



V.A.L.U.E. IN LOCAL GOVERNMENT
Cooperative Purchasing Program
Of Southeastern Wisconsin

www.value4gov.org

Volume Acquisition & Large Uniform Expenditures

FEBRUARY 2011

**V.A.L.U.E. IN LOCAL GOVERNMENT'S
20TH ANNUAL MEETING**

Please mark your calendars for March 10 & 11, 2011 and plan on attending V.A.L.U.E. in Local Government's 20th Annual Meeting! This is again another great opportunity to join in with other public purchasers to keep up with what's going on in public procurement and within the V.A.L.U.E. organization.

This year, our agenda includes focusing in on Disaster Planning and what V.A.L.U.E. in Local Government, in cooperation with the Southeastern Wisconsin Emergency Management Group, is doing to help agencies deal with disaster situations. Our agenda will also include an update on our bids available to member agencies, an auto industry update from the Ewald Automotive Group and an Office Max rep will be in to talk about V.A.L.U.E.'s new Office Supply Contract.

During the Thursday afternoon session, there'll be speakers sharing their experience with Disaster Programs, Procurement and Reporting Requirements during and after an emergency.

All members are welcome to attend both days of this meeting and for those attending both days, on Friday you will get the chance to learn about Reverse Auctions and how this process works. You'll also learn about multifunctional devices (machines such as copy and fax machines) and how these machines store data and what you should be concerned about especially when it comes to replacing these machines.

Helen McCain, Director from the State Bureau of Procurement will also be providing an update to us on what the state is doing with bid templates, existing contracts and current solicitations. The entire two days should prove to be very informative for all in attendance. Please see the agenda for more details.

In closing, I'd like to welcome our new members and express my sincere thanks to all the members of V.A.L.U.E. for their participation in our organization; especially to the individuals who have done the work of developing the V.A.L.U.E. Cooperative and Piggybacking Bids/Contracts for our members to use. I'd also like to thank the members of the Planning Committee for all their efforts that go into running this fine organization and also for planning our annual meeting event. It's the work of many that makes all that we do and offer possible.

See you all soon!

Bill Kurer
Washington County &
V.A.L.U.E. in Local Government Chairperson

WELCOME

**V.A.L.U.E. WOULD LIKE TO WELCOME THE
FOLLOWING AGENCIES THAT HAVE JOINED
OUR ORGANIZATION SINCE FEBRUARY 2010**

- Door County**Shirley Scalish, Connie Mathey, April Geisel
- City of Fond du Lac**Eileen Baus, Hal Wortman
- Town of Holland**..... Sharon Claerbaut, Don Becker, Martin Elmer
- School District of Johnson Creek**..... Michael Garvey, Linda Moke
- School District of Lodi** John Griffing
- Town of Merton** Susan Oman, Tim Klink
- Village of Waterford**.....Rebecca Ewald, Kim Dros, Vikki Zuehlke, Lori Peterneu
- Town of Wayne** Julie Kriewaldt, Carl Kiemne

V.A.L.U.E. / WAPP ANNUAL MEETING
March 10-11, 2011
RADISSON HOTEL
N14 W24140 Tower Place, Pewaukee WI 53072
Meeting Rooms: Lake Nagawicka & Lake Okauchee
(I-94, Exit 294-SR164 N, Left on Tower Place to Hotel)

AGENDA

THURSDAY, MARCH 10, 2011

- 8:00 a.m. **REGISTRATION AND CONTINENTAL BREAKFAST** – Barb Weller, CPPB, Buyer Assistant-City of West Allis and Laurie Dudley, Purchasing/Risk Management- School District of Waukesha
- 8:30 a.m. **WELCOME** – Dan Vrakus, Waukesha County Executive
GREETINGS AND INTRODUCTIONS - Bill Kurer, CPPB, CPPO, Purchasing Agent - Washington County
- 8:40 a.m. **V.A.L.U.E. ANNUAL BUSINESS MEETING** - Bill Kurer, CPPB, CPPO, Purchasing Agent – Washington County
- New Member Recognition and Participation Awards-Karen Bollinger, CPPB, Senior Buyer-Waukesha County
 - Treasurer’s Report-JoAnne Jacobson, Business Manager Secretary-Port Washington/Saukville School District
 - Election of Treasurer—Nominee: JoAnne Jacobson
 - Election of Chairperson—Nominee: Bill Kurer
- 9:00 a.m. **YEAR IN REVIEW** -Bill Kurer, CPPB, CPPO, Purchasing Agent-Washington County
 Bill will provide a brief update on our strategic plan and discuss V.A.L.U.E.’s focus on disaster planning efforts and how the Planning Committee is working together to develop a list of resources that agencies may call on in a disaster situation.
- 9:15 a.m. **OPEN FORUM DISCUSSION/BID REPORTS**
 V.A.L.U.E. CONTRACT LISTING (included in registration folder) - Karen Bollinger, CPPB, Senior Buyer, Waukesha County
- 9:45 a.m. **BREAK**
- 10:00 a.m. **AUTO INDUSTRY UPDATES**—Scott Kussow, Director of Commercial and Fleet Sales, Ewald Automotive Group
- 11:00 a.m. **OFFICE SUPPLIES**—Claudia Hughes, Vice President-National Accounts, Office Max
- 12:00 p.m. **NETWORKING LUNCHEON**– Thunder Bay Grille-Pewaukee
- 1:00 p.m. **WAPP WELCOME AND INTRODUCTIONS**-Monette A. McGuire, CPPB, WAPP President, Buyer, City of Madison
- 1:15 p.m. **EMERGENCY MANAGEMENT 101**– David Maack, CEM, Racine County Emergency Management Coordinator
 An overview of what Emergency Management is and Municipal and County responsibilities.

- 1:30 p.m. **PROCUREMENT & REPORTING REQUIREMENTS DURING & AFTER AN EMERGENCY**
Joe Heinrich, Disaster Recovery Planner with Wisconsin Emergency Management
Record keeping and FEMA reimbursements. Information about the documentation and forms that are required in a disaster situation.
- 2:30 pm **BREAK**
- 2:45 P.M. **A DISASTER STORY** – Carl Stenbol, Administrator, Milwaukee County Sheriff Emergency Management Division & Desiree Matel-Anderson, Office of Homeland Security, Fiscal & Compliance Monitor
2010 Milwaukee County flooding.
- 3:15 P.M. **EMERGENCY PURCHASING IN TIME OF A DISASTER**-Laura Schnicke, Project Assistant, Milwaukee County Special Needs Emergency Shelter.
What happens after the immediate crisis is over and what supplies are needed? How are they obtained?
- 4:00 p.m. **ADJOURNMENT** - WAPP Past Presidents Committee Meeting
- 5:30 p.m. **NETWORKING DINNER** – On your own

FRIDAY, MARCH 11, 2011

- 7:30 a.m. WAPP Co-op Committee & Standards Group Committee Meeting
- 8:00 a.m. **REGISTRATION AND CONTINENTAL BREAKFAST**
- 8:30 a.m. **REVERSE AUCTIONS** – Matthew Miller, General Manager, K2 Sourcing
Learn how reverse auctions can generate lower total purchasing costs and save you valuable time.
- 9:45 a.m. **BREAK**
- 10:00 a.m. **MULTIFUNCTIONAL DEVICE SECURITY** – Mary K. Morrow, Wisconsin Region Vice-President, Xerox Corporation
Protecting your organization's sensitive information as it relates to multifunctional device use.
- 10:30 a.m. **COOPERATIVE UPDATE** – Bob Anderson, WTCS Purchasing Consortium
What's next? Explore cost effective ways to use the NIGP codes for the WAPP membership, maybe another survey opportunity for the committee.
- 11:00 a.m. **STATE PROCUREMENT UPDATES** – Helen McCain, Director, State of Wisconsin DOA
Helen will provide a brief update on existing contracts, current solicitations and the new bid template that will be used by the State. Helen will also discuss the revisions made to the terms and conditions of all future solicitations and contracts.
- 12:00 p.m. **WAPP BUSINESS MEETING**-Monette A. McGuire, CPPB, WAPP President, Buyer, City of Madison
- 12:30 p.m. **ADJOURNMENT – NETWORKING LUNCHEON** – Thunder Bay Grille-Pewaukee

**V.A.L.U.E / WAPP ANNUAL MEETING
MARCH 10-11, 2011**

REGISTRATION FORM

A block of rooms has been set aside at the Radisson Pewaukee, N14 W24140 Tower Place, Pewaukee, WI 53072 for the nights of March 9th & 10th. Make reservations by calling 800-395-7046 no later than February 16, 2011. Single: \$80. Tax will not be charged with proof of tax exemption.

Registration Information (Registration fees include continental breakfast & lunch)

Name: _____ Both Days \$50
 Agency: _____ Thursday Only \$30
 E-Mail Address: _____ Friday Only \$30

_____ I will attend **Both Days**. _____ I will attend **Thursday Only**. _____ I will attend **Friday Only**.

Thursday Continental Breakfast: _____ I will attend _____ I will not attend

Thursday Lunch Selection (choose one)

- _____ **Chicken Linguine** - Grilled chicken breast and fresh vegetables sautéed in olive oil, garlic, lemon & white wine tossed with linguine and Asiago cheese.
- _____ **Corned Beef Reuben** - Thinly sliced corned beef on grilled marble rye w/melted WI Swiss cheese, sauerkraut & Thousand Island dressing. Also select one side dish: French fries, homemade chips or fresh fruit.
- _____ **Signature Seafood Jambalaya** - Large shrimp, mild sausage w/tomatoes, green peppers, onions & spices in a hearty rice blend w/fresh corn bread.
- _____ **Salad Bar** - Selection of fresh vegetables, lettuce, cheese, fruit, dinner roll & soup
- _____ **1/2 Sandwich w/soup** - Choose your favorite 1/2 sandwich w/one of these delicious soups or a house salad
1/2 sandwich: Chicken Taco, Club Wrap, Chicken Salad, B.L.T.B., Salmon B.L.T
Soups: Baked Potato, French Onion, Chicken Rojo, Chicken Noodle or a House Salad
- _____ **I will not attend**

Thursday night's group dinner - pay at restaurant - not included in registration fee.

_____ I will attend _____ I will not attend

Friday Continental Breakfast: _____ I will attend _____ I will not attend

Friday Lunch Selection (choose one)

- _____ **Club Wrap** - Pepper roasted turkey, applewood bacon, provolone cheese, lettuce, tomato & garlic mayonnaise in a tomato basil tortilla. Also select one side dish: French fries, homemade chips or fresh fruit.
- _____ **Black Angus Burger** - Fresh ground Angus steak, seasoned and charbroiled to your liking, served on a Kaiser roll. Also select one side dish: French fries, homemade chips or fresh fruit.
- _____ **Fish Fry** - Crispy breaded Atlantic cod, w/French Fries, Cole Slaw, Lemon, Tartar sauce & rye roll.
- _____ **Salad Bar** - Selection of fresh vegetables, lettuce, cheese, fruit, dinner roll & soup
- _____ **1/2 Sandwich w/soup** - Choose your favorite 1/2 sandwich w/one of these delicious soups or a house salad.
1/2 Sandwich: Chicken Taco, Club Wrap, Chicken Salad, B.L.T.B., Salmon B.L.T.
Soups: Baked Potato, French Onion, Chicken Rojo, Clam Chowder or a House Salad
- _____ **I will not attend**

Make checks payable to:
WAPP

Send registration form and payment by March 1, 2011 to:

If you have any questions, contact Barb Weller at
414-302-8300 or bweller@westalliswi.gov

Barb Weller
City of West Allis
7525 W Greenfield Ave
West Allis, WI 53214

**STUDY HAILS USE OF ONLINE
REVERSE AUCTIONS**

By Robert Brodsky, January 3, 2011 www.govexec.com

The expanded use of online reverse auctions is creating significant cost savings for taxpayers and major efficiency improvements for federal contracting officials, according to a survey released in late December 2010.

The study, the first of its kind, examined the recent expansion of reverse auctions -- a process in which contractors bid against one another by offering lower bids to drive down prices -- at the Customs and Border Protection bureau (CBP). Reverse Auction Research Center, an online research site, carried out the survey, which was funded by FedBid, Inc., the reverse auction marketplace CBP uses.

Conducted in the summer of 2010, the survey interviewed 37 contracting officials at CBP, among the most active federal agencies in utilizing reverse auctions. More than 90 percent of participants gave the tool high marks, citing lower acquisition costs, greater competition and a more streamlined buying process.

"Online reverse auctions offer a simple tool for government buyers to clear their desks of simple purchases for commodities and basic services, so they can focus their time and energy on more complicated purchases, direct interaction with their customers and sellers, and other value-added efforts," said David Wyld, a professor of management at Southeastern Louisiana University and the study's author.

Diane Sahakian, assistant director of contracting operations at CBP, expects reverse auctions to "revolutionize" aspects of the federal procurement system. "This will change the way buying is done for commodities and simple services," she said. "Within two years, this will be the norm and the way things are done."

In each of the 15 categories surveyed, the contracting official said they preferred reverse auction to traditional procurement methods. Some of the highest grades were for categories such as time savings, managing questions from sellers and ease of use.

"The hidden value from most reverse auctions may not be the savings in money but the savings in time," Wyld said. "With flat staffing and ever-increasing responsibilities, most government procurement offices are being squeezed in a productivity vise, without enough hours in the day to manage the needs of the agency."

The survey found that CBP used the auctions to purchase commodities such as information technology, vehicles and communications equipment. CBP also used reverse auctions to buy custodial services, administrative support, and maintenance and repair work.

Note: On Friday, March 11, 2011, as part of the V.A.L.U.E./WAPP annual meeting, Matthew Miller from K2 Sourcing will present a demo of a online reverse auction as well as discuss the benefits of using reverse auctions.

Submitted by
Robert Barwick, CPSM, CPPB
City of West Allis

CAN SUPPLIER CONSOLIDATION TRULY SAVE CASH?

PurchTips - Edition # 222 January 25, 2011

**By Charles Dominick, SPSM, SPSM2
www.nextlevelpurchasing.com**

Is Savings Through Supplier Consolidation A Myth?

Reducing the number of suppliers they do business with is a common procurement department goal. Driving it is the belief that supplier consolidation saves money.

But does supplier consolidation truly save money? The answer is "maybe." Simply reducing the number of suppliers you use does not, by itself, save money. Supplier consolidation only saves money when at least one of the following three results is realized:

Result #1 - Headcount is reduced. Procurement, accounts payable, and receiving staff all deal with suppliers. So having fewer suppliers to deal with should mean that a proportional decrease in headcount - and, thus, personnel costs - is warranted, right? You may argue that having fewer suppliers will free up procurement professionals to do more strategic work. And your thinking would be safe if Result #2 is true.

Result #2 - The consolidated spend is leveraged and lower prices are negotiated. It's Procurement 101: the more volume of business you do with a supplier, the higher discounts you should be eligible for. With the same volume being supplied by fewer suppliers, you should be pushing for and receiving lower prices.

Result #3 - Work billed on a per-supplier basis is reduced. I can't think of many examples where you incur and can associate a common cost with each supplier. One thing that comes to mind is the pending legislation in the USA that will require businesses to file a 1099 form for every supplier with whom they spend \$600 or more per year. Companies are likely to outsource this annual work. So, because there is a specific task done for each supplier, fewer suppliers will mean fewer tasks done which will mean lower costs.

It should now be clear that supplier consolidation is a means to an end, not an end in itself. If you have imple-

mented, or are considering implementing, a supplier consolidation goal, be sure to have a plan on how you will direct your supplier consolidation to produce these results. If you are just doing supplier consolidation for the sake of having a lower number of suppliers, you're doing it for the wrong reason.

Submitted by,
Robert Barwick, CPSM, CPPB
City of West Allis



E-CYCLE WISCONSIN PROGRAM INCREASES RECYCLING AND REDUCES LOCAL GOVERNMENT COST

In 2005 V.A.L.U.E partners, coordinated by Waukesha County, put together the first service RFP for computer recycling. The resulting contract with Cascade Asset Management was used by more than 20 local and county governments and school districts to properly recycle old computers from municipal offices and several residential recycling drop-off sites. The program was very successful, resulting in recovery of over 1.17 million pounds of computers and related equipment. However, most communities continued to have very limited residential recycling opportunities for electronics, especially for TVs, and the cost of the successful voluntary collection was becoming a burden on municipalities.

In 2010, a new law took effect that created the E-Cycle Wisconsin program to collect and recycle certain residential electronics including TVs, computers, printers & accessories, video players, and fax machines. These items can no longer be disposed of in Wisconsin landfills.

The law is based on a **product stewardship** approach, which assigns primary responsibility for collection and recycling to the manufacturer. Requirements for manufacturers, recyclers and collectors ensure that recycling is done in an environmentally sound manner and can be

tracked. Manufacturers must meet recycling goals each year so they have an incentive to form partnerships and contracts with recyclers to collect and process electronics.

As a result of new market forces set into motion by the law, V.A.L.U.E. partners were again able to coordinate a bid for services that took effect June 1, 2011. This time rather than a 22 cent per pound fee to process residential and school computers, the winning company, Materials Processing Corporation in Mendota Heights, MN, offered a revenue of 4 cents per pound for all residential electronics covered under the law.

In just 6 months, the positive environmental and economic effects of the law are evident. Waukesha County communities have been able to expand from collecting computers only at 3 locations to collecting all covered electronics at 7 locations. Total pounds of residential electronics increased 64% from 304,000 pounds (152 tons) in 2009 to 500,000 pounds in 2010 (250 tons). Estimated cost savings over the prior program is more than \$65,000 annually for computer recycling only plus an estimated annual revenue of \$25,000 under the MPC contract. Total estimated cost savings/revenue over the prior program is expected to be over \$90,000 annually.

The City of Milwaukee has a similar story. In 2009 they collected 457,037 pounds of residential computers for recycling at their self-help stations at a cost of over \$98,000. They collected 1.085 million pounds in 2010 (130% increase), adding TVs and other banned items on July 1. Revenue received under the new contract for 6 months was \$29,300. Total estimated cost savings/revenue over the prior program is expected to be over \$160,000 annually.

Under E-cycle Wisconsin more electronics are getting recycled responsibly, collection programs are more convenient for residents, and municipalities are realizing significant cost savings- now that's success!

Submitted by,
Karen Fiedler
Waukesha County
Solid Waste Supervisor



WHY CRACK SEAL?

Maintenance departments are under siege trying to keep up with pavement cracks and pothole repairs. Prevention is much cheaper than repair. Research shows that active crack sealing programs are cost effective in extending the life of pavement as opposed to the cost of extensive pavement repairs for streets left unsealed. Traditionally, crack sealing has been low on the priority list, both in terms of funding and time allotments. However, an effective crack sealing program is the single best weapon against pavement failure.

V.A.L.U.E. in Local Government rebids crack sealant material every four months. Go to our website at www.value4gov.org to see the latest pricing available.



STAINLESS STEEL PIPELINE REPAIR CLAMP CONTRACT

When it is freezing cold and the main water line is broken, and water is filling the street, turning to ice, whom are you going to call? That's right, V.A.L.U.E.

The 2007 contract for Stainless Steel Repair Clamps has been extended until June 2012 with the vendor, **PowerSeal Pipeline Products**. Please go to the V.A.L.U.E. website for a price schedule and ordering information. **Here is a list of those agencies that have participated in the V.A.L.U.E. Repair Clamp bid in the past few years.**

- | | |
|-------------------------|---------------------------|
| City of Brookfield | Brown Deer Water Utility |
| Cedarburg Light & Water | Cudahy Water Utility |
| Fox Point Water Utility | City of Glendale |
| Grafton Water Dept. | Menomonee Falls Water |
| Dept. City of Milwaukee | Oak Creek Water |
| City of Port Washington | Racine Water & Wastewater |
| Village of Shorewood | Waukesha Water Utility |
| City of Wauwatosa | City of West Allis |

**MONTHLY PLANNING
MEETING SCHEDULE**
Held at West Allis City Hall

April 20	August 17
May 18	September 21
June 15	October 19
July 20	November 16

Planning Committee:

Robert Barwick.....City of West Allis
 Jim Bembenek.....City of Wauwatosa
 Karen Bollinger..... Waukesha County
 Vera Butts.....Social Dev Commission
 Nick Cramer Walworth County
 Laurie Dudley Waukesha Schools
 Dawn Gurda WI State Fair Park
 Roy Hartmann Washington County
 Sung Ye Jacobs Milwaukee County
 Diane Kelly Racine County
 Bill Kurer..... Washington County
 Winona Marshall..... City of Milwaukee
 Victoria Nash.....WCTC
 Anissa Perkins..... Milwaukee County
 Angelique Pettigrew . City of Milwaukee

Webmaster:
 Chris Hubbard

Membership:
 Barb WellerCity of West Allis

Newsletter Editor/Publisher:
 Barb WellerCity of West Allis

WEBSITES

V.A.L.U.E. in Local Government
www.value4gov.org

Wisconsin Association of Public Purchasers
www.wapp.org

National Institute of Governmental Purchasing, Inc.
www.nigp.org

Vendornet
vendornet.state.wi.us

V.A.L.U.E. Membership Information
 Send agency / member corrections or additions to:
bweller@westalliswi.gov
 414-302-8321 (fax)

2011 BID CALENDAR

Ambulance & EMS Billing/Collection Services..... City of Wauwatosa
 Ammunition..... Waukesha Cty
 Batteries Waukesha Cty
 Copy Paper.....Waukesha Schools
 Crack Sealer..... City of West Allis
 Electronic Recycling Waukesha Cty
 Gasoline, Diesel, Fuel ... Waukesha Cty
 Office Supplies Waukesha Cty
 Procurement Card Waukesha Cty
 Repair Clamps..... City of West Allis
 Shredding Services Waukesha Cty
 Vehicles, Law Enforcement Waukesha Cty
 Vehicles, Light Trucks & Automobiles Waukesha Cty



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