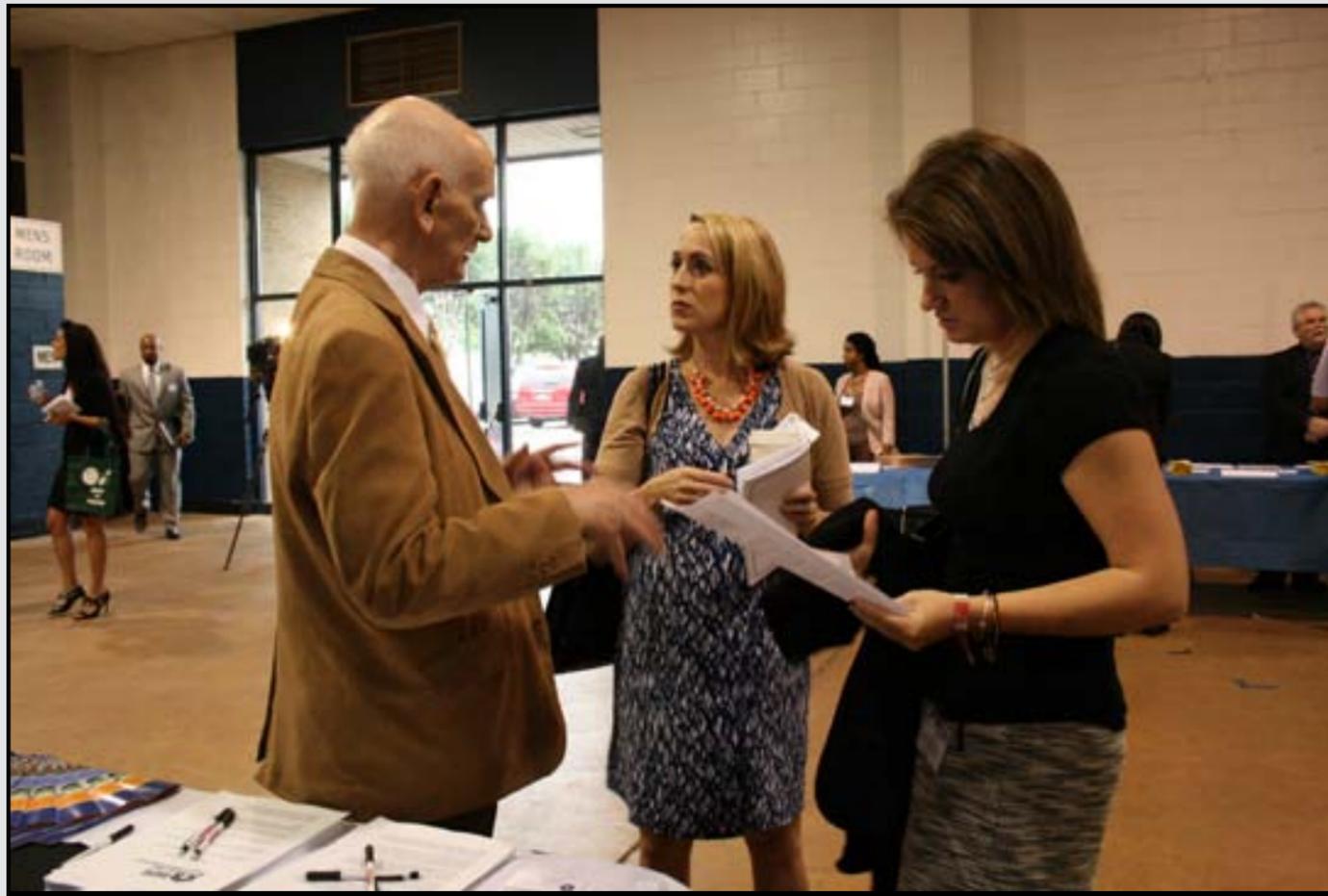


# Baltimore Regional Cooperative Purchasing Committee 2014 Annual Report



Baltimore  
Metropolitan  
Council





The Baltimore Regional Cooperative Purchasing Committee (BRCPC) serves as a centralized purchasing group for more than 21 regional public schools, community colleges, county agencies, cities and towns, and other organizations.

The BRCPC's mission is to identify and establish best practices in pursuing collaborative cooperative purchasing. Its overall goal is to add value for purchasing expenditures, as it seeks new and better ways to reduce costs and save tax dollars for each member jurisdiction, and public schools and colleges.

Continued growth in numbers and positive results within the vendor community encourages the BRCPC's purchasing officials and knowledgeable subcommittees to meet regularly to heighten efforts. Through its subcommittees, the BRCPC works to achieve the goal of obtaining the best value for the tax dollars spent through its programs.

The subcommittees include professionals who possess special procurement knowledge in key areas. This 2014 report features a year-end summary of the following subcommittee activities:

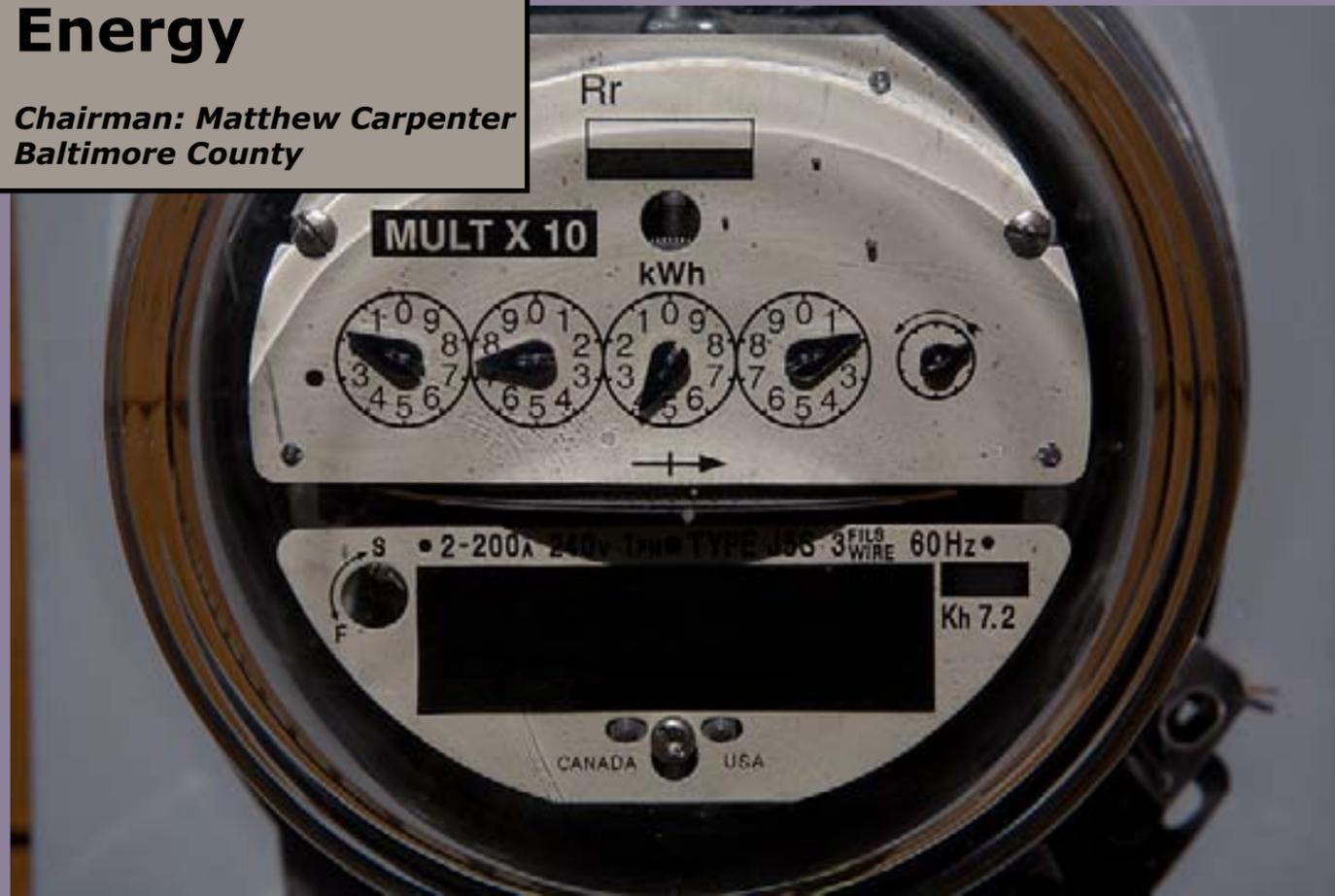
- Energy
- Minority Business Enterprises (MBE)
- Women-Owned Business Enterprises
- The Mid-Atlantic Purchasing Team
- Office furniture
- Public schools
- Public works

Baltimore and Anne Arundel counties, as well as Baltimore City, founded the BRCPC some 50 years ago. The Baltimore Metropolitan Council (BMC) staffs and coordinates the BRCPC.



# Energy

**Chairman: Matthew Carpenter**  
**Baltimore County**



Ongoing management of energy price risk for both electric and natural gas portfolios dominated the efforts of the BRCPC Energy Board during 2014. The board also focused its efforts to meet Maryland's regulatory renewable requirements by developing a solicitation to purchase tier 1 and solar renewable certificates, which will cover up to seven years. Issuance of the solicitation is anticipated in early 2015.

The extreme cold temperatures that occurred from January through March as of a result of a polar vortex had a significant effect on BRCPC's electric and natural gas portfolios, from both a price and consumption standpoint. BRCPC purchased approximately 80 percent of expected usage at a fixed rate, while purchasing the balance on the spot market.

Spot market prices experienced unprecedented levels during the polar

vortex, driven in part by the following market dynamics:

- Insufficient natural gas pipeline capacity to adequately serve space heating load and electric generation during extremely cold days in the Mid-Atlantic/Northeast region.
- Reliability issues with older coal and natural gas plant generators, which are not being adequately maintained because of unfavorable economics. As a result, many were unable to meet production commitments.
- Timing differences between natural gas and electric market daily scheduling and settlements.

Even with historically high spot market prices the electric portfolio managed to come in at just **4.8 percent** above budget on a unit price basis. The natural gas portfolio came in **35 percent** above plan, as a

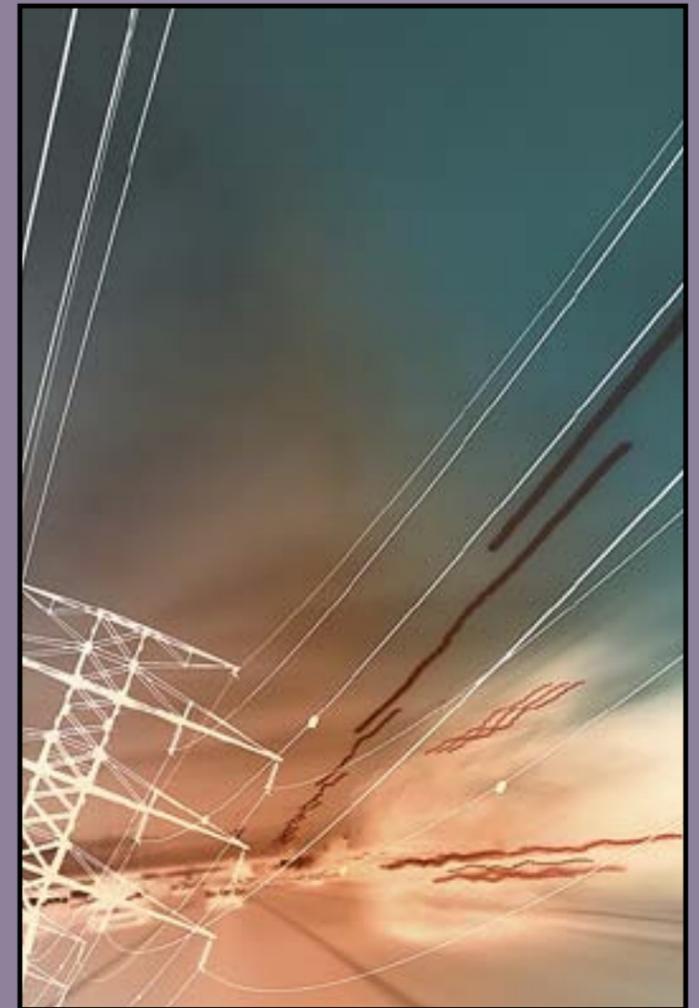
greater percentage of natural gas is consumed during the winter, relative to the rest of the year. Consumption spiked during the coldest days when spot market prices also were at their highest. In addition, BRCPC increased its fixed rate natural gas basis (which produces pipeline capacity) to reduce price volatility for Fiscal Year 2015.

Despite the polar vortex, the electric portfolio managed to generate savings of **\$10.3 million** when compared to the local electric utility's (BGE) standard offer service (SOS) rate for Fiscal Year 2014. The electric portfolio generated savings of **\$95.1 million** when compared to BGE's SOS rates since its inception in June 2006.

The current electric portfolio consists of 1.65 million annual Mega-Watt hours. Total delivered natural gas increased by 20 percent for FY2014 compared to FY2013 as a result of the extreme winter temperatures.

Most of those in the BRCPC energy program also participate in PJM's demand response program. Members receive cash payments if they agree to reduce electric demand during a grid emergency. The rules surrounding the program continue to evolve and change, and BRCPC continues to assist the members with the program through its energy consultant.

The Energy Board remains focused on initiating investigations into cost effective methods of procuring from new local generation sources, including renewable energy. Supporting new generation capacity in Central Maryland helps stabilize and reduce capacity and energy costs for the portfolio as well as the entire region. BRCPC's size and credit standing allow it to play an important role in supporting new capacity efforts for Central Maryland. One initiative, which started during 2013 and continued in 2014, was to research the establishment of an alternative legal entity structure to facilitate a more efficient procurement



process for purchasing power with local resources. Further review and consideration of this alternative will continue during 2015

With the assistance of the consultant, the energy board coordinated educational presentations - from related topics to the personnel of its member jurisdictions. A presentation on best practices in energy management is scheduled for the January 2015 meeting.

# Minority and Woman-Owned Business Enterprises

**Chairman: Richard Gay, CPPO, RSBO, Manager of the purchasing office of the Baltimore County Public Schools**



BRCPC and the Baltimore County Public Schools worked together to host the sixth annual Meet the Primes event at the Maryland State Fairgrounds in Timonium on October 15. Meet the Primes connects minority and woman-owned business enterprises (MBEs) with prime bidders looking for quality partners. The event produced some encouraging statistics, according to those who responded to a post-event survey:

- **92 percent** of MBEs who attended made new usable contacts.
- **29 percent** of general contractors were able to provide work to a MBE they met at the event.
- An additional **25 percent** are actively working to come to agreement with an MBE.
- **78 percent** of MBEs in attendance would recommend Meet the Primes as a valuable networking tool.
- **89 percent** of the primes identified new sub-contractors with which to work.
- **29 percent** of primes issued contracts to sub-contractors who attended Meet the Primes.
- An additional **25 percent** work with sub-contractors but have not yet reached an agreement.
- **77 percent** of primes most likely will participate in Meet the Primes again.



**BALTIMORE COUNTY & BALTIMORE METRO COUNCIL**

*Open for Business*

**MEET THE PRIMES**

6th Annual Meet & Greet

October 15, 2014

8:00 am - 12:00 pm

MD State Fairgrounds-Exhibition Hall  
2200 York Road, Timonium 21093

We are offering a **FREE** opportunity to showcase your business to prime bidders looking for quality partners. Over 100 primes currently working with member agencies will be exhibitors.

Bring your capability statement and references.

**BCPL**  
Baltimore County Public Library

**BRCPC**  
Baltimore County Public Schools

**And Partners**  
Metropolitan Washington Council of Governments  
Montgomery County  
Prince Georges County

Register On-line at:  
<http://meet-the-primes-2014.eventbrite.com>



To be listed in the event booklet, please register before October 9. If you miss the registration, walk-ins are welcome.

Questions:  
Bob Ball [rball@bcps.org](mailto:rball@bcps.org) 410-887-4334  
Carla Tucker [ctucker@baltimorecountymd.gov](mailto:ctucker@baltimorecountymd.gov) 410-887-3119

# Mid-Atlantic Purchasing Team

**Deborah Groat, CPPB, C.P.M. for Anne Arundel Public Schools, served as the liaison with BRCPC and the Chief Purchasing Officers committee of the Metropolitan Washington Council of Governments (MWCOC)**

In 2014, the Mid-Atlantic Purchasing Team (MAPT) began the year with the office supply contract exceeding its final discount tier for aggregated expenditures of **\$8 million**. The current spend rate is at **\$11 million** per year and includes 24 municipalities. This is up from its base year in 2012 that included 4 municipalities and **\$4.3 million** per year. The strength of this procurement is solid evidence of the value and potential for MAPT. The contract for school district agenda books also hit a higher spending threshold that discounted pricing by another 1 percent.

The current list of MAPT contracts includes:

- Bulk Chemicals – Water Treatment
- Calculators
- Football/Lacrosse Equipment
- Grass Seed and Fertilizer
- Office Supplies
- Road Services for Vehicles
- Scantron Testing Forms
- Student Agenda Books
- Vehicle Tires, Cars, Trucks, Equipment

Other MAPT initiatives include the development of a single directory that will list all municipalities in the MAPT community and their respective buyers. A coordinated kick-off of the Metropolitan Washington Council of

Government's Schools Group Subcommittee scheduled for December 11 included the BRCPC's Schools Group Subcommittee members. The first MAPT Green Trade Show is being held on January 29, 2015.

The MAPT region includes the Maryland, Virginia and Washington, D.C. geographic areas. The population, logistics and spending volumes in these areas are key components to attracting the best contractors and best pricing. MAPT leverages that marketing condition to the advantage of all participants and find it is able to compete with larger national consortiums while ensuring that specific regional needs are met.

MAPT is a member driven consortium. Its goal is to continue to evaluate contract requirements for bidding that are in the best interest of member municipalities, and encourage more participation from members to function as a lead on a procurement, thereby capitalizing on a wide range of expertise and best pricing.

## Office Furniture

*Chairwoman: Darla Herbold, CPPO, purchasing administrator for Howard County*

The BRCPC Office Furniture and Equipment contract was established in January 2008 with annual renewal options through December 31, 2015. There are more than 50 vendors across the United States and Canada that were awarded contracts by invitation for bid No. 2008-01 issued by Howard County, Maryland. This tool is very useful for procuring all types of furniture: systems and case goods, school and library seating, and filing systems.

The contract is widely used by governmental and educational entities. Contract usage expanded well beyond the Baltimore region to include the University of North Carolina, University of Missouri,

Milwaukee Public Library, San Francis Child Abuse Prevention, Del Lago Academy in Escondido, California and Cal State.

Spending from January to June 2014 was **\$5.2 million**. Sales for the last six months of the 2014 calendar year are not available at this time; however, the total sales for FY2014 totaled approximately **\$10.9 million**. Ninety-eight public entities used the contract in the first of calendar 2014.

The complete list of manufacturers and vendors holding contracts and the discounts being offered is available on the BRCPC web site. All renewals and changes are handled by the Howard County Office of Purchasing. Sales reports are compiled every six months by the Office of Purchasing, and contract usage is reported to BRCPC semi-annually.

With only one renewal option remaining, the Howard County Office of Purchasing will again take the lead on re-bidding this regional contract. An evaluation committee comprised of BRCPC members will be assembled to revise and update the specifications and evaluate and make a recommendation following receipt of bids.



## Public Schools

*Chairman: Jeff LaPorta, supervisor of purchasing of the Harford County Public Schools*

This sub-committee continues to work together to study and improve procurement operations in each of the member agencies. The discussions during meetings included the exchange of ideas and collaboration of initiatives to enhance operating policy/procedures. The efforts in 2014 helped the districts and improved vendor relationships.

In-depth group discussion and exchange of information on many related subjects continued as the sub-committee reviewed and made adjustments to the member agencies. The items included: sales of surplus property, used musical instruments, prevailing wage law and regulations, signatory authority, advantages and disadvantages of the paper-driven requisition/purchasing systems versus paperless systems, staffing levels, salary trends and legislative auditors.

The sub-committee hosts appropriate vendors for presentations to the group during its meetings. In 2014, presentations were made by Independent Stationers, holder of a national U.S. Communities contract, and the Maryland Correctional Enterprises, a state institution working to rehabilitate prison inmates while providing commodities to government and educational agencies and others.

Members of the group found the U.S. Communities K-12 food contract, established by Washington County Schools, to be competitive and useful for their needs in providing food items to their districts.

The group was active in helping the relationship between BRCPC and its counter-part organization, CPOC, in the Washington, D.C. region. The combined efforts broadened the vision of MAPT, the new identification for multiple regional procurements. As 2014 drew to an end, CPOC is in the process of establishing a public schools sub-committee, modeled after the BRCPC group.

On-going initiatives of the group include lowering of freight costs for small package deliveries. A contract was established to guide the member agencies in the search for discounts in the 15-25 percent range for freight costs. Work continues on a system to analyze data to identify situations where the same vendors are used by multiple members, but differing costs are offered by the vendor.



## Public Works

**Chairman: Mike Decker,  
buyer for Howard County**

The subcommittee completed a bid for water and waste-water treatment plant chemicals in 2014. The process was a MAPT effort and included participation by six entities in the Washington, D.C. and Baltimore regions, including Harford County, the lead agency. Daniel Guthrie, the buyer for Harford County, worked through the entire process to produce the effective results. Other participants included Carroll County, the City of Aberdeen, the Washington Suburban Sanitation Commission, the City of Havre de Grace, and Anne Arundel County.

The contract anticipated approximately **\$ 22 million** in expenditures once awarded by all participants. Based on

comparison with the previous bid, BRCPC and MAPT expect to generate saving in the **\$ 4 million** range.

Due to unanticipated personnel changes affecting the subcommittee, members plan to regroup after the beginning of 2015 and move forward with projects for PavementManagementServices. It continues to explore the potential savings by reaching agreement with the utility services necessary when relocating poles and related services.

Participation is sought by the entities historically active in the subcommittee, Anne Arundel, Baltimore, Carroll, Harford and Howard counties as well as any other interested entity.

## BMC/HGAC Agreement

During 2007, BRCPC entered an agreement with the **Houston-Galveston Area Council (HGAC)** to provide a broader, expedited method for capital equipment needs of our members. Within the document is an agreement to share the contract user fees collected by HGAC. The BRCPC portion of fees is used to offset the cost of outreach to the minority business enterprises and women enterprises community.

When specific equipment is needed by our members, the arrangement provides a process to obtain the item through existing national contracts, working through the BRCPC Coordinator. Most contracts also include a process to use a local vendor as the manufacturer's agent to facilitate, expedite, and deliver. During the past few years, the focus of procurements under the BRCPC/HGAC agreement has been to meet fire, medical and police needs.

## BRCPC Website

The BRCPC website, <http://www.baltometro.org/our-work/cooperative-purchasing-page>, is a part of the Baltimore Metropolitan Council's Internet presence. Our many visitors include vendors, bidders and public purchasers. Website usage reports document hundreds of web page visits each month. Visitors have easy access to BMC member jurisdictions, the State Department of General Services, other national and regional cooperative purchasing sites and appropriate federal contracts through this internet presence.

The website gives each visitor a quick connection to detailed information they seek with the option to review or download. The website proves to be a consistent way to reduce demands on BRCPC staff in researching paper files and producing copies.

## U.S. Communities National Contracts

Jeff LaPorta, of the Harford County Public Schools, serves as a board member to the U.S. Communities (USC), and provides regular updates to BRCPC members.



# Current BRCPC Cooperative Contracts

MAPT contracts are indicated in bold:

- |   |  |
|---|--|
| • Audit Services for Supply Contracts     | Equipment/Trucks                                   |
| • Bottled Water                           | • Office Furniture                                 |
| • <b>Bulk Chemicals</b>                   | • <b>Office Supplies</b>                           |
| Cold Water Meters                         | • Painting Service, On-Call                        |
| • Corrugated Pipe                         | • Paving, On-Call                                  |
| • Discounted Materials of Instruction     | • Procurement Cards                                |
| • Electronics Recycling Service           | • Pump, Motor Equipment                            |
| • Employee Life Insurance                 | Maintenance  |
| • Fencing (Highways & Buildings)          | • Reverse Auction Services                         |
| On-Call Services                          | • <b>Road Service</b>                              |
| • Fire Extinguisher Maintenance           | • Rock Salt  |
| • Fire Hydrant Parts                      | • <b>Scantron Forms</b>                            |
| • Fire Sprinkler Systems                  | • Snow Plow Blades                                 |
| • <b>Football/Lacrosse Reconditioning</b> | • <b>Student Agenda Books</b>                      |
| • Freight/Logistics Services              | • <b>Texas Instrument Calculators</b>              |
| • Glass Beads                             | • Traffic Signs                                    |
| • <b>Grass Seed &amp; Fertilizer</b>      | • Traffic Signal Construction Services             |
| • Gray Iron Castings                      | • UV Lamps   |
| • Guard Rail Services                     | • <b>Vehicle Tires, Auto, Truck,<br/>Equipment</b> |
| • High Performance Cold Mix               | • Vehicular Batteries                              |
| • Ice Melting Chemicals                   |  |
| • IT Staff                                |  |
| • Large & Specialty Lamps & Ballasts      | <b>Energy Contracts</b>                            |
| • Masonry Services, On-Call               | • Electricity Supply Services                      |
| • Mixed Scrap Metal & White Goods         | • Energy Consultant Services                       |
| • Modular Classrooms, Purchase            | • Heating Fuel                                     |
| • Modular Classrooms, Lease               | • Natural Gas Supply Services                      |
| • Moving Services                         | • Power Purchase Agreement                         |
| • OEM Parts & Service for Heavy           |  |

# Baltimore Regional Cooperative Purchasing Committee Representatives

Anne Arundel County  
**William Schull, CPPB, C.P.M.**  
Purchasing Agent  
**Diana Cox, CPPB, C.P.M.**  
Assistant Purchasing Agent

Anne Arundel Public Schools  
**Deborah Groat, CPPB, C.P.M.**  
Purchasing officer  
**William Hubbard, CPPB**  
Senior Buyer

City of Annapolis  
**Brian Snyder, CPPO**  
Purchasing Agent

Baltimore City  
**Timothy Krus**  
Purchasing Agent

Baltimore City Public Schools  
**Jeff Parker**  
Director of Purchasing

Baltimore County  
**Deborah Meehan, CPPB**  
Chief of Purchasing Services

Baltimore County Public Schools  
**Richard Gay, CPPO, RSBO**  
Purchasing Manager

Carroll County  
**Michael Myers**  
Chief of Purchasing

Carroll County Public Schools  
**Nancy Codner, CPPB**  
Purchasing Officer

Harford County  
**Deborah Henderson**  
Director of Procurement

Harford County Public Schools  
**Jeff LaPorta, CPPB**  
Director of Purchasing

Howard County  
**Darla Herbold, CPPO**  
Purchasing Administrator

Howard County Public Schools  
**Douglas Pindell, CPPB, C.P.M.**  
Purchasing Officer

State Department of General Services

Baltimore Metropolitan Council  
**Harry H. Bain, CPPO, C.P.M.**  
Regional Purchasing Coordinator

# BRCPC 2015 Objectives

- Continue to seek further cost reductions and cost avoidance opportunities.
- Enhance on-going contacts with regional purchasing officials to identify additional cooperative purchasing efforts.
- Maintain regular meetings of the Energy Board to monitor electricity and natural-gas rates, assuring savings and managing risk in procuring energy needs.
- Meet with the public schools group to encourage new efforts unique to the educational environment.
- Work to invigorate the meetings of public works buyers and to identify new opportunities for the region.
- Complete MAPT structure and operating processes and contracts to extend cost reduction opportunities in the Mid-Atlantic.