

MEETING MINUTES
August 17, 2006

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

The meeting was called to order by Chairperson Penney Hall at 10:00 a.m. August 17, 2006 at the F. Ray Power Building, located at the West Virginia Division of Rehabilitation Services' office in Institute, West Virginia.

ATTENDANCE:

Committee: Penney Hall (Chairperson); Brenda Morford; Pete Cuffaro; John Liller; Everette Sullivan; Jan Smith; Evan Williams (Executive Secretary); Carol Jarrett, Recording Secretary.

WVARF Staff: Glenn McEndree; Chris Miller; Craig Greening

Public Attendance: Doug Price, Bureau for Behavioral Health & Health Facilities
Rhonda Sharp, Executive Director of JCDC, Inc., Millwood, West Virginia

The first order of business was approval of the previous minutes. Mr. Liller asked the minutes be changed to reflect that the committee accepted the 4.1% based on what Ross Taylor, Director of Finance Division Department of Administration, and Secretary Ferguson said regarding payments to WVARF, not because the Department dictated the fee. Mr. McEndree had some technical clean up.

MOTION #1

Mr. Sullivan moved to approve the minutes with the corrections. Mr. Liller seconded. Motion passed.

REPORT OF THE COMMITTEE CHAIR:

Ms. Hall reported the Purchasing Division Legislative Rules were filed July 28th along with a Summary of Comments. The rules will be heard before the Legislative Rule Making Committee between now and January. They will receive final approval during the regular legislative session. The interim committee will make recommendations to make changes or approve the rules during the legislative session. She distributed copies of the agency approved rules along with the summary of comments.

She reported Ross Taylor is in the process of setting up a meeting with all the necessary people in other state agencies in regards to the payment issue.

EXECUTIVE SECRETARY REPORT:

\$ 5,046.00 - FY07 annual allocation
0 - Outstanding unpaid expenses, travel, hospitality & accounting fees
639.45 - Expenses for July
\$ 4,406.55 - Unencumbered balance.

Mileage has increased to 44.5 cents per mile.

NEW BUSINESS:

The Committee discussed the issue of full service leasing contracts. An issue had developed with Plaza East in Charleston which houses Bureau of Employment Program (BEP), Human Rights Commission, Veterans Affairs, and RESA (not a state agency). BEP has been the primary lessee and acts as the landlord to the other entities, they want to get out of this arrangement. There is 25% common area in the building. They are proposing to go to a full lease arrangement with the landlord in which he will provide the janitorial services.

Mr. Greening said Greg Burton when he was Secretary of Administration wrote a memo to all state agencies requiring them to use WVARF for janitorial services at state leased buildings. He said the issue of full service leases had not come up again until this year. He said he would like to see Secretary Ferguson write a similar memo. He said basically the state should not be allowed to make full service agreement. The landlord should give WVARF the right of first refusal.

There has also been an issue of the quality of work within the building. There are several contributing factors some in WVARFs control and some not.

Ms. Hall told the Committee she had spoken to Secretary Ferguson regarding Plaza East and the issue of full service leases and he asked her to get with Tammy Cogar, BEP's leasing person and prepare him a report on this issue. Once he is given the report a final decision will be made.

Ms. Hall also reported WVARF needs to be ready for when buildings 3, 5 and 6 are shut down for renovation. The plan is to do one building at a time over the next six or so years. It will take approximately two years to renovate each building.

FINANCIAL REPORT:

Mr. Miller reported the Tax Department had taken care of a lot of their delinquent payments. He said a lot of this success can be contributed to the committee's efforts. He anticipates the audit will completed by October. There was about a \$150,000 increase in services this year.

There was discussion regarding the income statement and balance sheet. Ms. Hall pointed out they had added \$288,983.77 in the last month to the mutual fund, while at the same time stating they had lost \$19,000 in the fiscal year just closed. She asked how this is possible. Mr. Liller said, WVARF started the year with \$1.2 million. At one point they had to pull \$200,000 out to pay bills because they had no money. They are now paying it back. He said therefore WVARF was still looking at a deficit.

EXECUTIVE DIRECTOR'S REPORT:

Mr. McEndree reported the August 3rd training in Morgantown with Peter Brinckerhoff was well attended. Training with Terradon on the new software has been scheduled throughout September for WVARF staff, and CRP representatives. Training will be provided to the Governor's Committee at a later time.

CONTRACT COMPLAINTS:

Mr. Greening reported there were complaints regarding Presort, Bottled Water, Soap and Janitorial.

Ms. Hall said when she was meeting with Ms. Cogar at BEP the issue of presort had come up and BEP was still having issues. She suggested WVARF check on this and report back to the Committee.

The janitorial complaint was filed by Environmental Protection in Welch. Mr. Greening is going to conduct an unannounced inspection within a couple of weeks.

The compliant with bottled water was that a customer had not gotten her bottle deposit of \$421 back.

Ms. Hall asked how a formal complaint was filed. Mr. Greening said it is the same procedure the Purchasing Division uses for all of its vendors. Prior to a formal compliant they like to solve issues informally if at all possible. There was discussion regarding the fact customers need to know what the compliant process involves. It needs to be publicized better. Ms. Hall also discussed the need for a customer satisfaction survey going out from the committee. She said she would bring the tool she developed for a class to the September meeting.

CONTRACT PRESENTATIONS:

New and Modified Projects:

Mr. Greening made the following report:

DHHR – Mingo County added 3,914 square feet for janitorial services. Annual FMP \$27,278.04.

DHHR – Pocahontas County added 1,519 square feet for janitorial services. Annual FMP \$5,904.36.

DOH District 4 in Monongalia County moved into a new building. The contract was given to Pac Tec because of their relationship with the office. Annual FMP \$8,910.96.

Renewed Contracts:

WV Air National Guard (WVANG) in Charleston increased for workers compensation insurance, \$0.75 an hour increase and the CNA fee, amounting to a total of a 5% increase in the contract. Annual FMP \$63,127.08.

WVANG in Martinsburg had a reduction in the scope of work and are using their own equipment and supplies. Annual FMP \$70,031.99.

DOH District 2 district warehouse in Huntington only increase was in the CNA fee. Annual FMP \$3,686.64.

DOH District 7 headquarters in Weston had a wage increase. Annual FMP \$55,826.88

The following contracts had the CNA fee increase only:

GEO Econ Survey, Charleston	Annual FMP \$1,301.88
DHHR Northern Operations Center Morgantown	Annual FMP \$3,813.36
Bureau of Employment Programs in Elkins	Annual FMP \$14,727.48
Bureau of Employment Programs in Hurricane	Annual FMP \$6,834.24
Bureau for Employment Programs in Logan	Annual FMP \$ 7,912.80
Bureau for Employment Programs in Morgantown	Annual FMP \$8,628.24
Bureau for Employment Programs in Parkersburg	Annual FMP \$11,965.32
Bureau for Employment Programs in Pt. Pleasant	Annual FMP \$9,376.44
Bureau for Employment Programs in Williamson	Annual FMP \$8,056.20

MOTION #2

Ms. Smith moved to approve the FMP for the new and renewed projects as presented. Mr. Sullivan seconded. Motion passed.

Mr. Greening presented the statewide laundry services contract. Hancock County Workshop is already providing this service to some private health care facilities in the Weirton area. They have approximately 100 people employed with the potential for more as business expands. Mr. Greening provided members with a booklet detailing the laundry services including resumes of two of the managers.

MOTION #3

Ms. Smith moved to add laundry services to the WVARF07 statewide contract. Mr. Sullivan seconded. Motion passed.

They are proposing to start with the seven state run hospitals:

- 1) Mildred Mitchell-Bateman Hospital;
- 2) Hopemont Hospital;
- 3) Lakin Hospital;
- 4) William R. Sharpe, Jr. Hospital;
- 5) John Manchin, Sw. Health Care Center;
- 6) Pinecrest Hospital;
- 7) Welch Community Hospital.

Cost is based on per piece. In addition, there are transportation costs which will be added depending on which hospital is being delivered to and how many times a week.

There are a couple of sticking points. One is at Pinecrest which has a management contract that includes laundry services. In addition, they use Department of Corrections inmates to perform the work. The other is at Lakin and Manchin where laundry services are provided in-house by state employees.

Therefore, they are looking at possibly starting with four (Bateman, Hopemont, Sharpe, and Welch) while working out the issues with the other three. DHHR wants them to do all seven.

There was concern expressed by Mr. Williams whether or not the workshop could earn a profit with this contract. He also expressed concern about the fact of doing a WV35 without prices in it. Mr. Greening replied Hancock Workshop had done a lot of work with the number to ensure they would not be losing money. He also said the janitorial contracts are done the same way.

MOTION #4

Ms. Smith moved to assign the contract to Hancock County Workshop. Mr. Liller seconded. Motion passed.

MOTION #5

Mr. Sullivan moved to approve the price list and delivery cost as presented for the seven state run hospitals. Ms. Smith seconded. Motion passed.

Mr. Greening presented the information for the WVARF07 statewide contract. Items listed were:

- 1) Absorbency Products & Supplies;
- 2) Dispensed Bottled Water;
- 3) Document Imaging;
- 4) Data Management;
- 5) Microfilming;
- 6) Presort Mail (had one increase);
- 7) Liquid Hand Soap (no increase);
- 8) Stainless Steel Framed Mirror (no change);
- 9) Rubber Coated Laboratory Apron (no change);
- 10) Stakes;
- 11) Wiping Cloths (slight increase); Cost of linen made in Pakistan, we are getting from Sri Lanka & Viet Nam now;
- 12) Bottled Water, (price has gone up);
- 13) Fish Habitat Structures (wood price gone up);
- 14) Catfish Nesting Boxes, (up slightly);

MOTION #6

Ms. Smith moved to approve as submitted. Mr. Cuffaro seconded. Motion passed.

Next, Mr. Greening presented the change orders necessary because of the fee increase from 3.75% to 4.1%.

MOTION #7

Mr. Sullivan moved to approve the change orders necessitated by the increase of the fee to 4.1%. Ms. Smith seconded. Motion passed.

OLD BUSINESS

There was discussion regarding the progress of the implementation of the new FMP procedures and the Continuous Quality Improvement Program.

There was discussion concerning the workers compensation issue which was brought up during the July meeting. Mr. Greening reported he had mailed a request for documentation on this issue to all the CRPs after the last meeting and got a few responses.

The committee reviewed the ratio report for the fourth quarter of FY 06 and the year end report. For the fourth quarter the Development Center was at 71.8% and Prestera was at 61.7%. For the year only two CRPs fell below 75%, they were Clay County at 74.3% and Nicholas County at 71.6%. Plans of correction will be asked for those that fell below 75%

MOTION #8

Mr. Liller moved to adjourn.