Introductions

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New York State Chief Procurement Officer

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*Our Mission: Savings, Efficiency, and Service*

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**Savings Opportunities**

<table>
<thead>
<tr>
<th>Savings Opportunities</th>
<th>Five-Year Total ($ in thousands)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Procurement</td>
<td>755,000</td>
</tr>
</tbody>
</table>

The State Budget advanced projects that can save the State $100 million in 2012-13 growing to $1 billion over five years.

**Procurement is the biggest piece of this effort**

Significant opportunities to save money on centralized contracts:

*VEHICLES (all types) account for > $250 million/year
*Light, Medium and Heavy (Type 3-8) > $150 Million/year

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**ISSUE**

Past contracting approach must change based on OSC feedback and new State approach to put “savings first”

- Method of award did not fully account for the breadth of catalogue: body types, base vehicles, chassis, plow types, OEM and 3rd party accessories, or differences in “up fitter” pricing
- Low awarded bidder for manufacturer type could in fact be the higher priced alternative when other options were added – even within the same manufacturer type
- New method of award is needed – more standardization, use approaches that can help aggregate demand and produce better pricing
- Recognition of the differences of terrain, vehicle type and other user needs

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**Vehicle Contract Award Status**

<table>
<thead>
<tr>
<th>Topic</th>
<th>Award Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>Police Vehicles</td>
<td>Included in New Bid Currently Under Review Light Duty up to 11,000 GVWR including Law Enforcement</td>
</tr>
<tr>
<td>School Bus, Light Duty</td>
<td>Awarded 11/30/15</td>
</tr>
<tr>
<td>School Bus, Medium Duty</td>
<td>Awarded 11/30/16</td>
</tr>
<tr>
<td>Van (Transit), Adult Passenger (DOT-FTA and Others)</td>
<td>Awarded</td>
</tr>
<tr>
<td>Van (Transit), AdultPassenger (DOT-FTA)</td>
<td>Awarded</td>
</tr>
<tr>
<td>Refuse and Recyclables Collection Trucks</td>
<td>Awarded 6/30/11</td>
</tr>
<tr>
<td>Snowplow, Light Duty, Class 3 and 4 Cab Chassis Type</td>
<td>Contract Expired - Topics are Under Consideration</td>
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**Efforts to date**

- OSC informs OGS that next bid must incorporate new award methodology to address pricing inequities.
- OGS extended contracts in order to continue coverage while sourcing activities continue.
- OGS sent survey to county & town highway superintendent associations, requesting it be shared with members.
- OGS Commissioner & managers met with county & town highway superintendent association members and representatives.
- OGS re-sent survey to county & town highway superintendent associations, requesting that survey be shared with members.
- OGS managers met representatives of the county and town highway superintendents associations to discuss potential going forward strategy.

**Go forward strategy**

- Work together to address a competitive contracting and purchasing strategy that saves money and meets user’s needs.
- Survey instrument to gather quantities and configurations.
- Create an extended team of representative users to develop bid strategy that:
  - Uses data and survey results to develop bid specs.
  - Addresses previous OSC concerns.
  - Increases competition and lessens fragmentation.
  - Obtain best pricing for needed configurations and options.

**Next steps - Goal and tentative timeline***

- Continue to gather survey information.
- Identify Highway representatives to assist OGS as part of extended team.
- Review Survey data.
- Draft Solicitation by July 30th.
- Advertise bid by August 10th.
- Open bids by September 10th.
- Evaluation October 30th.
- Announce Awards by November 15th.

*all dates are tentative and subject to change.

**Conclusion**

- OGS Leadership continues to view Local Governments as essential partners in our contracting efforts.
- Strong commitment to meeting local needs within the context of producing savings at all levels of government.
- Recognizing importance that some things must change.
- Large amount of work to do in a short period of time.
- Continued commitment to open dialogue and cooperation.

“Coming together is a beginning; keeping together is progress; working together is success.”

—Henry Ford