

COSTARS Connection

The Commonwealth's Cooperative Purchasing Program

Passport to Business Opportunity and Procurement Savings

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Autumn 2018

Tom Wolf, Governor

Curt Topper, Secretary



Protecting Public Facilities

New COSTARS Contract

By Bruce Beardsley, COSTARS Marketing Manager

From the smallest rural communities to our largest cities, and everything in between, the increasing variety of dangers that may threaten our schools, municipal and county offices, parks, and critical public infrastructure have become one of the greatest concerns of local elected officials and their staff. Unsecured buildings put employees, students, and people who do business there in potential jeopardy. Maintaining safe public spaces at an affordable cost is high on the list of "taxing" strategic and tactical budgetary challenges that we expect our public officials to solve. Our public sector is at risk and limitations in funding, resources, and information add to the complexity of finding solutions. COSTARS members must do more with less. COSTARS can help!

Whether it is video surveillance, metal detectors, protective lighting, theft control devices, first aid equipment, signage, ammunition, security guards or training programs, COSTARS members can purchase previously bid products and services to obtain quick and cost-effective solutions to their unique threats (See "**Where Do I Find...**" sidebar). To make your search easier, we are in the final approval process for a new COSTARS-exclusive contract – **COSTARS-40 Security and Surveillance Systems & Fire Alarm Systems Equipment, Products and Services**. This new contract will consolidate most fire, safety and security equipment and services into one contract, including new technology such as biometrics, and add related services such as monitoring, system design and consulting, safety and security training, and preventative maintenance. COSTARS members should be aware that, as with any new contract, it will take some time for vendors to submit bids and be approved. Since some of the equipment included in the scope of the new contract is currently within the scope of **COSTARS-8 Maintenance Repair & Operation Equipment & Supplies**, there will be a transition period during which members should check both contracts.

Pennsylvania's Department of Education recently announced \$8.4 million in grants under Governor Wolf's "Safe Schools" initiative. Much of this funding, as well as most state and federal grants for equipment and programs that assist public entities in creating safe environments, such as the new School Safety and Security Grant Program created this year and administered by the Pennsylvania Commission on Crime and Delinquency, can be purchased through COSTARS.

The ad hoc formal bidding procedures normally required by public entities inhibits the ability to foster long-term partnerships with vendors who can develop in-depth understandings of clients' needs. In addition to fulfilling competitive procurement requirements, a rarely discussed benefit of the COSTARS process is that it allows collaborative and synergistic relationships with vendors AND promotes cost-effective procurement through "best value." Given the vital importance of public safety, it is even more critical that public entities create partnerships with suppliers who can fully comprehend their distinctive situations and develop strategic solutions.

Where Do I Find...

COSTARS-8 Maintenance Repair & Operation Equipment & Supplies (MRO)

Crowd Control Barriers; Fire Extinguishers; Lighting; Metal Detectors; Safes; Security and Fire Alarm Systems; Security Doors, Fencing & Gates; Theft Control Products; Video Surveillance Equipment

COSTARS-12 Emergency Responder Loose Supplies

Ammunition; Body Armor; Fire Extinguishers; First Aid Equipment & Supplies; Lighting; Metal Detectors

COSTARS-19 Medical Supplies

First Aid Equipment & Supplies

COSTARS-32 Signage

Signage

COSTARS-40 Security and Surveillance Systems & Fire Alarm Systems Equipment, Products and Services

Biometric Access and Tracking Systems; Crowd Control Barriers; Metal Detectors; Safes; Security and Fire Alarm Systems; Security & Safety Training; Security & Surveillance Monitoring Services; Security and Surveillance Systems – Monitoring, Design, Consulting, Repair, Inspection, Maintenance; Security Doors, Fencing, & Gates; Theft Control Products; Video Surveillance Equipment

State ITQ Contract #4400007410

Security & Safety Training

State ITQ Contract #4400013746

Security and Surveillance Systems – Monitoring, Design, Consulting, Repair, Inspection, Maintenance

State Contract #4400015323

Body Armor

State Contract #4400017175

Ammunition

State Contract #4400017336

Security Guards

State Contract #4400018618

Fire Extinguishers

and synergistic relationships with vendors AND promotes cost-effective procurement through "best value." Given the vital importance of public safety, it is even more critical that public entities create partnerships with suppliers who can fully comprehend their distinctive situations and develop strategic solutions.

COSTARS Purchases Up 7.3 Percent Adds 186 Participating Suppliers

By Bruce Beardsley, COSTARS Marketing Manager

After 12 years, the COSTARS program continues to grow – in purchases, in members, and in participating suppliers. For the year ending June 30, 2018 (FY 2017), COSTARS members purchased \$1.221 billion in materials and services – an increase of 7.3 percent – the largest growth rate since 2014. Additionally, 224 new members joined the COSTARS program, bringing the membership total to 8,899, as of June 30.

Perhaps most significantly, the number of suppliers participating in COSTARS increased to 2,053, with the net addition of 186 vendors. This was the largest growth rate since 2012. Although there were several COSTARS-exclusive contracts that expanded in scope, no new COSTARS-exclusive contracts were introduced. The increase of suppliers was mostly spread among all COSTARS-exclusive contracts. There were 28 net additional COSTARS-participating suppliers on state contracts. “We believe a major driving force underlying the substantial increase in COSTARS-awarded suppliers was the success and the surrounding publicity of the PA Procurement Expo sponsored by the Department of General Services in September (2017)”, according to COSTARS Marketing Manager Bruce Beardsley. (The next Expo is scheduled for September 4 and 5, 2019.) In addition to new suppliers, the renewal rate among existing COSTARS-awarded suppliers was a record high of 81 percent.

Other highlights featured in FY 2017 data:

- ◆ Small businesses comprised 44.2 percent of participating suppliers.
- ◆ COSTARS 3 – IT Hardware continued to produce the highest volume with sales of \$194.16 million.
- ◆ The largest spend percentage increase was under COSTARS-33 Street Lighting, Parking Meters, & Street Furniture.
- ◆ Education entities (excluding Higher Education) represented the largest user among COSTARS members with 27.3 percent of total spend, followed by Municipal Governments (26.8 percent). Higher Education entities represented 16.8 percent of the total COSTARS spend and County governments represented 9.3 percent. (See Figure 2)
- ◆ Total estimated savings to COSTARS members was \$282,795,780.
- ◆ Among transactions, 85.1 percent were below the bidding threshold of \$20,100.
- ◆ Allegheny County remains the county with the most COSTARS members (732) and the largest COSTARS spend (\$83.6 million), followed by Montgomery County with \$56,460,717 (a 17.3 percent increase) of purchases. Dauphin County had the highest spend per member (\$196,347).
- ◆ The average member spend was \$99,026 through COSTARS, virtually the same as last year.
- ◆ In FY 2017, 60.6 percent of members used COSTARS, compared to 57.3 percent in FY 2016.
- ◆ The top members using the program were: Pennsylvania State University, Allegheny County government, West Chester University, City of Philadelphia, Westmoreland County Municipal Authority, and the Pennsylvania Cyber Charter School. The leading school district user was Cumberland Valley School District, the top Health entity was UPMC, and the foremost purchasing township was Hampden Township.

SPEND INCREASE BY COUNTY FY 2016 VS FY2017

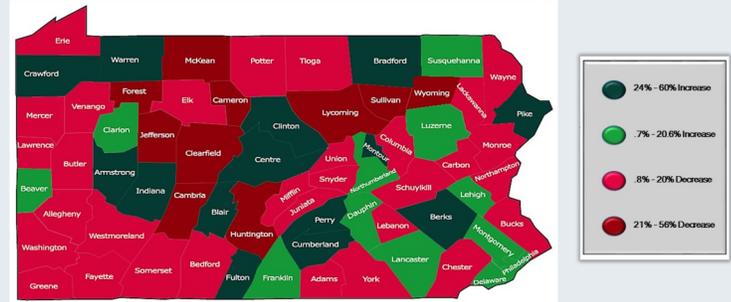


Figure 1

FY2017 TOTAL COSTARS SPEND BY LPPU CATEGORY

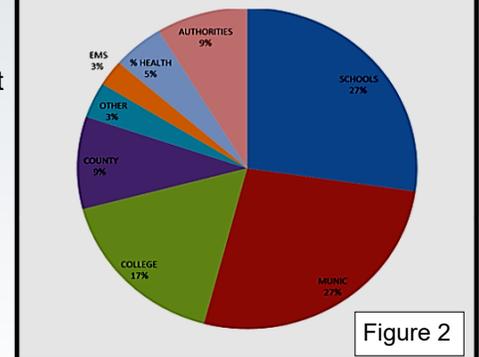


Figure 2

CONTRACT	FY 2016 GROWTH	FY 2017 GROWTH
COSTARS-8 Maintenance, Repair, & Operation Equipment & Supplies	20.0%	25.7%
COSTARS-14 Recreational & Fitness Equipment	82.6%	30.5%
COSTARS-31 Signage	84.3%	147.9%
COSTARS-34 Theater Furniture, A/V Equipment, etc.	208.7%	10.2%
COSTARS-35 Furniture and Window Treatments	21.6%	18.1%
COSTARS-33 Street Lighting, Parking Meters, & Street Furniture	32.3%	587.9%
COSTARS-16 Water & WasteWater Treatment Plants - Components/Equipment	45.9%	1.2%

Figure 3

Most striking were the 2-year increases among COSTARS-exclusive contracts that were heavily impacted by the reinstatement of installation as an allowable ancillary service. (See Figure 3)



Commonwealth Fleet Card Program New Fall 2018 Incentive and 2017-2018 Rebates Announced

If your organization is currently saving money with the Commonwealth Fleet Card Program (statewide contract #4400009775), you now have the opportunity to save even more!

Through the Fall 2018 Incentive Program, WEX and Sunoco are offering each eligible COSTARS customer 15¢ off every incremental gallon of fuel they purchase with the Commonwealth of PA/Sunoco Universal fuel card at Sunoco-branded locations from Oct. to Nov. 2018.

NOTE: The volume purchased must exceed the amount purchased from Oct. to Nov. 2017 to qualify for the incentive.

Eligible participants include COSTARS customers who:

- ☑ Had an active account status and purchased fuel at Sunoco with their Commonwealth of PA/Sunoco Universal fuel cards during the Oct.-Nov. 2017 time period.
- ☑ Have an active account status during the 2018 incentive time period of Oct.-Nov. 2018.

The promotional fuel rebate will be applied as a statement account credit. Questions about the incentive may be directed to WEX Customer Service at 866-747-4440.

In addition, WEX has announced that \$491,808 in rebates have been earned by COSTARS members for the 2017-2018 fiscal year, an increase of 25 percent over the previous year.

These rebates have been negotiated by the Commonwealth through the Fleet Card state contract and are based upon amount of purchases and payment history. The rebate was shared by 983 COSTARS members with the largest rebates earned by Carbon Lehigh Intermediate Unit (\$14,855), Deveraux Foundation (\$14,695), and Temple University (\$13,789). Members should have seen the rebate in their October invoice.



Spotted Lanternfly Carwash Rebate from WEX

In addition to the convenience, rebates, and informative reports you enjoy with the program, we have just negotiated a new temporary benefit in response to the Spotted Lanternfly crisis in Pennsylvania.

On May 26, 2018, the Pennsylvania Department of Agriculture issued an Order of Quarantine for 13 counties (Berks, Bucks, Carbon, Chester, Delaware, Lancaster, Lebanon, Lehigh, Monroe, Montgomery, Northampton, Philadelphia and Schuylkill) to prevent the spread of this dangerous insect. While the Spotted Lanternfly does not directly affect human health, it is destructive to forests, fruit vines, shrubs, and some vegetables and garden plants, jeopardizing valuable Pennsylvania products.

Under the terms of the quarantine, a property (including vehicles) owner, "...shall be responsible for controlling or eliminating any life stage of the Spotted Lanternfly..." The lanternfly is an active hitchhiker and is being spread by many modes of human transport, including vehicles. Their egg masses are not clearly visible once they have been deposited. The Department of Agriculture suggests when traveling within or leaving a quarantine zone:

- * Inspect all equipment and vehicles.
- * Scrape and kill any evidence of the species regardless of the life cycle.
- * Wash the vehicle and inspect again.
- * **NOTE: WASHING THE VEHICLE ALONE MAY NOT BE ENOUGH TO KILL THE EGGS**

INSPECT - SCRAPE - WASH - INSPECT AGAIN

COSTARS members who pay with the WEX/Sunoco card at participating car washes will receive a \$2 rebate for each car wash during the months of October and November.

The rebate will be credited in the customers' November billing (for car washes in October) and December billing (for car washes in November).

For a list of participating car washes, please go to the Newsflash/Current News section of the Members Area page on the COSTARS website at www.costars.state.pa.us. From the home page, select the Member Information link and the yellow Members button.

Credit Card Services Webinars

Webinars have been scheduled to explain the new credit card services being offered to COSTARS members by U.S. Bank under statewide contract #44000017788. Ryan Callaway, U.S. Bank's Vice President for Public Sector & Higher Education Sales will host the webinars, which will detail:



- ♦ U.S. Bank Access® Online, our online card management system.
- ♦ Transaction reallocation.
- ♦ Reporting.
- ♦ Managing your card program.
- ♦ Integration into your ERP.
- ♦ Rebates under contract and the benefits - which includes aggregation of all members spend, so as more COSTARS members join, the rebates for all will continue to increase!

The webinars are scheduled for:

- ♦ November 19 at 3 p.m. EST
- ♦ December 4 at 1 p.m. EST
- ♦ December 17 at 3 p.m. EST

Attendees can register at <http://www.cvent.com/d/gbq3fc/4W>. If you are unable to attend one of the scheduled webinars or have additional questions, please contact Ryan Callaway at 704.243.3278 or by email at ryan.calloway@usbank.com.



COSTARS in the News

By Kim Bullivant, COSTARS Marketing Manager



The COSTARS Team is always on the lookout for stories in the news about COSTARS members who are saving money by purchasing through the COSTARS Program. Below are a few of our latest finds.

- ☞ According to the **Williamsport Sun-Gazette**, the Williamsport Area School Board will purchase 638 Chromebooks and licenses from Dell through the COSTARS Program and will distribute them throughout the district for the 2018-19 school year.
- ☞ In a recent **Observer-Reporter** article, two decade-old public works trucks, including one used for plowing snow, are being replaced in Peters Township. A 2018 Ford pickup truck and a 2018 Ford dump truck with related accessories will be purchased from TriStar Auto Group of Blairsville.
- ☞ In an August **Reading Eagle** article, the Wernersville Borough Council approved the purchase of a wheel loader for leaf composting through the COSTARS Program. The cost is partially covered by a grant from the Department of Environmental Protection.
- ☞ According to **The Progress News** Burnside Borough Council received approval from Clearfield County to use Community Development Block Grant funding to purchase new water meters. The council has the option to competitively bid for the devices or use the state's cooperative purchasing program, COSTARS, to purchase them.
- ☞ In a September **Meadville Tribune** article, Crawford County commissioners unanimously approved the purchase of a 2018 Ford Explorer by the Public Safety Department. The vehicle, which was purchased through the COSTARS Program from Tri-Stars Motors will be paid for with emergency management grant funds. The new SUV will be used for everything from meetings and training to exercises and actual emergency responses.
- ☞ According to a recent **Altoona Mirror** article, the Central Blair Recreation and Park Commission learned that a city contribution of \$260,000 and a \$146,000 grant from play equipment maker GameTime will enable workers to install equipment replacing outdated or worn apparatus. The equipment is being purchased through the COSTARS Program.

Let us know about your successful money-saving purchases and we will include them in our next edition of the **COSTARS Connection** newsletter!

Members Save on Electricity

By Bruce Beardsley,
COSTARS Marketing Manager



The commonwealth conducted its latest electricity shopping event on October 30, resulting in nearly \$100,000 in projected savings for 47 COSTARS members. The bid event is managed jointly by the Bureau of Procurement's (BOP) Energy Team and the

Penn State Facilities Engineering Institute (PSFEI) through the use of the Commonwealth's COSTARS-participating statewide electricity contract.

COSTARS members voluntarily agree to participate in the program and provide a record of their past electricity use. PSFEI solicits, compares, and analyzes bids from pre-qualified electric utility companies and awards the most cost-effective provider. PSFEI may seek bids for an individual member or may aggregate the needs of several members. By participating in these periodic shopping events, COSTARS members have accrued annual cost reductions of more than \$2.37 million during the past year.

For more information about the COSTARS Electricity Procurement Services, visit <https://www.psfei.psu.edu/Services/Energy/COSTARS.aspx> or call Scott Harford, PSFEI, at 814-863-2090.

Through the Small Business Contracting Program, the commonwealth maintains a strong commitment to providing opportunities for small businesses to compete for prime contracting opportunities with the goal of promoting the economic growth and success of small businesses.

Did you know that currently, there are 746 small and small-diverse businesses participating as COSTARS-exclusive contract suppliers? To locate small or small-diverse businesses when you search COSTARS-exclusive contracts, just look under the "Business Category" column for one of the following designations:

- ◆ Small Business
- ◆ Minority Business Enterprise
- ◆ Minority, Veteran or Veteran Business Enterprise
- ◆ Minority, Woman or Woman Business Enterprise
- ◆ Service-Disabled Veteran Business Enterprise
- ◆ LGBT Business Enterprise

To access our online training modules for searching COSTARS contracts, go to www.costars.state.pa.us, select the **Member Information** link, yellow **Members** button and **Training Center** link on the left-hand side of the page.

Also, a list of small and small-diverse businesses can be found in the online, searchable database at www.dgs.internet.state.pa.us/suppliersearch. Use the **Quick Search** to search by supplier name or number. Use the **Advanced Search** to further search by UNSPSC code, county, SB/SDB type, and stocking/non-stocking supplier.



Supporting Small Business

Contract News

Scope Expansions, Clarification, Contract Updates

COSTARS-exclusive Contracts

COSTARS-7 Foods

Addendum 8 expands the scope of this contract to include Eggs and Egg Products, and Beverages (Non-alcoholic) as new product categories.

COSTARS-25 Municipal Work Vehicles

Addendum 17 expands the scope of this contract to include Snow Removal Machines/Systems for Trucks and Buses.

Statewide COSTARS-participating Contracts

IT Hardware

Two new statewide COSTARS-participating IT Hardware contracts are now available.

- Contract #4400017908 has been awarded to HP, Inc. and includes: Desktops, Laptops, Ultra-Portable Laptops, Tablets, Rugged Devices and Non-Traditional Desktops (Thin-Clients). Punch-Out Capability.
- Contract #4400017977 has been awarded to Pierson Computing Connection, Inc. and includes: Lenovo Tablets, Rugged Devices and Non-traditional Desktops (Thin-clients, or lightweight computers optimized for establishing a remote connection with a server-based computing environment).

To view these contracts, visit the Search Contracts page of the DGS eMarketplace website at <http://www.emarketplace.state.pa.us/BidContracts.aspx>. In the **Search by** box, select **Contract Number** and enter the number in the second box.

Digital Multifunctional Devices (MFDs)

The new statewide COSTARS-participating Digital Multifunctional Devices (MFD) contract is now available, effective 9/1/2018. Currently, the Xerox Corporation is COSTARS-participating on this contract. To view Xerox contract #4600016287, visit the Search Contracts page of the DGS eMarketplace website at <http://www.emarketplace.state.pa.us/BidContracts.aspx> and follow the steps above.

COSTARS Members Are Eligible for IT Staff Augmentation Program



Does your organization need temporary, high quality IT contract staff?

Good news! All registered members of COSTARS are eligible to participate in the IT Staff Augmentation program (PA ITSA), offered by the Department of General Services under statewide COSTARS-participating contract #4400014660*. In fact, members can begin using the PA ITSA contract almost immediately as there are established job categories and rates for the entire commonwealth.

Optimal Solutions & Technologies, Inc. (OST, Inc.), began operating the program in 2015. Since then, the program has grown to serve the needs of 44 commonwealth agencies and COSTARS entities, with 1,000 contractors and 490 staffing vendors under contract. More than half the program spend goes to Small Diverse Businesses to support minority and disadvantaged businesses. Additionally, the OST High Maturity MSP solution has saved the commonwealth \$40M over the past 2.5 years with a locality-based rate structure, a low MSP fee, and reduced costs.

COSTARS members can benefit by participating in the PA ITSA program in the following ways:

- Immediate access to proven, working ITSA program. An OST team member is available at your request to explain the program, train your staff, and provide the capability to leverage this program to fulfill the needs of your organization within days.
- OST can add your preferred staffing vendors to their network, as well as transfer existing contractors used by your organization to the program.
- Access to the PeopleFluent Vendor Management System (VMS) used by OST to manage the PA ITSA process and flow of communication between your organization, OST, and the vendor network.
- The PA ITSA program has existing job titles, skill categories, and rates, approved by the commonwealth, and covering the entirety of Pennsylvania.
- Exception category and rate options are also available as deemed necessary, adding further flexibility to the program allowing your organization to staff needs quickly.
- Joining the PA ITSA contract allows your organization to streamline the procurement process and conceivably become operational within days, with very little overhead and paperwork on the part of your staff.

For additional information, or to receive a registration package, please contact Joseph Millovich, DGS Contract Administrator, at 717-214-3434 (jmillovich@pa.gov); or Drew Ellis, MSP Manager, at 717-590-5473 (dmellis@ostglobal.com).

* **NOTE:** Please remember to follow your entity's procurement requirements when using this contract, if necessary, consult with your solicitor.



Farewell and Best Wishes to Claire Osborne!



Claire Osborne will be leaving us to join the Bureau of Publications team as the Chief of Admin & Customer Support Section. Please join us in congratulating Claire as she moves on to this new opportunity!

Claire has been with the COSTARS program since 2013, serving as the Program Manager since the beginning of this year, and has brought many operational and process improvements to the program. We will certainly miss her, but wish her all the best in her new position!

Government That Works!

2019 PA PROCUREMENT EXPO & FORUM

pennsylvania DEPARTMENT OF GENERAL SERVICES

FARM SHOW COMPLEX, HARRISBURG
More than 350 exhibitors and 2,000 attendees expected!
A premier networking and educational event for public procurement decision-makers and suppliers!

Sept. 4 and 5, 2019

COSTARS On The Road

COSTARS Marketing Managers make it their mission to spread the message about the COSTARS Program, recruit new members and suppliers, and provide training about the program. Marketing Managers Bruce Beardsley and Kim Bullivant travel throughout the commonwealth speaking at conferences, workshops and seminars sponsored by associations, suppliers, universities, legislators, chambers of commerce and others.

Recent Events

- ♦ Aug. 5-6
County Commissioners Association of PA Annual Conference - Gettysburg
- ♦ Aug. 23
DyNet North "Networking for Small Business" Event - Erie
- ♦ Sept. 12
Members' Workshop sponsored by Houck Services - Hershey
- ♦ Sept. 28
Diverse & Minority Business Forum sponsored by Senator Street & Temple University Philadelphia
- ♦ Oct. 3
Warren County COG Workshop Clarendon Borough
- ♦ Oct. 4
Upper Pine Creek COG Workshop Gaines
- ♦ Oct. 5
PA COG Annual Conference State College
- ♦ Oct. 12
PA Boroughs Conference Seven Springs
- ♦ Oct. 18
Fall Public Water Supply Assistance Program Workshop - Harrisburg
- ♦ Oct. 23
GACO Procurement Fair Monroeville
- ♦ Oct. 24-26
PAPPA Conference King of Prussia
- ♦ Nov. 2
Juniata Association of Township Officials Workshop Port Royal

Upcoming Events

- ♦ Credit Card Services Webinars sponsored by U.S. Bank

Nov. 19	3 p.m.
Dec. 4	1 p.m.
Dec. 17	3 p.m.

Register at: <http://www.cvent.com/d/qbq3fc/4W>

To submit a request for a COSTARS representative to speak or conduct a training session for members or suppliers at an upcoming event, please contact Bruce or Kim at toll free telephone number 1-866-768-7827 or email to GS-PaCostars@pa.gov. The COSTARS Marketing Team's Calendar of Events is also available on the COSTARS website on the [COSTARS Program Resources](#) page.



Like us on Facebook, follow us on Twitter, and connect with us on LinkedIn to begin receiving COSTARS updates!

Remember, this does not replace important updates we send to you via email, so please be sure to maintain your member and supplier information in the COSTARS system.

Visit our Facebook page at:
<https://www.facebook.com/pages/Costars-PA-Department-of-General-Services/904261462952351?ref=hl>

Visit our Twitter page at:
<https://twitter.com/COSTARSNews>.

Visit our LinkedIn page at:
<https://www.linkedin.com/company/costarsnews>

COSTARS Connection

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- Ken Hess - Deputy Secretary for Procurement
- Janice Pistor - Chief Procurement Officer
- Dawn Eshenour - Chief, Supplier Dev. & Support Div.
- Bruce Beardsley - Marketing Manager
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Further information on the COSTARS program is available by phone at 1-866-768-7827 or by visiting the [COSTARS](#) website at www.costars.state.pa.us.

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