

COSTARS™ CONNECTION

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DEPARTMENT OF GENERAL SERVICES

Governor Tom Corbett

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Summer, 2012

Secretary Sheri Phillips

MILESTONES REACHED

7500th Member, 1000th Supplier

The COSTARS Program reached two significant milestones earlier this year, when its 7500th member registered for the program and the 1000th supplier was awarded a COSTARS-exclusive contract.

On February 14, 2012, Thornhurst Township, the southern-most municipality in Lackawanna County was approved as the 7500th COSTARS member. Thornhurst was the 1457th Pennsylvania township that has registered as a COSTARS member, bringing total Pennsylvania township participation in COSTARS to 94.1 percent. COSTARS membership has grown 89.4 percent since 2006.

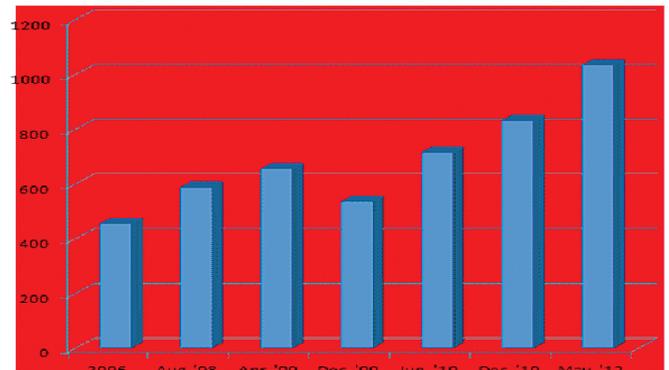
Thornhurst is a small community with a population of only 1,085, according to the 2010 census. According to Township Secretary/Treasurer Kim Grab, the township registered as a COSTARS member because township supervisors learned at a Pennsylvania State Association of Township Supervisors' Conference that members could participate in the statewide sodium chloride contract and purchase roadsalt at the same price (\$57.14 per ton in Lackawanna) that Pennsylvania's Department of Transportation paid, even though the township only needed a relatively small amount of salt to cover its one and one-half miles of township roads.

and serves customers in Washington, Fayette, and Allegheny counties, as well as its home county of Westmoreland. They offer virtually all the services covered under the contract including pest and weed control; pruning and planting; soil sampling and testing; and snowplowing.

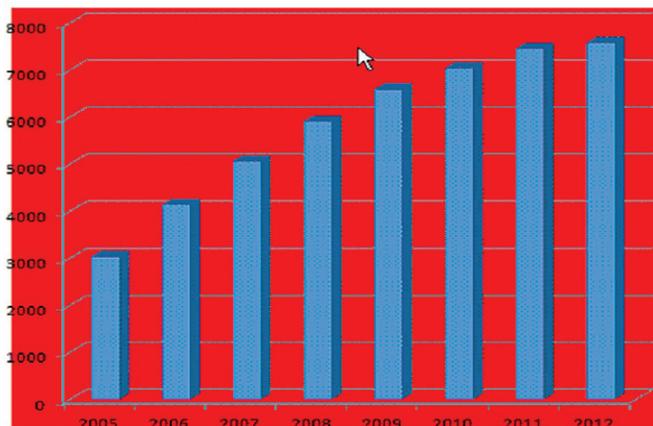
Owner Joseph George Jr. heard about the program from some of his suppliers who recommended it. He submitted a bid, "which was relatively simple" and was awarded a contract.

At press time, 1032 COSTARS-exclusive contracts were in effect – a 93 percent increase since December, 2009.

COSTARS EXCLUSIVE SUPPLIERS



COSTARS MEMBERSHIP



Joseph's Nursery and Garden Center of Monessen, Pennsylvania in Westmoreland County was awarded COSTARS contract number 029-008 on March 27 and became the 1000th supplier to hold a COSTARS-exclusive contract. Joseph's submitted a bid in response to the program's newly introduced Groundskeeping (Grounds/Turf Maintenance) contract solicitation. The company is a family-owned small business

CONTRACT NEWS

Responding to our members' needs and requests, COSTARS is pleased to announce changes to, and the addition of, several new contracts which are now open to potential suppliers for response to the solicitations. As is the case with all contracts, bidding opportunities may be found on our Suppliers' page, www.dgs.state.pa.us/COSTARS > **Suppliers.**

As previewed in our last edition of **COSTARS CONNECTION**, new contracts include:

- COSTARS-30 Energy Consulting Services**
- COSTARS-32 Signage**
- COSTARS-34 Theater (Auditorium) Furniture and Equipment.**

In addition, the following contracts have been introduced:

- COSTARS-15 Water & Wastewater Treatment Consumables**

Continued on page 6

MESSAGE FROM THE DIRECTOR

Scott Cross, Director Program & Systems



I am pleased to see the collaborative relationship among our members, suppliers and staff continue to grow. This relationship provides the benefits to our communities that were envisioned when the Commonwealth's cooperative purchasing program was implemented nearly over a decade ago. The success of the program is a direct result of the extended efforts of the Commonwealth and the COSTARS staff to assure

continued communication with its customers and further the enhancement of that original vision.

We are mindful of the needs of the entities that rely on the COSTARS program and remain committed to creating opportunities to enable our suppliers and members to provide and acquire quality products and services through the contracts executed through this program. Increased membership, suppliers, sales, savings and contract numbers demonstrate the program's success, but that is not to say that occasional problems don't arise. I sincerely hope that our members and suppliers recognize that while our staff does work to resolve a question or issue the Commonwealth is not a third party to your purchase and therefore we strongly advise both parties to pay attention to the contract terms and conditions and be careful if consideration is being given to additional terms beyond those specified in the contract. A member should consult their solicitor for guidance regarding any such consideration. Terms and conditions that are in conflict with the contract will invalidate the purchase as a COSTARS contract purchase. Fortunately, such an occurrence is rare, but vigilance by both parties is necessary.

We have published a list of events in this newsletter that our marketing staff plans to attend. Should you also plan to attend one of these events, please do not hesitate to approach one of our staff to discuss the program, its benefits and constraints, and how COSTARS may be of help to you. Your comments are always welcome.

COSTARS CONNECTION

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Further information on the COSTARS program is available by phone (866) 768-7827 or on the web at <http://www.dgs.state.pa.us>

DGS RENEGOTIATES SALT CONTRACT

Reacting to Mild Winter

Mother Nature was easier on all of us this past winter. Record high temperatures brought lower levels of snowfall and caused many of our members to have an unexpected salt surplus. In



reaction to this abnormally mild winter, the Department of General Services (DGS) has negotiated more generous Sodium Chloride Contract terms, for the 2011-2012 season only, regarding the 60% minimum of stated required tons and storage fees. Please refer to the email correspondence sent from DGS COSTARS to participating COSTARS organizations on Monday April 30, 2012 for details.

While a record 1,541 COSTARS members completed their 2011-2012 Salt Participation Agreements totaling 820,132 required tons, this past season's milder winter has influenced COSTARS members to adjust their sodium chloride requirement for the 2012-2013 winter season. At the time of this publication, 1,425 members have completed their Salt Participation Agreements totaling 677,767 tons. This estimated 18% reduction reflects the milder weather that we have experienced over the last winter season, causing many participant's storage facilities to be full. Even with lower quantities, savings persist for our participating members. According to DGS Transportation Team Manager, Joel Shiffler, his team has worked hard and has negotiated "savings per ton despite a national producer price index (PPI) increase for roadsalt that we saw go up 14%." Shiffler continues, "While we are always hopeful for a mild winter, we are prepared either way."

DGS's successful negotiation with current salt suppliers to renew the Sodium Chloride Contract for the upcoming 2012-2013 season provides a valuable service to many of our COSTARS members who are able to take advantage of this contract's highly competitive pricing. The contract for the renewal period, with updated prices by county, will be posted on the COSTARS website on approximately August 1.

COSTARS-17 Waste Recycling & Material Handling Containers

Periodically, as space permits, we print the names of our COSTARS-authorized suppliers. This issue, we highlight **COSTARS-17 Waste, Recycling & Material Handling Containers**, as of June 8, 2012.

- Advanced Hydraulic Systems - DBA Advanced Enviro Systems
- Busch Systems International
- Eagle Equipment
- Kettle Equipment
- Kettle Creek - DBA Windsor Barrel Works
- Merkin Body & Hoist - DBA Merkin Equipment
- Mid Atlantic Waste Systems (THC Enterprises)
- Orbis
- PCA Industrial & Paper Supplies
- Rehrig Pacific
- T. M. Fitzgerald & Associates
- Toter

ATTENTION: EMERGENCY RESPONDERS

Do you want a new mid-pumper truck with all the latest bells and whistles? Are you running out of supplies? One thing you know for sure is that saving money by buying smart and getting what you need fast is critical in your day-to-day operations.

Fire companies, rescue squads, and police departments throughout the Commonwealth are buying through COSTARS- the state's cooperative purchasing program, to satisfy their emergency responder needs. COSTARS-12 and COSTARS-13 contracts, which were written specifically for emergency responders, include items such as breathing systems, fire hose, emergency medical equipment, fire trucks, ambulances, defibrillators and specialty response vehicles. In 2011, \$25 million was spent by COSTARS members on these two contracts, representing an increase of approximately 24 percent over 2010. Based on first quarter 2012 sales reports, this year's spend is projected to be near \$40 million! In addition, volunteer emergency service company COSTARS members may purchase from the 30 other COSTARS-exclusive contracts for items such as medical, janitorial, and office supplies, as well as piggy back off as many as 200 existing statewide contracts for items such as tires, highway flares, radio equipment, and much more!

"A good way to look at the COSTARS program is as a tool," says Marketing Manager Richard Zuber. "Using our website to find suppliers who are anxious to do business with our members can result in substantial monetary savings."



Here's how it works: First, you need to register your organization to become a COSTARS member. Membership is free and registration is easy by going to the COSTARS home page (www.dgs.state.pa.us/COSTARS), clicking on the 'COSTARS Member Registration' link, and completing the online registration form. Once you are set up as a member, you are free to contact several COSTARS authorized suppliers, get a few quotes, negotiate, and purchase from the supplier who best fits your needs.

"Our members really have substantial negotiating power if they take the time to shop around," says Zuber.

Robert Junkins, Trustee for the Goodwill Fire Company #1 of York Township was pleased to find out that not only could his company purchase a much needed fire truck through the program, but that everything from janitorial and medical supplies to IT equipment and furniture can be procured through COSTARS as well. In addition, Junkins notes, "when I learned that our company could sign up for the Universal Fleet Card Program and buy and manage our tax-free gasoline purchases, I knew I had stumbled upon a good thing. Now, we have an easy way to manage and track all of our petroleum purchases."

More than 1,300 fire, rescue and ambulance companies have joined COSTARS. If you have any questions about the program and want to learn more about how your organization can participate, the COSTARS team is available to speak with you by telephone at toll free number 1-866-768-7827 or by email to GS-PACostars@pa.gov.

SEDA-COG/COSTARS WORKING TOGETHER

Thanks to the assistance of SEDA-COG's Procurement Technical Assistance Center (PTAC), Susquehanna Fire Equipment Company, from Dewart, PA, recently was awarded a COSTARS Emergency Responder Loose Supplies contract and made its first sale through the program. As a result, the company is now connected to more than 7,550 COSTARS members - potential buyers of Susquehanna Fire Equipment's products. SEDA-COG is a Council of Governments serving 11 central Pennsylvania counties and their PTAC serves an additional seven counties surrounding Harrisburg.

The company met with representatives of the New Wilmington Fire Department Relief Association at a trade show in January. New Wilmington, which needed equipment to refill breathing apparatus, asked about Susquehanna Fire Equipment's participation in COSTARS.

According to Keith Foust, Susquehanna's Vice-president of Sales and Marketing, "The boroughs, fire companies, and municipal authorities that buy our products want the equipment quickly, at the best price."

"We occasionally lost business to companies in the COSTARS program. We do not want to walk away from potential sales with our customers," says Foust.

Susquehanna began actively pursuing inclusion in the COSTARS program in mid-February, working with staff from the SEDA-COG to review the bid package and the program's requirements. When questions came up about pricing and bid documents, SEDA-COG arranged a conference call with company officials and COSTARS' commodity specialist.

"SEDA-COG walked us through the whole thing," says Foust, "They showed us how to maneuver through COSTARS' web site and how to complete the paperwork. We had a lot of questions, but between Kristen Moyer from SEDA-COG and Kathy Lewis from COSTARS, we got it done."

BIDDING THRESHOLD REMINDER

PA PROCUREMENT LAW

Governor Corbett signed legislation on November 3, 2011 raising the bidding threshold for most Local Public Procurement Units from \$10,000 to \$18,500. This legislation was effective January 1, 2012 for townships, counties, boroughs, cities, and public authorities. This same law will go in effect for public schools in January 2013.

As always, purchasing through COSTARS or other legitimate co-operative programs alleviates the need for purchasing entities to go out to bid, regardless of the purchase price, saving members time and money.

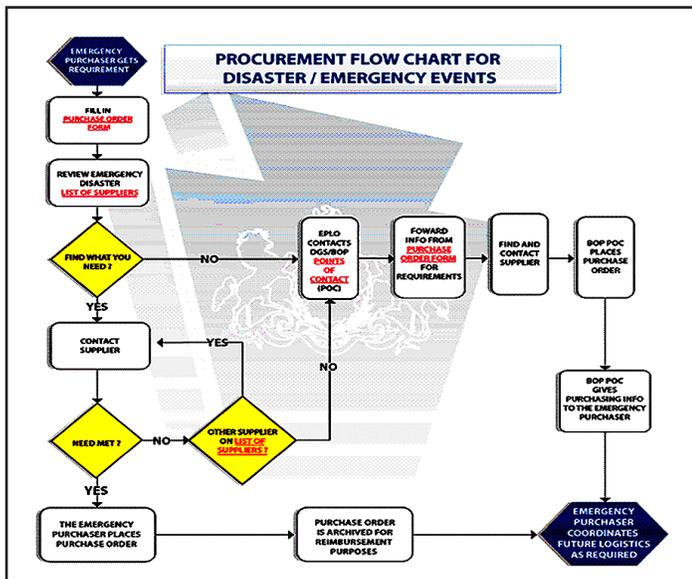
COMPETITIVE BIDDING REQUIREMENTS (as of January 1, 2012) (adjusted annually based on Consumer Price Index)		
	General Contracts and Purchases	Exempted Categories (such as insurance and personal & professional services)
Contracts Below \$10,000	No advertising or competitive bidding or price quotations are required	No advertising or competitive bidding or price quotations are required
Contracts Between \$10,000 and \$18,500	Three informal (written, telephonic, electronic) price quotations are required, with award to lowest	No advertising or competitive bidding or price quotations are required
Contracts Over \$18,500	No advertising or competitive bidding is required (Unless utilizing COSTARS or other acceptable cooperative purchasing program)	No advertising or competitive bidding or price quotations are required

IN CASE OF AN EMERGENCY...

Procurement Resources Outlined

If the state or your community was beset by an emergency – flooding, snow, fires, an epidemic, nuclear event – do you know from whom you can make purchases of emergency supplies and services? The COSTARS website provides a link to the Pennsylvania Department of General Services (DGS) Disaster/Emergency Event Procurement website which provides information and instruction on how to procure materials and services from prequalified and known suppliers during an actual emergency/disaster event. The site can also be accessed directly at www.dgs.state.pa.us/disasterevent.

The website is designed for individuals who are responsible for procurement during an emergency event, such as Local Emergency Management Coordinators (EMC's). While not exhaustive, the website does provide a list of suppliers, most of whom have Commonwealth or COSTARS contracts, with their emergency contact information, such as cell phone numbers, and back-up contact names and website addresses. The site is indexed by supplier name, as well as an extensive list of potentially needed supplies and services.



The site includes a Quick Reference User's Guide, a flow chart of the Emergency Procurement Process, a sample Purchase Order form, the lists of prequalified suppliers (which becomes activated during actual emergency events), a DGS Bureau of Procurement Points of Contact list to be used in the event that an emergency purchaser is unable to find what is needed, a link to search suppliers from federal contracts in General Services Administration (GSA) schedules, and links to helpful related websites such as American Red Cross, National Guard, Homeland Security, etc.

We encourage those assigned with procurement responsibilities, especially those that will be responding to disaster events, to become familiar with the website.

TRAINING UPDATE

During seven weekends in January, February, and March, COSTARS Marketing Managers Bruce Beardsley and Richard Zuber conducted workshops for newly elected township supervisors at thirteen sessions sponsored by the Pennsylvania Association of Township Supervisors (PSATS) at various locations throughout the state. Beardsley and Zuber briefed more than 200 new supervisors on state procurement law and the COSTARS program.

In March, April, and May, the COSTARS marketing team facilitated a series of 24 seminars for suppliers who hold COSTARS-participating Pennsylvania state contracts. These seminars, conducted in Harrisburg, covered topics including program overview, navigating the website, marketing ideas, and sales reporting. A post-presentation feedback survey indicated that 80 percent of the attendees felt the workshop was a "very good" use of their time and 19 percent felt that it was a "moderately good" use of their time.



COSTARS' Richard Zuber

Other recent sponsors of events attended by COSTARS marketing staff include:

- Fastenal
- Cleveland Brothers
- Pa. Association of School Business Officials
- Caterpillar
- Schaedler-Yesco
- Clarion University Small Business Development Center
- Ram Industrial
- TechQuest
- Pa. Association of Boroughs
- Pa. State Association of Township Supervisors
- Greater Reading Chamber of Commerce
- Delaware County Transportation Management Association

COSTARS plans to participate in these upcoming events:

- Pa. State Association of Township Commissioners Annual Conference
- Pa. State Association of Township Supervisors webinar
- Pa. Association of Municipal Administrators Annual Conference
- Luzerne County Association of Township Officials Annual Convention
- Pa. Public Purchasing Association Region II Conference
- Eastern Pa. EMS Conference
- Pa. Statewide EMS Conference

Spreading the message of COSTARS and recruiting and training members and suppliers is part of the mission of the COSTARS marketing team. If you would like to arrange for a representative to speak about COSTARS or conduct a training session for members or suppliers, please contact Bruce Beardsley at 717.214.3432 (bbeardsley@pa.gov) or Richard Zuber at 717.346.3838 (rzuber@pa.gov).

BACK TO BASICS!

Using COSTARS to Maximize Saving

COSTARS program staff often receives phone calls from our members asking how to navigate through our website and find the materials or services they need. Whether you are a new COSTARS member or you just haven't purchased anything through the program in a while, we hope you find this article helpful with your procurement process.

COSTARS is the Commonwealth of Pennsylvania's cooperative purchasing program. COSTARS members can access suppliers throughout the Commonwealth who have been approved to do business with you. Members use the COSTARS website to identify suppliers and to purchase from COSTARS-exclusive contracts or from a large selection of statewide agency contracts for which suppliers have agreed to participate. If you are not a COSTARS member, don't worry; becoming a member is free and easy! Simply go to our web-site and click on "COSTARS Member Registration". Registering takes just a few minutes and you should receive a response within 24 hours.

Now for the fun part...let's go shopping! The first thing you need to do is familiarize yourself with our website www.dgs.state.pa.us/COSTARS:

As you can see, there is a link on the left for "Resource Center". Here you will find a downloadable step by step tutorial on how to navigate the COSTARS website.



There are two yellow buttons in the center of our home page (one for suppliers and one for members). Click on the yellow "MEMBERS" button to access the next page. On the top left hand side of this page you will see a tan box with five blue stars:

COSTARS Contracts:

Clicking here will direct you to our COSTARS Contract Search page.

Here, you can get connected with more than 1,000 COSTARS-exclusive suppliers.



View Statewide Contracts:

Clicking here will direct you to eMarketplace, the search page for statewide agency contracts.

Below are two step-by-step instructions that will help you through this procurement process:

Instructions for searching COSTARS-exclusive Contracts:

- Go to www.dgs.state.pa.us/COSTARS
- Click on "MEMBERS"
- Click on COSTARS Contracts
- Click on any of the 5 drop down buttons - **Contract/Category/Supplier/Manufacture/Dealer** to search for contracts

Hint: our members find it easiest to simply go on a "contract" search and then click on any of the "View Contract Overview" icons to find the suppliers who sell what they need)

Instructions for searching Statewide Agency Contracts:

- Go to www.dgs.state.pa.us/COSTARS
- Click on yellow tab "MEMBERS"
- Click on View Statewide Contracts
- You can search by clicking on the drop down tab (all items, contract number, description etc...)
- When choosing "description", type in the word "tires", for example, in the empty available box and click "Search"
- If within the COSTARS column you see "Yes", it means that the supplier has agreed to sell to COSTARS members... you have the option to purchase from the contract; however, if within the COSTARS column you see "No", it means that the contract for a specific supplier is not available to COSTARS members
- Click on any of the Contract #'s to view the Contract File (clicking on the orange "C" tab will take you to the actual contract)

CONTRACT NEWS & HIGHLIGHTS

Continued from page 1

This contract, recently resurrected and rebid, includes many water and wastewater treatment chemicals as well as filter media such as activated carbon, anthracite, garnet, gravel, resin and sand. The scope of this contract is quite expansive and was broadened to meet the needs of our members. Suppliers are encouraged to submit their bids. For a complete listing of consumables available on this contract, please go to the Special Terms and Conditions section of the Invitation for Bids (IFB). Specific questions about this IFB should be directed to Commodity Specialist Kathy Lewis who manages this contract. Kathy is available at 717.346.4056 or kalewis@pa.gov. All responsive and responsible bidders will be awarded a contract.

COSTARS-35 Furniture & Window Treatments

Replacing COSTARS-2 Office Furniture, this new contract has an expanded scope to include:

- Audio/Visual Carts, Mounts & Stands
- Book, Chair & Table Caddies, Carts & Trucks
- Cafeteria Furniture
- Casegoods
- Computer Furniture, Ergonomic Keyboard Trays & Monitor Arms
- Daycare & Preschool Furniture
- Demountable Walls
- Educational & Dormitory Furniture
- Filing & Storage Units
- Freestanding Bookcases, Display Cases, Literature Racks & Shelving
- Freestanding Office Furniture, Panels, Partitions & Privacy Dividers
- Healthcare Furniture
- Laboratory Furniture
- Law Enforcement Furniture, Evidence Lockers, Weapons Racks & Storage
- Library Furniture
- Lobby, Lounge, Reception, & Waiting Room Furniture
- Mailroom Furniture & Carts
- Meeting & Training Room Furniture, Lecterns & Podiums
- Outdoor/Patio Furniture
- Seating
- Studio Furniture
- Systems Furniture & Accessories
- Tables
- Window Blinds/Shades, Curtains/Draperies, Drapery Hardware & Interior Shutters



**Emanuel Williams
(Commodity Specialist)
manages this contract.
717-703-2946
emwilliams@pa.gov**

Other Changes and Highlights

The scope of COSTARS-5 Janitorial Supplies has been expanded to include Floor Care Machines, and Vacuums and Accessories (Excludes Central Vacuum Systems).

COSTARS members and suppliers are reminded of an advisory that was distributed on April 23, 2012 and posted on the COSTARS Members' page. Specifically, COSTARS Contract Special Terms and Conditions have been revised to limit or remove "Installation" when applicable as an Ancillary Service. Please refer to specific contracts for details. **This change does not place any limits on the dollar amount of material or other ancillary services, other than installation services, purchased through any COSTARS-exclusive contracts.** As always, COSTARS members and suppliers must follow the terms and conditions of a contract and governmental entity purchasers must always follow applicable procurement laws.

COSTARS-27 Stop-Loss & Voluntary Benefits Insurance contract has been cancelled.

COSTARS Exclusive Contracts:

COSTARS-1	Copiers
COSTARS-3	IT Hardware
COSTARS-4	Office Supplies
COSTARS-5	Janitorial Supplies
COSTARS-6	Software
COSTARS-7	Foods
COSTARS-8	Maintenance, Repair & Operation
COSTARS-9	Graphic & Printing Services
COSTARS-10	Voting Systems
COSTARS-11	Toiletries
COSTARS-12	Emergency Responder Loose Supplies
COSTARS-13	Emergency Responder Vehicles
COSTARS-14	Recreation & Fitness Equipment
COSTARS-15	Water & Wastewater Treatment Consumables
COSTARS-16	Water & Wastewater Treatment - Components/Equipment
COSTARS-17	Waste, Recycling & Material Handling Containers
COSTARS-18	LED Traffic Signal Modules/Housing
COSTARS-19	Medical Supplies
COSTARS-20	Laboratory Supplies
COSTARS-22	Weatherization Materials
COSTARS-24	Traffic Signs
COSTARS-25	Municipal Work Vehicles
COSTARS-26	Passenger Vehicles
COSTARS-28	Energy Conservation Management Supplies
COSTARS-29	Groundskeeping (Grounds/Turf) Maintenance
COSTARS-30	Energy Consulting Services
COSTARS-32	Signage
COSTARS-34	Theater (Auditorium Furniture, Fixture & Equipment
COSTARS-35	Furniture & Window Treatments