



Baltimore Regional Cooperative Purchasing Committee

**Users Guide for Cooperative
Purchasing in the Baltimore Region**

**USER’S GUIDE FOR COOPERATIVE PURCHASING IN THE
BALTIMORE REGION**

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USER'S GUIDE FOR COOPERATIVE PURCHASING IN THE BALTIMORE REGION

I. NAME

The name of the organization for regional cooperative purchasing in the Baltimore, MD region is the Baltimore Regional Cooperative Purchasing Committee (BRCPC). The BRCPC is a standing committee of the Baltimore Metropolitan Council (BMC) .

The BRCPC has also entered into a Memorandum of Understanding with the Metropolitan Council of Governments to broaden our cooperative purchasing efforts to include both regions under the *title* of the Mid-Atlantic Purchasing Team (MAPT).

II. PURPOSE AND GOALS

The BMC is an organization of the region's elected officials who are committed to identifying regional interests and developing collaborative strategies, plans and programs that will improve the quality of life and economic vitality throughout the region. The BMC addresses such issues as land-use, transportation, housing, economic development, the environment, and cooperative purchasing.

The objectives of the BRCPC are to achieve cost savings by combining requirements into cooperative contracts, realize further cost savings through reduction in administrative expenses and serve as a forum for the exchange of resources and technical information. The program is voluntary and the members independently determine whether they will participate in each purchase.

III. MEMBERSHIP

Membership consists of the principal purchasing official or designee from the governments, public schools, and community colleges of Anne Arundel County, Baltimore City, Baltimore County , Carroll County, Harford County, Howard County, Queen Anne's County, and the State of Maryland.

A chairperson may be appointed by BMC as recommended by the members of the participating jurisdictions for a one year period and may be re-approved for additional terms of office. The chairperson will convene meetings and perform other duties as described herein. If no chairperson is appointed, then the Coordinator will function as the meeting facilitator.

IV. ROLE OF THE BALTIMORE METROPOLITAN COUNCIL AND BRCPC

The BMC provides staff to the BRCPC. The responsibility of the BMC staff is to provide research and coordinate services to the BRCPC. This may include communications, benchmarking, industry data, surveys, meeting with suppliers, coordinating training, and other value added services.

BMC assistance to the BRCPC includes the coordination of activities, publicity for the program, maintaining the BRCPC web site on a current basis and maintenance of centralized cooperative purchase files.

The BRCPC, which meets periodically at the BMC, jointly selects items which will be cooperatively purchased. The BRCPC attempts to select those items that will provide the greatest possibility for a successful cooperative purchase. This is done through the selection of commodities or services with common or industry wide standard specifications which are purchased in large quantities by the participants.

V. ROLE OF THE LEAD JURISDICTION

The lead jurisdiction is appointed by the chairman of BRCPC, with its consent, to issue a cooperative Invitation for Bid (IFB) or Request for Proposal (RFP) on behalf of the other participating jurisdictions.

Before the Contract Award

- a. The lead jurisdiction, assisted by the BRCPC, will review, develop or refine specifications, prepare bid documents, develop a bidders list, and consult with all participating jurisdictions.
- b. A “Buyers’s Guide for Processing Regional Cooperative Bids” is included as Appendix I to assist the lead jurisdiction in the process.
- c. The bid document shall contain a combination of the standard clauses approved by the participants of BRCPC. The approved MAPT Terms and Conditions is included in this guide as Appendix II. The final bid document may include any other clause(s) required by participating jurisdictions. The lead jurisdiction shall review the draft IFB or RFP to assure maximum participation by other jurisdictions.
- d. The lead jurisdiction shall forward to all participating jurisdictions the final draft of the IFB or RFP for approval. The lead jurisdiction will establish a response date for comments, generally two weeks prior to public release of the specification.
- e. If any requests for changes are received and are not acceptable by the lead jurisdiction, and the difference cannot be resolved with the participating jurisdictions requesting the change, the lead jurisdiction shall present the request to the next scheduled or special meeting of BRCPC for resolution.

- f. The lead jurisdiction, upon receipt of the approved IFB or RFP, and after informing participants of the date and time of bid opening, will advertise the IFB or RFP in a local or major newspaper in the Baltimore Regional Metropolitan Area and any other publication deemed necessary.
- g. Participating jurisdictions will be responsible for advertising in their own publication if required by law, ordinance or policy.
- h. The lead jurisdiction will forward a copy of the IFB or RFP package to all prospective bidders from the compiled bidders list and to each of the participating jurisdictions and Coordinator, including any addendum or other solicitation documents resulting from the solicitation and review process.
- i. The lead jurisdiction will respond to all inquiries pertaining to the IFB or RFP.
- j. The lead jurisdiction will receive, open and tabulate all responses to the IFB or RFP. Representatives of the participating jurisdictions are invited to attend the bid opening.
- k. Minor differences in specifications may be waived at the discretion of the lead jurisdiction in accordance with its laws, ordinances and/or regulations.
- l. The lead jurisdiction, assisted by the Coordinator if necessary, will review solicitation results, and the lead jurisdiction shall advise all participating jurisdictions to issue their respective award to the lowest responsive and responsible bidder.
- m. The lead jurisdiction shall be responsible for all protests in response to the solicitation in accordance with its laws, ordinances and/or regulations.
- n. If the apparent low bidder is not awarded the contract, an explanation by the lead jurisdiction shall be provided to the BRCPC chairman and all participants.

After the Contract Award:

- a. Each participating jurisdiction must issue its own contract award to the successful bidder or offerer when a requirement has been authorized, and furnish copies of its own contract award to the lead jurisdiction *and* the Coordinator for inclusion in a central file.
The lead jurisdiction shall submit to the Coordinator within a reasonable period after bid opening, copies of the tab sheets, evaluations, pertinent correspondence, award recommendations and the purchase order.
- b. The lead jurisdiction shall assist participating jurisdictions, if requested, in resolving complaints with the vendor.
- c. The records maintained by the Coordinator will be kept for a five year period.

VI. ROLE OF THE JURISDICTIONS

- a. Participation in any cooperative purchase is always voluntary.

- b. Once a jurisdiction determines that it will participate in a solicitation for a cooperative purchase, that jurisdiction has committed itself to execute a contract with the awarded supplier when a requirement is authorized. No participating jurisdiction should withdraw from the process after the solicitation has been issued by the lead jurisdiction. Any jurisdiction which is a participant in a cooperative purchase shall not execute separate contracts with such vendors other than under the terms of the cooperative IFB or RFP.
- c. A non-participating jurisdiction may choose to use a cooperative purchasing contract only as a mutual agreement between the jurisdiction and the vendor. The chairperson shall be notified in writing when this occurs; the writing to be made a part of the cooperative purchase file.
- d. When a jurisdiction determines that a cooperative bid is not feasible for a contract, they should include the "MAPT Cooperative Rider Clause" in their solicitation to enable future flexibility for the other jurisdictions. The clause is included as Appendix III.

VII. CONTRACT DISPUTES

- a. Disputes over execution of the contract will be the responsibility of each participating jurisdiction.
- b. It is the BRCPC's policy to seek resolution to problems without recourse to litigation. Where possible, resolutions should be obtained by the use of informal discussions between the parties. If not resolved with the participating jurisdiction, the vendor may make a request in writing to the chairperson for a hearing at a scheduled meeting of BRCPC to present its case. BRCPC may hear the dispute and recommend a decision but has no power to enforce the decision if it is in disagreement with the participating jurisdiction. Notwithstanding the above, a vendor should take all steps necessary to comply with the participating jurisdictions' rules, regulations and laws regarding disputes to protect the vendor's legal remedies.
- c. Dispute costs dealing with complaints, including litigation, are to be born by the vendor and/or the jurisdiction that issued the purchase order as the case may be.

VIII. COST SAVINGS

Cost savings are a primary goal of the BRCPC and it is beneficial to track them for reporting purposes. Appendix III - Cost Reduction Calculation Worksheet, are included to facilitate reporting by all jurisdictions who participate in a cooperative contract. The forms are to be completed at the time of contract award and forwarded to the Coordinator.

IX. SOCIO-ECONOMIC PROGRAMS

Many of the participating jurisdictions in BRCPC have adopted Minority Business Enterprise, Small Business Enterprise Programs and similar

programs collectively called Socio-Economic Programs. These programs affirm participation in individual procurements or have established socio-economic goals. It is incumbent upon all participating jurisdictions to be aware of the lead jurisdictions's socio-economic program, if any, and to include their own program, if any, by advising the lead jurisdiction all details to be included in the solicitation.

X. AUTHORITY

The authority to engage in cooperative purchase programs is found in each jurisdiction's law, code, ordinance or policy.



Baltimore Regional Cooperative Purchasing Committee

Buyer's Guide for Processing Regional Cooperative Bids

Objective

One jurisdiction will issue the solicitation for a particular requirement with the specifications incorporating the needs of all the participating entities. Each entity will make its own individual award to the successful bidder.

Participants

Participation is voluntary and each purchasing jurisdiction determines for itself its participation in a given bid. The participants are governmental, public schools, community colleges and public libraries from the following jurisdictions:

Anne Arundel County
Baltimore City
Baltimore County
Carroll County
Harford County
Howard County
Queen Anne's County
State of Maryland

Procedures

1. When the lead jurisdiction is assigned a bid, the buyer handling the bidding process forwards a copy of the proposed specifications to the Coordinator, Regional Purchasing. The address is:

Debbie Groat, C.P.M., CPPB, ACG
Coordinator of Cooperative Purchasing
Baltimore Metropolitan Council
1500 Whetstone Way, Suite 300
Baltimore MD 21230
E-mail: dgroat@baltometro.org

The Coordinator will forward the specifications with a questionnaire to all jurisdictions for review. The jurisdiction completes the questionnaire with their election to participate, estimated quantities, suggestions for revisions, current sources and prices, suggested bidders or other required information and returns the questionnaire to the Coordinator.

2. The information will be forwarded to the buyer handling the bid in the lead jurisdiction. The buyer completes the bid solicitation; incorporating the standard BRCPC bid package and other clauses required by participating jurisdictions.

3. If required by BRCPC or requested by the lead jurisdiction, the final draft of the solicitation is discussed by the BRCPC at the next regular meeting. Otherwise, the buyer will send copies of the final solicitation to all participants and the Coordinator.

4. The buyer will advertise the solicitation as required by the lead jurisdiction. If required, the other participants will be responsible for advertising within their own jurisdiction.

5. If an addendum is required, the buyer will send the addendum to all bidders with a copy to all participants. A copy of all addendums and correspondence will be sent to the Coordinator.

6. The lead jurisdiction will receive, open and tabulate all responses to the bid. Representatives of the participants may attend the bid opening.

7. The lead jurisdiction will evaluate responses and advise all participants to issue their own awards to the successful bidder(s).

8. The lead jurisdiction will handle all protests in response to the solicitation in accordance with their requirements.

9. Copies of the award and an explanation of the basis for award will be provided to all participants and the Coordinator.

10. All participants will send the anticipated cost reductions and administrative cost savings to the Coordinator within 30 days following award.



Cooperative Rider Clause

The Mid-Atlantic Purchasing Team (MAPT) is the agreement between the Baltimore Metropolitan Council (“BMC”) and the Metropolitan Washington Council of Governments (“MWCOG”) to aggregate the public entity and non-profit purchasing volumes in the Maryland, Virginia and Washington, D.C. region (“region”).

Format

A lead agency format is used to accomplish this work. The lead agency has included this MAPT Cooperative Rider Clause in this solicitation indicating its willingness to allow other public entities to participate pursuant to the following Terms and Conditions:

1. Terms
 - a. Participating entities, through their use of the Cooperative Rider Clause, agree to the terms and conditions of the resulting contract to the extent that they can be reasonably applied to the participating entity.
 - b. Participating entities may also negotiate additional terms and conditions specific to their local requirements upon mutual agreement between the parties.

2. Other Conditions - Contract and Reporting

The supplier/contractor and participating entity agree:

- a. The contract resulting from this solicitation shall be governed by and "construed in accordance with the laws of the State/jurisdiction in which the participating entity officially is located;
- b. To provide to BMC and/or MWCOG contract usage reporting information, including but not limited to quantity, unit pricing and total volume of sales by entity, as well reporting other participating entities added on the contract, on demand and without further approval of contract participants;
- c. Contract obligations rest solely with the participating entities only;
- d. Significant changes in total contract value may result in further negotiations of contract pricing with the lead agency and participating entities.

In pricing and other conditions, vendors are urged to consider the broad reach and appeal of MAPT with public and non-profit entities in this region.

A list of the participating members of the Mid-Atlantic Purchasing Team can be found at the following web links <http://www.baltometro.org/our-work/cooperative-purchasing/brcpc-representatives> and www.mwcog.org/purchasing-and-bids/cooperative-purchasing/member-links/



Baltimore Regional Cooperative Purchasing Committee Cost Reduction Calculation Worksheet

A cost reduction occurs when the purchasing function takes planned and deliberate action to obtain the necessary quality level at a better price. Cost reductions can include cost avoidance of a higher cost that would have occurred had the action not taken place. An administrative cost savings occurs when a jurisdiction participates with the lead agency for a procurement. The savings represents the administrative costs normally incurred when preparing a solicitation. In the case of a cooperative solicitation and contract, all participating jurisdictions except for the lead agency enjoy the benefit of the administrative cost savings.

Date:	Calculation Performed By:
Incumbent Name & Contract #	Contract Title:
Contract #:	Vendor:
Savings Accomplished By: <input type="checkbox"/> Cooperative Bidding <input type="checkbox"/> Bid Strategy <input type="checkbox"/> New Source <input type="checkbox"/> Negotiation <input type="checkbox"/> Change in Specifications <input type="checkbox"/> Standardization <input type="checkbox"/> Simplification <input type="checkbox"/> New Product <input type="checkbox"/> Procurement Action to Avoid Increase <input type="checkbox"/> Other	Summary of Action Taken for Cost Reduction:

CALCULATIONS

A. **Solicitation** (select a single option and annual usage for reporting results)

- **Option #1:** Using the Bid Abstract take an *average total bid percentage savings* by averaging all total bids received EXCEPT low bid and comparing that to the low bid

Total Bid Comparison Percentage Savings = _____% X Annual Usage = Estimated Savings

- **Option #2:** Using the Bid Worksheet take an actual percentage savings by comparing the low bidder to last year unit prices for the same line items.

Incumbent Comparison percentage savings = _____% x Annual Usage = Estimated Savings

Illustration: Snow Plow Blades

Vendor	Total Bid Price	Evaluated Savings against Total Bid Price	Evaluated Savings against 2014 Pricing
Chemung Supply	\$91248.60	19% Savings	20% Decrease
Northern Supply	\$97,820.00		
Lacal Equipment (incumbent)	\$105,275.10		
Moxley Welding & Machine Shop	\$123,136.90		
Mid Atlantic Waste Systems	\$125,063.80		

1. Illustration Option #1: Average of the Total Bid Price for *non-low bidders* –

$\$451,295.8 \div 4 = \text{Average Total Bid Price of } \$112,823.95$
 $\text{Low Bid } \$91,248.60 \div \text{Average Total Bid Price } \$112,823.95 = 0.8088$
 $1 - 0.8088 = .19 \text{ or } 19\% \text{ savings}$

2. Illustration Option #2: Using the Bid Worksheets, average of the (same) Line Item Price for low bidder and incumbent –

Incumbent Total of all same Unit Prices \$830.90 vs. *Low Bid Total of all same Unit Prices* \$662.17
 $\$662.17 \div \$830.90 = 0.797$
 $1 - 0.797 = 0.20 \text{ or } 20\% \text{ savings}$

- B. **Staff Time** including the standard cost to issue a solicitation \$1,000.00
 C. **Other Ancillary Costs** including computer time, office supplies, etc. \$138.00

Calculation Results and Report on Total Annual Savings:

A. Solicitation Savings or (Increased Costs)		_____
B. Administrative Cost Savings:		\$1138
a. Staff Time	\$1,000	
b. Ancillary Costs	\$138	_____
Total Savings or Increased Cost		_____