a column that shows the difference and the percent difference as a starting point? Just for you all so you can see the changes. If you look down through this you can see the changes but maybe we can come up with an overall list that shows a total change on the whole group of items.

Mr. Greene, some of them don't have this old/new purchasing total.

Mr. Jones, they stayed the same.

Mr. Greene, the ones with the price, they stayed the same?

Mr. Jones, yes and you have quite a few of those laundry items, replacement cost and there is a page attached to the back of it that tells you what actually changed or if there was a new item.

Mr. Greene, what I would suggest and this may not help you Aaron at all, but all the ones that stayed the same is not an issue correct?

Ms. Bates, the last time all the ones that stayed the same was put in one big bunch and that went straight through there was no problem with them so that is a good idea.

Mr. Greene, so that would be Randolph County Sheltered Workshop, Gateway Industries, Precision Services, data imaging. Is there a motion to approve these?

MOTION #1

Mr. Sullivan, I so move Mr. Chairman. Ms. Smith seconded. Motion passed.

Mr. Jones, these are approved.

Mr. Greene, the next thing I would suggest is, for a general statement that when processing these, anyone that has purchasing fee numbers in it or internet prices in it, you remove that. I think it skews the numbers and I think there is very little value in those numbers. It doesn't help the Committee or CRPs at all. If there is a motion for that? We have a motion from Mr. Sullivan to remove the internet price due to no value and the purchasing fee because there is a different mode of travel to get to that.

Mr. Greene, do you have a problem with that Brenda?

Ms. Bates, I am confused and I'm so sorry but I am confused on the purchasing fee as I thought we were going to leave that in there so that people could choose.

Mr. Greene, I thought we were going to entertain a motion here in a minute to do a memorandum out to all the purchasing people letting them know that they could choose X or they could choose Y. Do you still like that in the product from the CRPs?

Ms. Bates, I just don't know that you are going to get it approved without it being somewhere because it has to be broken out but I could be wrong. I am ok with it if it will get approved.

Mr. Greene, let's leave it in there because I don't want it seem like we are circumventing Purchasing.

Ms. Bates, I am saying have it out there as it is part of what we are doing, we are not trying to hide anything, we just aren't going to put it in the total invoice cost.

Mr. Greene, and we as a Committee will stand behind the fact that it is a real true cost for WVARF and we will support Aaron and his staff in that regard. When Purchasing makes the statement here that said the Committee would likely want to also question the purchasing fee, I just questioned it; I'm telling you right now, if someone pulls the punt card on it, you guys had better be able to prove that is the real cost.

Ms. Bates, I agree with that 100%.

Mr. Greene, here is what I think we may want a motion to say. The purchasing fee column will stay in the CRPs original submittal to the CNA it is the CNAs responsibility, Aaron's responsibility is to ensure that pcard fee is accurate. Do we have a motion?

Mr. Greene, so we have a motion that Aaron and his staff will validate the pcard purchasing fee and ensure that it is a true cost of doing business and that there is no profit in that structure.

MOTION #2

Mr. Sullivan, I so move Mr. Chairman. Ms. Smith seconded. Motion passed.

Mr. Greene, we need to come up with a mechanism to let the purchasing card people know, does the Committee support us sending a letter to the procurement officers explaining to them the purchasing fee and if so is there a motion to do that memo.

MOTION #3

Ms. Bates, so moved. Mr. Sullivan seconded. Motion passed.

Mr. Greene, now we have to talk about the mechanism to get there. Do you want me to do it or do you want to do it?

Mr. Jones, I would prefer you do it.

Mr. Greene, do you want to do the verbiage or do you want me to do it?

Mr. Jones, you go ahead and do it.

Mr. Greene, I will do the letter and I will send it to you Aaron and then what you will do is get Mary to put it on letterhead and I will sign it for the Committee.

Mr. Sullivan, I don't think they would have any trouble with that.

Mr. Greene, if you go to Sam's Hot Dogs and you buy one hot dog for \$1.25 and a 40 cent bag of chips and you go to hand that guy your credit card, he is going to say listen, your lunch is costing \$2.00 and this will cost me \$3.00 to process it. I would have to turn that fee back over to you.

Mr. Sullivan, I have had that happen to me, not at Sam's but at other places.

Mr. Jones, there is another one we might want to look at. Job Squad Presort Mail – it has a small change and the big item stayed the same. The hourly rate stayed the same at \$37, then the first item changed less than one cent and the next item stayed the same and the next item stayed the same and on down.

Mr. Greene, we will set this one to the side. Are there any others that don't raise an eyebrow?

Mr. Jones, Jackson County Development Center, Data Management, it did change but there is documentation. There are no new items. There are changes so this is one we should verify.

Mr. Greene, Brenda and Jan, what we are going to do is expeditiously go through each one of these and look at the shock value, if there is a shock value we are going to set it to the right and if there is no shock value we will set it to the left. Then we will make a motion for the ones on the left if they have all the documents for justification. The Jackson County Development Center, there is no shock value; I'm assuming there is justification in here for that. We will set this one to the left along with Jackson County Development Center, Presort, Contact Center Services for WV Chips, Presort Job Squad.

Mr. Greene, Secure Document Destruction Courier Services, Pace Enterprises. There is no shock there, we will put that on to the left if no one opposes.

Mr. Greene, Jan and Brenda, do you see shock value with this one. The old price is \$64.00 and it dropped down to \$36.62 as well as another one that also dropped. Absorbency unless someone objects to it and there is documentation to it I will put in the left pile unless someone opposes.

Mr. Greene, I do agree with Brenda - what were you suggesting?

Mr. Bates, you are going to have to price the new items out because purchasing is going to look at those separately as they always have in the past and they have different standards for the new versus changes in prices.

Mr. Greene, liquid hand soap, Bright Horizons, I personally or professional do not have any concerns with that one.

Mr. Jones, that one has several new items so we will have to break those out.

Mr. Greene, Survey Stakes, Empowerment through Employment, Buckhannon, Upshur Sheltered Workshop, Lillian James Learning Center, Clay County Services Unlimited, Developmental Center and Workshop. I have no concerns with these unless someone else does. I will put this one to the left.

Mr. Jones, some went down and some went up but the majority of them stayed the same.

Mr. Greene, wiping cloths, Jackson County Development Center. This one went up from \$49.60 on the 3rd item to \$70.90.

Mr. Jones, I talked to him about that. He has a comparison attached to that. The terry cloth average was \$117.00

Ms. Smith, the cost of raw materials has gone up significantly over the last two or three years due to something overseas and a ban on shipping cotton.

Mr. Jones, the average cost for 25 lb. is \$117.64 on the market so he is selling it for \$70.90.

Mr. Greene, it has that internet cost in there. Take the \$155.00 and the \$109.00 that gives you \$265.00.

Ms. Smith, he is staying under the average.

Mr. Greene, how much did that one go up \$20.00 or so?

Mr. Jones, that is less than \$1.00 per lb.

Mr. Greene, amazing that Grainger could sell that for \$155.00 and people are actually buying it. Brenda and Jan are you ok with this one?

Ms. Smith, I am

Mr. Jones, the new items we will have to break out.

Ms. Bates, I just have to have a minute on this because everything is way higher. We have one thing that went from .91 cents to \$40.00? I have a hard time thinking that could be.....

Mr. Greene, towel - 50 pack?

Mr. Jones, I feel sure that is a typing error as you don't get anything for .91 cents, not a 50 pack. Looks like the .91 cents went with the item above. We will have to check the price on that one.

Ms. Bates, I'm just saying I can't just say ok to this one, I will have to think about this one. I'm sorry but I feel this one needs to go on the right side for right now as we need further justification on it.

Mr. Greene, ok and that might be an administrative error so she is going to research that. I'll put that one on the right.

Mr. Greene, bottled water – Green Acres Regional Center. By the way, are we going to Green Acres for our next meeting in May?

Ms. Bates, remember Cedric, we will be at our state conference on that date.

Mr. Greene, Jan are you still coming?

Ms. Smith, yes I am as I have it on my calendar. I would like to drive down to the WVARF office and get a ride on down there with someone because I don't know where it is located.

Mr. Greene, can someone send out how to get there? We will just meet here at 8:30 a.m. If we leave here at 8:30 we can be there in an hour and a half. If you need a ride or want a ride we will leave here no later than 8:30 a.m. and we will have our meeting, then we will do the tour and if she feeds us fine and if she doesn't we can stop at Cracker Barrel.

Mr. Jones, we will get directions.

Mr. Greene, bottled water at Green Acres they have several new items that needs to be put on a different form but everything else seems to be the same. That one looks fine so we will put that on the left side.

Mr. Greene, Low Impact Monitoring, Empowerment through Employment, Integrated Resources. That one looks fine put that one on the left side.

Mr. Jones, the rest areas are all separate contracts. Those would all be approved separately. Same thing with Ground Maintenance and Stream Access. The Stream Access we have already approved. Ground Maintenance, some of those are included with the rest areas so those will be separate contracts.

Mr. Greene, explain to me again what this Laundry Replacement cost is.

Mr. Jones, he provides laundry to all the state hospitals and if he delivers ten (10) towels and he only gets nine (9) back then the hospital will be charged for that.

Ms. Koontz, only one new item and he had some increases and he said over the years it has gone up but he hasn't implemented any changes.

Mr. Greene, if you go to the bottom where it says line 139, that has to be a typo I'm sure as it was \$2.34 and now \$234.00.

Ms. Koontz, the \$2.34 was a mistake and it should have been \$234.00. Those are big mats. Replacement cost, a correction more than a change.

Mr. Greene, the laundry replacement cost will go in the left column as I see no problems with it.

Mr. Jackson, on the Low Impact Monitoring, They do all of that through Empowerment through Employment. It is on a separate contract and it will also be a commodity. I don't have it in front of me. I would like for everybody to look at it at some point. I can get it right now but everybody hasn't had a chance to look at it. I was thinking wrong on it, I thought it would be on the janitorial side of the contracts because of the way it runs but it is not.

Mr. Greene, what are you still waiting on?

Mr. Jackson, I have everything for it and I can get it but I want to make sure everybody has a copy of it.

Mr. Greene, is there something shocking about it?

Mr. Jackson, it is more than what it was before but the services that the state is requesting from the CRP is also a lot more.

Mr. Greene, why don't you get it and we will go ahead and approve these and then we will look at that one separately. If we can look at it and be done with it that is what I would rather do.

Mr. Greene, we have in the left column:

Laundry Replacement cost;
Low Impact Monitoring and Dispatching Services;
Grounds Maintenance;
Stream Access;
Bottled Water;
Survey Stakes;
Liquid Hand Soap;
Absorbency Products and Supplies;
Secure Documents and Destruction;
Courier Services;
Presort Mail;
Data Management;
Contact Center Services for WV Chips;

I would look for a motion to approve these in principle but not to form. The intent is for Mr. Jones and his staff to abstract out the new and put those on a different form. Do I have a motion?

MOTION #4

Mr. Sullivan, I make the motion to approve. Ms. Smith seconded. Motion passed.

Mr. Greene, the one that is not approved that we don't have a motion on will be the Wiping Cloths which we have two problems with: 1) the three items need to be removed out and 2) item #14 towel, 50 pack. Is that the only concern you had with that one Brenda?

Ms. Bates, I think we need better justification on a lot of those, some are huge increases. I just think we need some more information on that as they are major increases all the way down.

Mr. Greene, to give you guys a little more guidance, I'm just speculating but I'm thinking Brenda and the Committee would like more justification on #3, #5, #6, #8, #9, #12, #15, #18 and #20. It may be the same justification for all of them. I do believe the due diligence on these will help you guys on these and moving the new items on to a different form will be fine. Brenda and Jan, Mark is sending you something right now and if you could look at it. It is Empowerment through Employment, Low Impact Monitoring – it is a contract starting July 1, 2014 to June 30, 2015. Billing rate is \$10,000 a month and over the period would be \$121,000.

Mr. Jackson, also with this I have operated this one like a janitorial contract. This one is still in the hands of DOH also. I am dealing with Todd Gibson and he sends it on up the line. I have not heard anything yet from Kyle Stollings.

Mr. Greene, what is your concern? You don't have an email that says they are ok with these numbers?

Mr. Greene, someone will make a motion that we will approve it.

Mr. Jones, we were talking about the scheduling. That was one we approved as that is just an hourly scheduling rate. On this one a lot of this cost is passed through cost to the trucking companies. So they are not really concerned a lot on the pricing as long as it is reasonable. It is not something the state is going to be paying out, we bill them and they pass it on to whoever requests that service.

Mr. Jackson, the reason they want so many more services with that is the trucking industry wants to expedite.

Mr. Greene, Brenda and Jan have you received this yet?

Brenda, yes

Jan, yes I have it

Mr. Greene, we could have a motion but with the condition that you must have the email stating they don't have an issue with the terms and agreement. Aaron's responsibility is to receive an email or correspondence stating that they are ok with the terms of the agreement. Is there a motion?

MOTION #5

Mr. Sullivan, I so move Mr. Chairman. Ms. Smith seconded. Motion passed.

Mr. Greene, is there anything else Aaron that we need to discuss?

Mr. Jones, we have a couple of lawn agreements that fall under this but they normally run from April – October because that is when the grass is growing. But we have two or three there and if we could go ahead and get them approved then we can start the CRPs cutting their grass.

Mr. Greene, why would we not approve them?

Ms. Smith, I have one of those too.

Mr. Greene, why are you reluctant to bring it up now just because of the special meeting? I don't care about that, let's do it.

Mr. Greene, we will make a motion for the work to be done by Integrated Resources. It is \$113.68 per occurrence and with the pcard it will be \$117.09. With the pcard it will be \$2,810.17, is there is a motion? DNR in Beckley and it is the same price as last year.

MOTION #6

Mr. Sullivan, I will make a motion to approve. Ms. Bates seconded. Motion passed.

Mr. Greene, the second one I have is for WV Geological Survey in Morgantown and it is for grounds work as well. This is a new contract \$166.00 per occurrence and up to 30 occurrences not to exceed \$5,001.90. Is there a motion?

MOTION #7

Mr. Sullivan, I so move Mr. Chairman. Ms. Smith seconded. Motion passed.

Ms. Bates, I have a question. Did an RFI go out on that?

Mr. Jackson, they are requesting additional services. Pac Tec is already doing the services there.

Ms. Bates, ok thanks.

Ms. Jackson, this is really the same as DNR. This one slipped through the cracks, everybody thought this one was part of the extension and it was really grounds maintenance from July 1st until October 31st. CRP billed us.

Mr. Greene, basically this is retroactive? This is for last year's work?

Mr. Jackson, yes

Mr. Jones, still this year from July – October.

Mr. Greene, say again what you think happened.

Mr. Jackson, I think whenever they did the extensions because that was the time that Shana was here and I think this was passed through thinking it was an extension like the janitorial contracts. They kept billing us for it and we kept paying them for it and we didn't have a contract to go forward to bill the state. I went over Friday and talked to DNR and asked them what I needed to do to clean it up. I think this is the route we have to go with them. I also talked with Purchasing.

Mr. Greene, they don't dispute the work was done?

Mr. Jackson, right and actually the way the contract was I think there was money left in the contract to cover that anyway. I think everything is good. Jan and Brenda do not have copies of this?

Mr. Greene, Everette and I are looking at a fair market price determination for DNR where work was done from July 1, 2013 through October 1, 2013 and due to administrative oversight on the CNAs part or the state's part there was clearly a communication gap that it should have come in front of the Committee and a bill has now been produced from the CRP to the CNA and they have paid it and now they wish to invoice the state. The only mechanism for them to do that is for us to certainly not back date anything but to say, hey it was an administrative oversight in nature, no malice intended as sometimes things happen and the agency is willing to pay the bill once they have the mechanism to pay the bill. They don't have the mechanism to send it to the Auditor without it coming through us. It is for \$912.64. Is there a motion?

MOTION #8

Mr. Sullivan, I so move Mr. Chairman. Ms. Smith seconded. Motion passed.

Mr. Greene, any Old Business, New Business?

Mr. Jones, Jan had one item about Fairmont contract. They had requested an additional individual. Jan do you want to explain that?

Ms. Smith, I was waiting for someone to get back with me but they didn't so I don't have any answers. They are considering starting a separate contract but it is just going to be for personnel only and nothing else, just individuals.

Mr. Jones, so you don't have any documentation from them yet?

Ms. Smith, it will have to wait as they didn't get back with me.

Mr. Greene, the intent is that we will meet here at 8:30 on May 21st and we will depart from here. Thank you guys for meeting on something that is different than what we would typically do. I certainly do appreciate it. There has been productivity. I think Aaron and his staff have guidance. Also, Aaron has an interview on May 1st with the subcommittee of this committee to talk about the RFP.

Mr. Jones, did Dave Tincher indicate anything to you on the commodities as they expire on the 30th, are they going to extend that until we get all this resolved?

Mr. Greene, I don't think they have a choice. I haven't heard anything from him but I will check on that and if I find out anything I will let you know. I will see all of you on the 21st at 8:30 a.m.
Meeting Adjourned