Annual Business Meeting
Honors, Awards & Recognition

Seattle City Hall
Bertha Knight Landes Meeting Room
600 4th Avenue, Seattle, WA
January 17, 2013
Time: 8:30 AM to 3:30 PM

Meeting Minutes

Registration & Networking

Presidents Welcoming Remarks & Call to Order

Please Welcome Today’s Presenters—
   Mike Purdy, Michael E. Purdy Associates, LLC
   Brian Willett, State Auditor’s Office
   April Alexander, Sound Transit

Introduction of 2012 Board Members
   Karen Fitzthum, Immediate Past President
   Alyce Benge, Vice President* (Past VP)
   Cathy Robinson, Vice President*
   Jennifer Peary, Recording Secretary*
   Cynthia Shaw, Membership
   Ken Matthews, Treasurer*
   Sue Ownby, Public Relations and Marketing
   Theresa Teschlog, Education and Research

*Denotes Officer

Acknowledge Karen Fitzthum, Alyce Benge, Jennifer Peary and Nelson Park’s service

Thank you to the Honors and Awards Committee, chaired by Cathy Robinson.
Special thanks to Cathy, Theresa Teschlog and Sara Schutt for coordinating the last
minute room and breakfast and luncheon arrangements.

Recognize new CPPB’s in 2012:
   Jolena Missildine    WSDOT
Recognize new CPPO’s in 2012:
Cheral Jones  State DES
Cathy Robinson  Snohomish County

Business Meeting:

Board of Directors’ reports:
  o Treasurer / Finance – Ken Matthews
    ▪ Thank you to the finance committee
    ▪ 2012 budget status – 8% over budget on revenue, expenditures were 66% of budgeted amount
    ▪ Vote – 2013 budget, Gerhild Turner made a motion; Barry Scott seconded; passed
  o Membership – Cynthia Shaw
    ▪ Thanked members for choosing her as membership secretary again. This was the first year where she had competition. This shows that there are lots of fired up members wanting to get involved.
    ▪ Was impressed to learn that Florida has over 700 members (7+ chapters), and feels it’s possible for this chapter to reach these numbers.
    ▪ Our chapter currently has 100 national-only members; we have added 41 new members this year; currently have 250 members. Four colleges in Washington have supply chain programs to their offerings.
    ▪ New people who have applied for membership:

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<tr>
<th>Name</th>
<th>Position</th>
<th>Agency</th>
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<tr>
<td>Jill James</td>
<td>Buyer</td>
<td>Port of Tacoma</td>
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<td>Heather Shadko</td>
<td>Contracts and Procurement Specialist</td>
<td>Port of Tacoma</td>
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<tr>
<td>Michael Keim</td>
<td>Sr. Contracts Administrator</td>
<td>Port of Tacoma</td>
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<td>Dawn Leischner</td>
<td>Sr. Contracts Administrator</td>
<td>Port of Tacoma</td>
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<td>Georgette Reidburn</td>
<td>Contracts and Procurement Analyst</td>
<td>Port of Tacoma</td>
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<tr>
<td>Mark Little</td>
<td>Director, Contracts and Purchasing</td>
<td>Port of Tacoma</td>
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<tr>
<td>Jeremy Doane</td>
<td>Senior Buyer</td>
<td>City of Seattle</td>
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<td>Greg Mari</td>
<td>Design &amp; Construction Sr. Contractor</td>
<td>Sound Transit</td>
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<td>Craig Bush</td>
<td>Sr. Buyer</td>
<td>Seattle Community Colleges</td>
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<td>Jennifer Koontz</td>
<td>Purchasing Assistant</td>
<td>Snohomish County Government</td>
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<tr>
<td>Glen McNeil</td>
<td>Contracts Specialist</td>
<td>DES</td>
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• Voted to accept these new members; Cathy Robinson made a motion; Theresa Teschlog seconded; passed.
• Reminder to please update your member profile on the website.

○ Education and Research – Theresa Teschlog
  • Reviewed educational events for 2012
  • Presented some upcoming events on the 2013 Education Calendar
    o Logic Models & Performance Measurement – February
    o Will be putting together some certification review/prep classes
    o NIGP Effective Contract Writing – Everett
    o NIGP Performance based RFP’s - Vancouver
  • There are two openings on committee for anyone interested

○ Public Relations - Sue Ownby
  • Maintains the website content; always looking for new material

○ Forum – Cheral Jones & Alyce Benge
  • Recognized volunteers (over 80 names were read)
  • Nelson reminded us why the chapter was formed in WA State; to support a forum, promoted chapter recognition, platform for growth, leadership and sophistication.
  • “Best forum we ever had”, echoed by many, credit goes to this organization.

○ Chapter of the Year- Dave Davis & Cheral Jones
  • We have a goal to apply (and win) ‘Chapter of the Year’ at forum this fall. The chapter needs participation in extracurricular activities (i.e. food banks, newsletter will be coming out regularly, reverse tradeshow, classes, getting certified, etc).

○ Newsletter – Heidi Bohl
  • The newsletter will come out this month, and then every other month.

○ Philanthropy/Charitable Events – Heidi Bohl
  • Everyone needs to start thinking of ideas on what our chapter can do to help our community.

○ Recognized Knowledge Communities
  • Nancy Locke, Green
  • Steve Demel, K-12

○ Recognized National Representatives
  • Diversity – Gerhild Turner, Chair
  • Nelson Park, Region 12 BOD
  • Dave Davis, Region 12 Chapter Liaison
Summary: State law says a public works contract must be for a fixed or determinable amount. Since August of last year, there have been many meetings; MSRC has met with auditor’s office and L&I. L&I wants an affidavit after each task order. The intents refer to the contract (at the beginning of) but affidavit talks about each project (task). The auditor’s office is reviewing questionable contracts identified by L&I. There will be further discussions with L&I and auditor’s office, and there may be the need for a change in the legislation. This could be risky and many don’t want changes. Auditor says public works contracts must comply with competitive bidding and prevailing wages. Hourly rate contracts are the most risky. Contractor may bid a low price but be very slow and inefficient which would not necessarily be the lowest cost to the agency.

Question: Is this a money maker for L&I?
Answer: Yes, but this is not their motivation for driving this initiative. They need to know where the work is being performed.

Comment: Some feel that money is a motivation for L&I to do this. Some long term contracts never had a problem until the L&I office had budget cuts.

Question: How will L&I keep up with the volume of affidavits?
Answer: Yes, this could be a concern.

Question: What problem is trying to be solved?
Answer: The auditor’s interpretation of state law is that on-call contracts are not allowable. They have backed off a bit but don’t have any suggestions on how agencies are supposed to get the work done. They are concerned about possible abuse in the length of contracts and splitting of bids. There are some scenarios where you can likely make a good argument for an on-call contract.

Question: What kind of fixes are they considering for legislation?
Answer: We haven’t gotten to that level yet. Need to get more information on agencies, L&I, labor unions and auditors position, as well as better define what an on-call contract looks like.

Question: What can you use the on-call contracts for?
Answer: Public Works, yes. Maintenance, yes. New construction, no. Need to define the type of work allowed under on-call contracts.

Comment: There are conflicting definitions between L&I and Agencies on what a public works contract is. Public Works laws were written in the 1920’s for specific projects (ie. paving a road). There has been an ongoing discussion on whether “maintenance performed by contract” is public work. From a procurement standpoint, it is not a public work, but is subject to prevailing wages. “Repair” is always a public work (ie. on-call plumber to fix leaking pipe).
Comment: My agency awarded an elevator repair contract, including maintenance and emergency repair. Some maintenance folks are frustrated with the process and want to just use their P-Card. To simplify things, we could have done either do two contracts; one for maintenance and one for repair, or a combined one that is a public works.

Comment: Small businesses don’t want to deal with retainage or affidavits after each task. The auditor’s and L&I need to understand the small business environment.

Question: Is MSRC speaking on behalf of the agencies?
Answer: They have not gotten involved in lobbying.

Speaker – Brian Willett “Local Government Performance Center in the State Auditor’s Office”

Center’s Goal: Better results for citizens and customers at lower cost to government and taxpayers.

The Center focuses on how auditors can help local government work better and cost less. Agencies need to be able to communicate their effectiveness to their funding sources, measure their performance, and manage their data. The Center offer tools and training on how to use research and tools that may help reduce costs and improve performance. They offer an independent perspective and expertise from outside that may help an agency see things differently. There is an online resource center and remote and on-site training (if requested and available).

Main areas of support: evaluating operations and services, managing and improving performance and communicating with citizens. There is no cost for this service.

Tools/info added in the last year: staffing analysis training and tools, turning a completed audit into a management tool (i.e. cell phone audit), helping government engage citizens, performance measurement assessments and using lean principles.

This is a pilot effort – we will be evaluating whether it’s working or not, and whether we can meet demand. Looking for agencies who want to host/sponsor training.

Website: www.sao.wa.gov/performancecenter

Contacts: performance@sao.wa.gov, Roxanne Lowe Roxanne.Lowe@sao.wa.gov (Project Coordinator) 360-725-9722, Brian Willett Brian.Willett@sao.wa.gov (Performance Analyst) 360-725-9731, Larisa Benson larisa.benson@sao.wa.gov (Director of Performance Audit) 360-725-9720. Twitter @LocalGovPerform. [Q&A]

Reverse Tradeshow

Cheral, Ginny & Glen will co-host and the one-day event will be in early November. We are looking for a location sponsor (~200 ppl) and committee volunteers. Be thinking on what vendors you’d like to invite, marketing, which agencies, outreach, etc. We will charge vendors a fee (revenue source). This revenue allows the chapter to keep the dues low, offer scholarships and stay financially viable.
This will be a good opportunity to add members. We are looking at combining and reducing the number of tradeshows to help the business/small business community.

**Speaker – April Alexander “Road to the Pareto Award”**

April spoke about what the Pareto award is and the steps towards achieving it. She gave a brief history of Sound Transit and the journey the Procurement & Contracts Department took to get ready for the award.

Linda Winter talked about who Vilfredo Pareto was (founder of the 80/20 rule) and talked about the ‘OA4’ award and what it took to get that. She then summarized the requirements for the Pareto.

Laura Sharp reviewed the Sound Transit Intranet Site. An internal focus group was surveyed to find out what was missing (i.e. “Getting Started” guide). New items are added regularly to keep the site dynamic. She also spoke about the ‘Contracts Help Desk’ and what services it provides.

Linda Thomas and Ginny Justiniano gave highlights about the journey to achieving the Pareto Award.

Ted Lucas shared his thoughts on joining a team who had achieved this award, and what the award has done (ie. elevated procurement at all levels within the agency, enthusiasm towards continuous improvement, self-appraisal, and department pride).

**Honors & Awards**

**Acknowledge Volunteers for 2013**

- **Cathy**: Honors and Award Committee
  Sara Schutt, Cynthia Shaw, Theresa Teschlog & Julie Snider
  Scholarship Committee
  Mayvis Schwab, Joan Cady, Sara Schutt, Rick Naten, Clark Langstraat & Prelsey Palmer

- **Theresa**: Chapter Education Committee
  Joan Cady, Josh Klika, Clark Langstraat, Maria Mayhue, Terrie Roberts & Anna Vogel,

- **Ken**: Finance Committee
  Dave Davis, Pam Tokunaga, Terrie Roberts & Don Fitzthum

- **Sue**: Public Relations and Marketing Committee
  Rick Naten
  Nominations and Elections Committee
  Maria Mayhue

- **Cynthia**: Membership Committee
  Ted Lucas, Julie Snider & Rick Naten

- **Heidi**: Newsletter Committee
  Josh Klika, Cheral Jones & Glen McNeill
  Charitable Committee
  Cheral Jones, Marie Holm

- **Cheral**: Chapter of the Year Committee
Installation of 2013 Officers

Installed the following duly elected officers of the Washington State Chapter of NIGP:

Cheral Jones, State DES, President
Cathy Robinson, Snohomish County, Vice President
Tim Shay, State DES, Recording Secretary
Ken Matthews, Pierce County, Treasurer
Cynthia Shaw, WSDOT, Membership Secretary

Membership agreed to support the new officers. Congratulations to all.

Outgoing President’s Closing Remarks – Nelson Park

Expressed that it has been a privilege to be able to serve the chapter for the year 2012 and he looks forward to working with this distinguished Board of Directors as the new Region 12 Board Director. He asked all of us to consider how we can contribute to the chapter and that the chapter needs your active support on committees, encouragement for others to join the chapter, attendance at seminars, and feedback about what the chapter can do to promote excellence in public procurement in our state.

Incoming President’s Message – Cheral Jones

Expressed that she is looking forward to a great year and thanked her manager, her team, and Nelson for their support. She is looking forward to the March ‘Excellent in Procurement Summit’. One of her goals is to promote chapter unity. She recognized and thanked Alyce Benge for her service (Alice flew up from AZ just for this meeting) and recognized and thanked Nelson Park for his service as outgoing president.

Adjournment: 2:42 PM