

# ANNUAL REPORT 2010

---





# Baltimore Metropolitan Council

## BRCPC Mission

BRCPC aims to achieve cost savings through cooperation within the region. Members realized estimated cost savings of \$1.5 million during 2010 by working together to meet its objective. The Energy subcommittee reports its hard work to maintain excellent rates for electricity and natural gas supplies later in the report.

## HISTORY & INTRODUCTION

Within the Baltimore Metropolitan Council (BMC), BRCPC is responsible for cooperative purchasing action. BRCPC had its genesis as the Baltimore Metropolitan Group, with Baltimore City, and Baltimore and Anne Arundel counties. The group expanded and later associated with BMC. The BRCPC purchasing officials meet regularly for cooperative efforts through the BMC coordinator.

BRCPC works effectively by using individuals with special knowledge in key areas. The 2010 report highlights the accomplishments of the subcommittees and includes a year-end review from each.

- Energy
- MBE/WBE
- Office Furniture
- Public Schools
- Public Works

## 2010 IN REVIEW

*The following highlights are part of the year-end summary of accomplishments prepared by Deborah L. Meehan, CPPB, and the 2010 BRCPC Chair:*

- Teleconference of meetings-All meetings continue to be available via teleconference
- Identify new cooperative contracts to pursue-this is an on-going initiative. The group hosted presentations by U.S. communities, Insight Public Sector- an IT provider, Sports Supply Group, a catalog direct marketing and distribution company, and Independent Stationers-the vendor for the new U.S. Communities office supply contract.
- A BRCPC Sustainability Subcommittee was established to be co-chaired by Carroll and Harford Counties.
- The 2010 BMC “Partnering for the Future” Regional Procurement Diversity Expo was held on September 16, 2010 at the Oregon Ridge Conference Center in Hunt Valley, MD. Details are provided in the MBE/WBE subcommittee section of this report.
- A Professional Staff Day was hosted by the BRCPC at their new headquarters in Locust Point on December 8, 2010. The BMC offered a warm welcome followed by Deborah Groat, Anne Arundel County Public Schools, giving a report on the cooperative efforts of BRCPC and its Washington, DC, counterpart. Buyers from Anne Arundel and Baltimore Counties presented an overview of unique procurements recently that may be of interest to other agencies. The remainder of the morning offered networking opportunities for all Governmental and Educational Buyers in attendance.

# SUBCOMMITTEE ACTIVITIES

## Energy

*The energy subcommittee was chaired by Stephen Myer, CPPB, Senior Buyer for Baltimore County Government.*

The efforts of the BRCP Energy Board focused on continued management of energy price risk for both electric and natural gas portfolios, negotiation on a long term power purchase agreement with a locally based new capacity renewable resource, negotiation on the long term purchase of locally generated solar renewable energy certificates to meet state renewable requirements and the solicitation for a replacement electric supply services provider for the electric portfolio.

The BRCP energy portfolio's flexible structure enabled them to take advantage of the significant drop in energy prices during 2009 and first quarter of 2010. Favorably priced fixed rate energy commodity purchases were executed covering energy delivered in fiscal years 2012, 2013 and 2014. For the electric portfolio, purchases were made at the PJM Western Hub; however opportunities to lock in favorable prices at the local BGE zone continue to be evaluated. For natural gas, the portfolio purchased as much natural gas injected into storage for winter delivery as permissible during the spring and summer of 2010 to take advantage of historical low commodity prices.

For fiscal year 2010, program savings for the entire BRCP electric portfolio was approximately \$2 million when compared to the local electric utility's (BGE) standard offer service (SOS) rates. Savings were significantly lower in 2010 relative to prior years as the BGE SOS rate's shorter term re-pricing schedules occurring during dramatic declines in energy market prices, offset most of the SOS structural disadvantages relative to the portfolio. Total FY 2010 electric consumption was 1.37 billion kWh. For the natural gas portfolio, savings of \$.30 dekatherm continue as a result of unbundling and competitive bidding of natural gas supply services. A total of 2.08 million dekatherms were delivered to the portfolio jurisdictions during FY2010.

The Energy Board continues to initiate investigations into new, cost effective ways of procuring energy from new local generation sources, including renewable energy. Supporting new generation capacity efforts in the central Maryland region helps stabilize and reduce capacity and energy costs for the portfolio as well as the entire Central Maryland region. BRCP's size and credit standing allow it to play an important role in supporting new capacity efforts for Central Maryland. As of December 2010, BRCP was in advanced stages to entering into an agreement for a 25 MW long term power purchase agreement with a locally based new capacity renewable resource. In addition, BRCP is n

the process of finalizing a long term purchase of solar renewable energy certificates for a solar project to be constructed on a member's site.

BRCPC issued a solicitation during 2010 for an electric supply services provider as the current electric supply services contract expires in December of 2011. A pre bid conference was held and a total of seven responses were received of which four were short listed, A final decision on the selection of a contractor is expected to be announced sometime in the first quarter of 2011.

## MBE/WBE

*This subcommittee was chaired by Deborah Henderson, Director of Procurement for Harford County Government.*

As previously noted, the third Regional Procurement Diversity Expo was held in September, 2010. The event was organized by the MBE/WBE coordinators representing Baltimore City, Anne Arundel, Baltimore, Carroll, Harford and Howard counties. Procurement representatives from all over the region welcomed 166 registered guests. Welcome remarks were given by Larry Klimovitz, Executive Director of BMC. Milton Hunt, a successful minority business man, served as the Keynote Speaker and delivered an inspiring speech on "How to do Business in these Changing Times".

As in the past, the event provided unlimited opportunities and proved to be a valuable resource for businesses as well as procurement staff.

Present plans are for the event to be held every other year to encourage meaningful participation by all sectors of the business community in governmental and educational procurements.

## Office Furniture

*The subcommittee is chaired by Darla Herbold, CPPO, Purchasing Administrator, Howard County Government.*

Throughout the contract life the group may consider requests for new items to be added to the office furniture contract as new conditions arise. Howard County as lead agency monitors contract compliance and issues bi-annual expenditure reports. Expenditures each year are in the \$13 million range. Because of the attractive discounts, many public and educational entities within Maryland and surrounding states use the contract.

## Public Schools

*The subcommittee was chaired by Jeff Parker, Purchasing Office, Baltimore City Public Schools.*

The group worked diligently to collaborate on appropriate procurement actions throughout the year. As a result of their work, within and outside BRCPC efforts, some of the smaller school districts were able to take advantage of contract pricing otherwise not available to them. The benefit of cooperative action as it affects the market place is the major focus for the group.

The group continues to expand its outreach by working with CPOC members, our counterpart in the Washington DC region.

Successes in the joint effort include a printer cartridge contract that reduces the cost of the items for all participants. Another success story is the establishment of a contract for testing forms used in a majority of schools throughout both regions.

As the year drew to a close, the group was working on a new initiative to lower the cost of freight logistics with small package delivery providers. The effort holds cost reduction potential for the school systems as well as the local government and other tax-funded entities.

Another inter-regional effort is a web based application to gather and use data to analyze expenditures. The result of using data to understand how funds are being expended will serve to examine existing priorities. The result will provide a structured approach to collaborative concepts. At the present time, there are five participating school systems within the BRCPC/CPOC geographical region. As is the case with the small package delivery service mentioned above, the effort holds potential to offer meaningful cost reductions through cooperative work.

Continuing successes include the annual printing paper reverse auction. The cost reductions have been in the \$ 200, 000 range. Additional school systems may join the next procurement as they review the advantageous pricing obtained through the process. Another \$ 3,700,000 was saved on facility projects related to science labs, media centers and window replacements by using the reverse auction process. Cost savings/avoidances are realized through the prices paid, labor saved, and overall influence of terms.

## Public Works

*The subcommittee was chaired by Stephen Myer, CPPB, Senior Buyer for Baltimore County Government.*

The group meets regularly to review existing public works related contracts, determine renewal options and examine potential new efforts. Active participants include representatives from Anne Arundel, Baltimore, Carroll, Harford and Howard counties. During 2010, the group established new contracts for on-call masonry services, on-call bituminous concrete paving and remote video surveillance. As the contracts are used, they provide a ready means to address periodic needs of the participants.

As the year ended, the group was completing a bid to provide a region wide approach to purchase chemicals needed for water and wastewater treatment. The bid was scheduled to open in January, 2011.

## BRCPC/CPOC AGREEMENT

*Deborah Groat, CPPB, C.P.M., Anne Arundel Public Schools, serves as the liaison with BRCPC and CPOC.*

On April 9, 2009 the Baltimore Regional Council and Metropolitan Washington Council of Governments signed an agreement to form a mutually beneficial relationship between the purchasing committees to further their cooperative buying efforts mutually deemed to be of economic interest.

The signing of the Agreement served to aggregate a significant spend volume in the Maryland, Virginia and Washington D.C. regions. Accomplishments include a number of cooperative efforts where member municipalities actively participated in the procurement.

To foster communications between the two groups, CPOC has provided an Intranet environment for the exchange of information. This includes a ListServ for members from both organizations. The tool is valuable but underutilized at this time. Credit is given to Loudon County Government who regularly posts awards to the ListServ. The BRCPC Liaison regularly attends the CPOC meetings to keep abreast of their objectives and to find ways to further the objectives of the Agreement when appropriate. Leadership for both organizations meet at least twice per year to discuss progress and establish goals. March 22, 2011 will be the first meeting between both organizations with full membership invited. Networking is important to build trust and strong bidding relationships. Areas in the Agreement that have not been solidified to date include the development of written procedures and protocols to further define the working relationship.

Completed efforts include surplus property auction services, Fairfax County Government, Scantron Testing Equipment & Forms, Anne Arundel County Public Schools, Toner Cartridges, Montgomery County Public Schools and Office Supplies, Anne Arundel County Public Schools.

## BMC/HGAC AGREEMENT

The BRCPC/HGAC (Houston-Galveston Area Council) agreement provides a way to quickly react to necessary equipment needs. Despite the current economic conditions and its resultant lowered usage, the agreement remains in place. We anticipate that the arrangement will speed future purchases at advantageous costs with the added bonus to help reduce administrative expense for any member using the HGAC contracts. The arrangement continues to provide a means to recover some BRCPC expenditures. Again in 2010, funds were used to help support the Regional Procurement Diversity Expo. The Expo is another means of outreach to our MBE/WBE business community.

## BRCPC WEB SITE

Our web site, <http://www.baltometro.org/cooperative-purchasing/cooperative-purchasing>, continues to be an important part of the BMC Internet presence. The web usage reports indicate that hundreds of pages are viewed by vendors and members seeking cooperative purchasing information. Visitors to the website benefit by one-click access to any BMC member jurisdiction or the State Department of General Services. .

The access includes links to cooperative purchasing opportunities and regional contracts. The BRCPC contracts page gives the visitor an option of reviewing or downloading the information provided. The website reduces the demands on BRCPC staff resources to produce copies of the paper files. .

As is our custom, we intend to add the 2010 annual report to the existing BRCPC reports on the website and thus make it available to any interested party.

## US COMMUNITIES NATIONAL CONTRACTS

Jeff LaPorta, Harford County Public Schools is a member of the Board of US Communities (USC) and regularly updates us on USC activities.

## CURRENT BRCPC COOPERATIVE CONTRACTS

During 2010, BRCPC members established or renewed the following regional cooperative contracts. ***Bold Italics*** indicate new contracts for 2010

- Audio Visual Equipment
- ***Audio Visual Equipment Repair***
- Automotive Batteries
- Bottled Water
- Calculators, Graphing and Analytical Instruments
- Corrugated Pipe
- Discounted Materials of Instruction
- Electricity Supply Services
- Energy Consultant Services
- Environmental Erosion Control
- Fencing (Highways & Buildings) On-call Services
- Field Lighting Construction Services
- Fire Sprinkler Systems
- Fire Extinguisher Maintenance
- Football/Lacrosse Reconditioning
- Glass Beads
- ***Grass Seed***
- ***Grass Seed & Fertilizer***
- Gray Iron Castings
- # 2 Heating Fuel
- High Performance Cold Mix
- Ice Melter
- IT Staff
- Large & Specialty Lamps & Ballasts
- Modular Classrooms, Purchase
- Modular Classrooms, Lease
- Musical Instruments
- Natural Gas Supply Services
- OEM Parts & Service for Heavy Equipment/Trucks
- Office Furniture
- ***Office Supplies***
- Paint, Waterborne
- ***Paving, On-Call***
- ***Printing Cartridges***
- Procurement Cards
- ***Remote Video Surveillance***
- Reverse Auction Services
- Rock Salt
- ***Scantron Forms***
- Snow Plow Blades
- Tires & Retreads, Cars/Trucks
- Tires & Retread, Heavy Equipment
- Traffic Signal Construction Services
- UV Lamps

## LOOKING AHEAD TO 2011

- Obtain appropriate cost reductions or cost avoidances for all purchasing activities
- Continue regular meetings of the region's purchasing officials to enhance the effectiveness of our cooperative purchasing efforts.
- Continue monthly meetings of the energy committee to maintain electricity and natural gas agreements and investigate strategies for energy procurement.
- Continue regular meetings of the public schools officials to establish efforts unique to the schools environment.
- Continue regular meetings of the public works buyers to promote new regional efforts.



# Baltimore Metropolitan Council

## Board of Directors - FY 2010

**The Honorable John R. Leopold**  
*Anne Arundel County Executive*

**The Honorable Stephanie Rawlings-Blake**  
*Mayor of Baltimore City*

**The Honorable James T. Smith, Jr.**  
*Baltimore County Executive, Chair*

**The Honorable Dean L. Minnich**  
*Carroll County Commissioner*

**The Honorable David Craig**  
*Harford County Executive*

**The Honorable Ken Ulman**  
*Howard County Executive*

**Larry W. Klimovitz**  
*Executive Director*

## BRCPC Member Representatives

**William Schull, CPPB, C.P.M.**

Purchasing Agent

**Diana Cox, CPPB, C.P.M.**

Assistant Purchasing Agent  
*Anne Arundel County*

**Deborah Groat, CPPB, C.P.M.**

Purchasing Officer

**William Hubbard, CPPB**

Senior Buyer  
*Anne Arundel Schools*

**Brian Snyder, CPPO**

Purchasing Agent  
*City of Annapolis*

**Position Vacant**

Purchasing Agent  
*Baltimore City*

**Jeff Parker**

Director of Purchasing  
*Baltimore City Schools*

**Stephen Myer, CPPB**

Senior Buyer

*Baltimore County*

**Deborah Meehan, CPPB**

Chief, Purchasing Services  
*Baltimore County*

**Paul Cramer, C.P.M.**

Purchasing Agent  
*Baltimore County Schools*

**Richard Shelton**

Chief of Purchasing  
*Carroll County*

**Nancy Codner, CPPB**

Purchasing Officer  
*Carroll County Schools*

**Deborah Henderson**

Director of Procurement  
*Harford County*

**Jeff LaPorta, CPPB**

Director of Purchasing  
*Harford County Schools*

**Darla Herbold, CPPO**

Purchasing Administrator  
*Howard County*

**Douglas Pindell, CPPB, C.P.M.**

Purchasing Officer  
*Howard County Schools*

**Michael Haifley, CPPO**

State of Maryland  
*Department of General Services*

**Harry H. Bain, CPPO, C.P.M.**

*Regional Purchasing Coordinator*



*Standing (left to right): Myer, Bain, Cramer, Schull, Parker, Hubbard, Smith, Shelton*

*Seated (left to right): Henderson, Herbold, Pindell, Snyder*

*Not pictured: Cox, Groat, Meehan, Codner, Miller, Haifley*