

**Northern New Jersey NIGP
Minutes of the Regular Meeting – December 11, 2014
The Imperia Conference Center, Somerset New Jersey**

The meeting was called to order at 10:06 AM by President James Jorgenson. After the flag salute, followed by a moment of silence, the Vice President welcomed all new guests and introductions were made by the attendees.

By motion, the Treasurers Report which had been emailed to members and the minutes from the previous meeting held on October 12, 2014 were approved. The members were told that 2015 dues invoices would be emailed to the membership in the next few weeks.

GUEST SPEAKERS

Gordon Ball, DLGS Procurement Specialist

Gordon spoke about a recent conference call with NIGP and upcoming changes. Our chapter will now be in Region 1 and we are grouped with Canada, the New England states and New York. The NIGP wants to move from regions to areas. Each area will have the same number of members. He is not pleased with the changes.

A QPA exam was held on December 8th. Fifty three people took it. Results will not be available until the new year. The average passing rate has been approximately 40%.

Tom Neff, the DLGS Director is leaving DLGS to go to the Governor's Budget Office. His replacement is Tim Cunningham.

Assembly Bill 3791 - This bill is intended to streamline the responsibilities of the DLGS and local governments. It primarily focuses on financial matters and should pass. Some of the changes are:

- Electronic filing of Disclosure Forms
- Eliminate 90 day waiver for vehicle auctions
- Can give more to local fire companies
- No longer have to canvas for dogs
- No longer need permission from DLGS for Competitive Contracting.

LFN 2014-17 which discussed QPA certification was issued.

NJSTART, the state's new e-procurement system is evolving. It will be cloud based. Eventually each local unit of government will be trained to put local bids on the state website.

Joseph A. Valenti, Former DCA Bureau Chief

Joe addressed Matthew Boxer's last report and said that fair and open is not working and has 'disallowed' the QPA's. Although the bid threshold will probably be raised in July 2015, and may exceed \$40,000, this is meaningless as you can't do anything over \$17,500.

Joe then discussed the various issues (aggravations) that arise with the concept of aggregation and how it relates to Pay to Play and Local Public Contracts Law (LPCL). Contractors must file with ELEC if they exceed \$50,000 in contracts during the year. Pay to Play covers anything that is exempt from bids (see 40A 11-5 for exemptions). With Pay to Play an entity must make a choice, to award either fair and open or non-fair and open. A formal bid satisfies the fair and open requirement. Anything between \$17,500 and the bid threshold of \$36,000 is in the “window”. If you award a window contract for \$20,000 in a fair and open manner and at some point during the year you need to purchase another \$20,000 of the same commodity or service, it must now be bid as the total would now be \$40,000, thus exceeding the bid threshold. It is essential that department heads are upfront about telling Purchasing their needs, as it will affect the manner of procurement. He sees an increase in frustration, resulting in increased confirming orders and open end contracts. There were many questions and debate back and forth on how this should be handled and if aggregation totals are strictly calculated by total spending with a vendor or by vendor and commodity.

Inherent differences in AIA documents and the LPCL and the Rules were also discussed. There are many conflicts between them and you need to consult with your attorney before using AIA documents. Some differences cited concerned addenda issuance, bidder site visits, deposit refunds, brand name or equivalent vs. substitutions and criteria for award (lowest responsible, responsive bidder (LPCL) as opposed to award in made in your best interest (AIA).

The following legislation was discussed:

A2388

Sets criteria for responsible bidders in public works contracts. It requires 9 different labor laws to be adhered to by contractors including Public Works Contractor Registration, and Workers Compensation. Contractors must be in compliance with all or they cannot bid. The bill was biased toward small to medium size businesses and was pocket vetoed by the Governor.

S1811

This bill concerns Buying American. It would require a form to be submitted with a bid certifying the composition of the product. This will take the onus off the Purchasing Agent to make the judgment. If it is suspected that a manufacturer lied the Division of Purchase and Property will investigate and could result in debarment for 3 years.

A2399

This bill would allow for receipt of bids electronically. Potential concerns are raised seals and signatures.

Kathi Cupano, Rutgers

In 2013, course enrollment was down 5%. The schedule for the spring 2015 semester went out before the League conference. There will be one addition. The Green Purchasing course has been developed by Kevin Lyons and it is desired that he give the initial course presentation.

The 2015 Purchasing Conference will be held on 4/29 & 4/30. The keynote speaker will be Andy Rossner.

OLD BUSINESS

None

NEW BUSINESS

The President asked the group to provide him with alternate meeting venue ideas and that they be submitted to him in writing. He also stated that he will not be running for the office of President again, and will be looking for someone else to come forward and take on this leadership role. He wished the attendees a Happy Holiday and a Happy New Year.

The meeting was adjourned at 12:03 PM

Next meeting date: March 12, 2015 at 10 AM.