MINNESOTA/WISCONSIN PARTNERSHIP

GROUNDBREAKING INITIATIVE OR BIG WHOOP?
The Beginning

- Top down directive and support
- Joint press conference in January 2009
- Governors’ directives to state agency heads
Scale and Magnitude

• Five broad partnership categories
  – Joint procurement and procurement best practices
  – Cross border collaboration
  – IT systems
  – Reciprocity
  – Cooperative functions
Implementing and Tracking…….

- State coordinators named
- Monthly reporting
- Coordination and communication challenges
- Similarities and differences
Keys to Implementing the Initiative

• Face to face meetings
• Biweekly teleconferences to measure progress and discuss new possibilities
• Agency heads and key agency program staff established communication protocols with counterparts across the Mississippi
• Cooperation and partnership is ongoing
CRONIN CRITERIA

- Innovation
- Transferability
- Service Improvements
- Cost Reduction
INNOVATION

- Republicans and Democrats working together!
- Goes beyond traditional multi-state procurement
- Nothing off the table
TRANSFERABILITY

• 46 other states share borders
• Top-level leadership
• No new funds or staff
• Reporting requirements
• Some barriers to success
SERVICE IMPROVEMENTS

- How does Wisconsin/Minnesota do it?
- Sharing limited resources
- Simplifying government for citizens
- Procurement and non-procurement examples will follow
COST REDUCTION

• Governor’s expectations were overly optimistic
• But real savings have been achieved
• Procurement and non-procurement examples will follow
PROCUREMENT SUCCESSES

• Oracle software
  – Wisconsin modeled BPA after MN—negotiated agreement with Oracle in record 4 month time period
  – Use of GSA pricing 52% discount on new software
  – Savings $53,000 on one purchase
  – Additional purchases/savings in the works
Procurement Successes

• Vendor managed vehicle maintenance and repair
  – MN retirements led to opening to outsource
  – WI led joint procurement
  – MN staff on development/evaluation teams
  – Additional MN vehicles (1700) resulted in better pricing from vendor
  – WI projects annual savings of $174,000 from previous pricing (original estimate $164,000)
Procurement Successes

• Small package delivery
  – WI utilized existing MN contract with SpeeDee delivery
  – Contract now fully implemented statewide
  – Original savings projections ranged from $113,919 to $243,121
  – Revised annual savings estimate $446,310 based on wide spread usage and comparison to rates on UW Fed Ex contract
Procurement Successes

• Vehicle Fuel Card
  – MN joined WI fuel card contract in Oct 09
  – Additional volume will generate higher rebates for both states
    • MN estimates an additional $40,000 in rebates
    • WI rebate projected to increase by about $50,000 annually.
Procurement Successes

- Ammunition
  - WI led a joint procurement
  - Procurement expanded to include OH and ND
  - Award made December 09
  - ND estimated $8000 in annual savings
  - WI newest annual savings estimate is $15,000 to $20,000
Procurement Successes

- MRO contract
  - MN added MSC to their MRO contract to provide competition for single vendor
  - WI negotiated additional 1% rebate with MSC for an additional $103,500 in annual contract rebates on this contract.
Procurement Successes

• Eye glasses
  – Procurement conducted by MN
  – Wisconsin piggybacked on resulting contract
  – MN estimates $2,000,000 in savings
  – WI estimates $500,000 in savings per year

• Dairy Products for Correctional Institutions
  – Waupun Correctional Dairy currently provides skim milk in half pint cartons statewide to Wisconsin Correctional Institutions
  – Minnesota estimates $100,000 to $300,000 savings
Procurement Successes

- Correctional Food Supplies
  - Both states had the same prime vendor for correctional food supplies prior to the partnership initiative
  - Looking at ways to standardize products to further leverage volume and drive down prices
  - Wisconsin DOC learning the value of standardized menus
Procurement Successes

• Fire Suppression vehicles
  – Forestry staff from both states recognized similarities in fire suppression vehicles
  – Wisconsin retrofits its own chassis and saves significant dollars
  – MOU between states will enable WI to retrofit MN vehicles
  – Anticipated savings of $420,000 to $480,000 over life of the agreement
Other opportunities

• Road salt
• Vehicle tires
• Travel
• Car Rental
• Microsoft software
Non-PROCUREMENT SUCCESSES

• Shared border
• Shared data and systems
• Shared training
SHARED BORDER

• Gypsy moth and emerald ash borer eradication efforts
• Public safety radio towers
• Public safety mutual aid agreements
• Lake St. Croix pollution reduction
• St. Louis River restoration
SHARED DATA AND SYSTEMS

• Child support enforcement
• Health lab data
• Transportation permit applications
• Co-location of disaster recovery operations
SHARED TRAINING

• Elevator inspection
• State patrol: leadership, crash reconstruction, K-9
• Trout stream habitat improvement
• Highly contagious animal disease protective equipment
THANKS TO NASPO FOR RECOGNIZING OUR WORK

- Q&A
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