

**Minutes of the Meeting**  
**New York State Procurement Council**  
**February 14, 2013 - 11:00 A.M.**  
**Meeting Room6**  
**North Concourse**  
**Empire State Plaza**  
**Albany, NY**

**I. Call to Order**

John Traylor, Chief Procurement Officer for the New York State Office of General Services, called the meeting to order and thanked everyone for attending.

**II. Minutes of Meetings**

Mr. Traylor asked Council members for additions or corrections to the draft minutes from the November 29, 2012 meeting. There being no changes offered, a motion to adopt the draft minutes was made, seconded and passed unanimously.

**III. Old Business**

**Appendix A Update**

Mr. Traylor advised that at the November 29, 2012 meeting the topic of amending Appendix A to provide standardized Iran Divestment Act language had been discussed. Mr. Traylor reminded members that the Council previously agreed that Appendix A amendments would be limited to once per year in order to minimize confusion regarding version control; a vote to modify Appendix A was being tabled to the last Council meeting, tentatively scheduled for November 26, 2013. Standardized Iran Divestment Act language for contract documents, or assignments, is available on the OGS Website.

**IV. Procurement Related Legislation**

Anne Phillips, OGS Deputy Counsel & Director of Legislative Affairs, advised that one procurement related amendment has been advanced --Part P of the Public Procurement and General Government Bill Article 7. The amendment adds additional language to the discretionary buying thresholds presently used for purchases from Small, Certified Minority or Women-Owned Businesses, or for Recycled or Remanufactured commodities or technology, to include food grown, produced, or harvested in New York State or food manufactured or processed into food products in facilities located within New York State, in an amount not exceeding \$200,000, without a formal competitive process. Ms. Phillips advised that she will keep the Council apprised of the status of this amendment, as well as any other procurement-related legislation that makes significant progress.

**V. NYS Purchasing Forum – 2013**

Anne Samson, Assistant Director – Administration, advised that OGS will be partnering with the Office of the State Comptroller (OSC) this year to host the State Purchasing Forum – May 15 and 16, 2013. Presently, 21 classes are scheduled covering a broad range of procurement related topics. Thus far one-third of the contractor exhibitor booths have been booked, and all booths are expected to be filled before the Forum. OGS is also looking forward to significant participation from Preferred Source representatives as well. Anyone that has questions may contact Anne Samson.

Mr. Traylor added that notifications will be sent via e-mail to local government partners in the next few weeks as a “Save the Date” advisory; the OGS website will open in early March to invite people to register for this event. As in years past, the exhibitor portion of the Forum is intended for contractors that hold existing centralized contracts. The Forum is a good opportunity to network with procurement professionals, attend training at no cost to agencies and share information with suppliers.

**VI. Procurement Transformation Project / Strategic Sourcing**

In January OGS launched extensive procurement transformation efforts internally, focusing on improving the operating model used to reduce the cycle times required to get contracts in place, as well as looking at a number of issues related to business processes including Terms and Conditions, and processes for interacting with OGS customers and the thousands of suppliers on OGS statewide contracts. NYSPRO is also looking at trying to leverage technology to a much greater extent. With the Statewide Financial System (SFS) now operational, NYSPRO is looking forward to activating a number of its procurement modules as a next step in moving forward with statewide Enterprise Resource Planning (ERP). NYSPRO looks forward to creating online bidder portals to accept electronic bidding announcements and conduct electronic bidding, as well as streamlining organizational structure and both internal and external communications. The Commissioner is fond of saying that NYSPRO needs an extreme makeover of its website to make it both business and customer friendly; this will likely be one of the major projects embarked on this year.

NYSPRO will be establishing a number of advisory groups to interact with our stakeholders to obtain their input and reaction to proposed changes. A number of Procurement Council members have been contacted; your feedback, as our partners, is very important to us as we move through this process in the next few years. This process is transformational in terms of delivering value and services to the taxpayers who are our shareholders in the procurement process. In the future we will have a formal presentation to bring Council up-to-date on all of these efforts.

**VII. Preferred Source Recommendations under OGS Standing Authority**

Mary McGinty, Director of Contract Management, has recently assumed responsibility for the Preferred Source Program. Ms. McGinty advised that during this most recent reporting period, one Preferred Source application has been approved for a 50 gallon rain barrel(s). This product is made from 100% recycled materials and features a spill control top, multiple overflows, flash overflow channel, a linking kit, and dual spigot access. Madison Cortland ARC will be the provider of this item which will be available to all state agencies. It is anticipated that this commodity will provide jobs for one or two individuals with disabilities and annual sales volume of \$50,000.

**VIII. Preferred Source Applications Requiring Procurement Council Approval**

Mr. Traylor provided an update on the denial of NYSID's application for Preferred Source status on 30% recycled copy paper, less than truckload lots. On December 27, 2012, NYSID, as allowed under statute, appealed this denial directly to the Commissioner of General Services, and on February 22, 2013, the Commissioner upheld this appeal on that award subject to specific conditions outlined in the letter to NYSID (in Member packets). Conditions reflect prior discussion at the Council meeting requiring NYSID restriction of application to two zones, and requiring Council review before any expansion of this commodity. OGS will be performing on-going monitoring of bid pricing as the application sales move forward. By letter dated February 12, 2013, NYSID agreed to these conditions, and OGS approved the application. Mr. Traylor opened the topic for discussion.

Mr. Haggerty, Veterans Advocate, NYS Council of Veterans Organizations, apologized for having missed the November meeting and advised that he would have voted in favor of the application. Approval of this application will provide more jobs for veterans and people with disabilities, and Mr. Haggerty commends OGS for granting the appeal.

Ron Romano, President & CEO of NYSID, publicly thanked OGS on behalf of the individuals who will be provided employment as a result of this approval and invited members of the Council to visit the site to see the operation. If anyone is interested please contact Mr. Romano and he will arrange for the visit.

**IX. Open Council Discussion**

David Russo, Director, OMH Consolidated Business Office, asked how the HBITS (Hourly Based Information Technology Services) contract is working and what alternatives may be available if OGS is not able to meet the timelines provided, citing the approaching end of the fiscal year. Mr. Traylor advised that HBITS is a new contract strategically sourced and put in place last year to create efficiency in placing hourly-based IT staff used fairly extensively by NYS agencies and other authorized users. This contract has created a pool of 25 vendors, 20 of which are active at one time, and has also created a managed service provider layer run by NYSPRO which oversees individual task orders. This contract has saved significant money and reduced the cycle time from 18 months to less than 30 days with an average of about 25 days for candidates that are applying. NYSPRO has successfully processed 375 task orders thus far.

A number of authorized users' existing contracts have been extended to March 31, 2013; staff anticipates transitioning those agencies to HBITS and are actively working with those agencies. Where there is a knowledge transfer issue that may create problems from an operational perspective, agencies are developing a plan to advise OSC that xx number of people have switched out and include a time frame of when these other people will move over to the new contracts.

Charlotte Breeyear, representing OSC, advised that we are approaching the traditional year-end crunch and that OSC is working to maximize contract approval. This year the SFS transition is further impacting events. OSC has issued a number of bulletins to ensure that all required data entry is done expeditiously.

Nancy Fisher, Empire State Development (ESD) representative, asked what the scope of the HBITS contract is and if there are plans for the development of further type of IT consulting contracts. Traylor advised that HBITS is intended to provide hourly-based IT staff who perform operating maintenance ; this contract was not developed to address project deliverable IT work. Those types of contracts are based on specific deliverables and outcomes, and will continue to be done primarily at the agency level since that is where the expertise resides. With consolidation of the new IT Services entity, NYSPRO has had conversations about what type of contract vehicles are needed to meet the IT needs of specific agencies.

There being no additional questions a motion was made to adjourn the meeting; seconded and approved. The meeting adjourned at 11:40 a.m.

**Members in Attendance on February 14, 2013:**

- |                            |                               |
|----------------------------|-------------------------------|
| James Bays – Ag & Mkts     | Thomas Hippchen - SUNY        |
| Andrew Bechard – ITS       | Michael Hurt – DOCCS          |
| Charlotte Breeyear – OSC   | Gerard Minot Scheurmann - DOB |
| Yrthya Dinzey-Flores – CDO | David Russo – OMH             |
| Nancy Fisher – ESD         | John Traylor – OGS            |
| Mary Beth Hefner – DOH     |                               |

**At-Large Members in Attendance:**

- |  |                       |
|--|-----------------------|
| James Haggerty – NYS Council of Veterans Organizations | Ronald Romano - NYSID |
| Richard St. Paul – Local Government Representative     |                       |

**Members Absent:**

- Robert Coyner – OPWDD

**At Large Members Absent:**

- |  |  |
|--|--|
| Edul Ahmad – The Ahmad Group                   | Rashida Mendes – RM Capital LLC                          |
| Richard Healy – President & CEO IBNYS(retired) | Gregory Weston – Pillsbury, Winthrop, Shaw, Pittman, LLP |

**Also in Attendance:**

- |                    |                     |
|--------------------|---------------------|
| Mary McGinty – OGS | Anne Phillips - OGS |
|--------------------|---------------------|

**NYS PROCUREMENT COUNCIL  
VOTING RECORD**

**Meeting Date:**

February 14, 2013

**Question, Motion, or Issue:**

Meeting Minutes – November 29, 20122

MEMBER	VOTE			
	AYE	NAY	ABSTAIN	ABSENT
<b>Commissioner of General Services</b> John Traylor (Anne G. Phillips) (Don Greene)				
<b>Chief Diversity Officer</b> Yrthya A. Dinzey-Flores	x			
<b>Office of the State Comptroller</b> Margaret Becker (Charlotte Breeyear)	x			
<b>Director of the Budget</b> Susan Knapp (Gerard Minot-Shermann)	x			
<b>Commissioner of Economic Development</b> Steven Cohen (Nancy Fisher)	x			
<b>AGENCY REPRESENTATIVES</b>				
<b>James Bays – Ag &amp; Mkts</b> (Lucy Roberson) (Carol Casale)	x			
<b>Michael Hurt – DOCCS</b> (Michael Elmendorf)	x			
<b>Thomas Hippchen – SUNY</b> (Kellie Depuis)	x			
John Smith – OPWDD (Robert Coyner)				x
<b>Marybeth Hefner – DOH</b> (Frederick J. Genier)	x			
<b>Andrew Bechard – ITS</b> (Valerie VanderWal)	x			
<b>David Russo – OMH</b> (David Milstein)	x			
<b>At-Large Members</b>				
James Haggerty	x			
Richard Healey				x
Rashida Mendes				x
Richard St. Paul	x			
Gregory Weston				x