



STATE OF CONNECTICUT
OFFICE OF GOVERNMENTAL ACCOUNTABILITY
STATE CONTRACTING STANDARDS BOARD

Final & Approved
Minutes

Friday, May 14, 2021 Meeting of the State Contracting Standards Board
Via Microsoft Teams Video Conference

Members Present:

Lawrence Fox, Chair
Thomas Ahneman
Alfred Bertoline
Bruce Buff
Lauren Gauthier
Albert Ilg
Donna Karnes
Salvatore Luciano
Stuart Mahler
Jean Morningstar
Robert Rinker
Daniel Rovero
Brenda Sisco

David L. Guay, Executive Director - ex-officio Board member
Ryan Chester - Staff – 2021-2022 UConn Graduate Intern
Xholina Nano, Staff – 2020-2021 UConn Graduate Intern

1. Call to order

Meeting called to order by Chair Lawrence Fox at 10:04 A.M.

2. Welcome Board Member Daniel Rovero

All Board members introduced themselves and welcomed new member, Daniel Rovero, to the board.

Mr. Rovero introduced himself.

3. Thank you Xholina Nano

David Guay, Thomas Ahneman and Chair Fox thanked Ms. Nano for her efforts.

Ms. Nano thanked the Board for the opportunity and support.

4. Welcome Ryan Chester

Chair Fox welcomed UConn IPP graduate student intern, Ryan Chester to the Board.

Mr. Chester introduced himself.

Chari Fox recognized Albert Ilg for shepherding the UConn graduate intern program.

Lauren Gauthier thanked Mr. Ilg for the program.

Mr. Ilg recommends that the board takes advantage of the source of graduate students coming out of the UConn graduate program in public policy and public administration.

5. Approve the Minutes of the April 9, 2021 Meeting

Motion made by Robert Rinker and seconded Alfred Bertoline to approve the minutes of the April 9, 2021 Board meeting. The following voted in favor: Lawrence Fox, Chair, Thomas Ahneman, Alfred Bertoline, Bruce Buff, Albert Ilg, Donna Karnes, Salvatore Luciano, Robert Rinker, and Brenda Sisco. None voted no. There were abstentions from Lauren Gauthier, Stuart Mahler, Jean Morningstar, and Daniel Rovero.

6. Sec. 4e-36 Contested Solicitations and Awards Subcommittee Report

Subcommittee Chair Robert Rinker reported:

The subcommittee rendered its third decision emanating from an RFP for Health Business Processing Outsourcing from the Department of Social Services.

The first contest was filed more than a year ago from a company called Conduent. In that decision, agreed to by the Department of Social Services, the Department of Social Services agreed to reevaluate the proposals, allowing the proposers to update their references, and to convene a new group of evaluators to evaluate the proposals. This contest addressed the lack of follow up on the part of Department of Social Services concerning a proposer's references. If the proposers' references did not respond to an email from the Department of Social Services the evaluations were given no points.

The second contest was filed by Maximus. The subcommittee reported on that contest last month. Maximus wanted to know how they went from being the first ranked

proposer a year ago, to not being the top ranked proposer this time. The subcommittee dismissed this contest for it appears that the evaluation conducted this time was consistent with the RFP.

The third contest was filed by The Data Entry Company (TDEC). This contest was filed on March 18, 2021. The subcommittee issued its decision on April 14, 2021. In the first round of evaluations, TDEC was given a Functional Proposal Score. This Functional Proposal Score was then scaled up to a score called a Functional Proposal Scaled Score. DSS then gave TDEC a Cost Proposal Score. The first ranked proposer would be the proposer with highest Functional Proposal Scaled Score added to the Cost Proposal. However, to get a Cost Proposal Score, the proposer had to achieve a minimum of 372 points on the Functional Proposal Score. Both evaluations TDEC failed to achieve the 372 point threshold. So in the first evaluation it should not have been given a Cost Proposal Score and that holds true for the second evaluation as well. While we can sympathize with TDEC over the confusion created by DSS, it is clear that TDEC did not receive the points to move to the Cost Proposal Score of the evaluation. The subcommittee dismissed the contest.

The subcommittee noted that as the Department of Social Services made the evaluation process more complex, the more likely bidders were to become confused and contest.

Mr. Rinker thanked Bruce, Stu, David and Xholina for their work in unraveling these contests.

Comments made by Stuart Mahler thanking Mr. Rinker for providing the timeline of the subcommittee meetings. Mr. Maher also commended that a more purposeful process and time be taken by agencies when developing evaluation groups.

Comments made by Chair Fox regarding the purpose of the subcommittee to inform the new member about its processes.

Comments made by Mr. Rinker estimating about half a dozen contests before the subcommittee in the last twelve months. Mr. Rinker provided details about the process and 30-day deadline to render a written decision.

Comments made by Chair Fox about the subcommittee's contested contracts dollar amounts having a wide range and the breakdown of working groups within the Board to organize work.

Question made by Donna Karnes regarding the bidder who brought the initial contest before the subcommittee and term length

Response made by Mr. Rinker explaining the findings related to the issues of missing email responses from references mentioned in the report from that initial contest on the RFP and the term length of the contract.

7. Privatization Contract Committee Report

Committee Chair Lawrence Fox reported that no matters were pending before the Committee.

8. Work Group Reports

a. Report from Audit Work Group

Audit Work Group Chair Thomas Ahneman reported:

On May 14, 2021, the Audit Work Group reviewed and voted to present to the Board in the next general meeting the following audits for acceptance:

- Department of Revenue Services
- Department of Energy and Environmental Protection
- Department of Administrative Service Bureau of Enterprise Systems & Technology (DAS-BEST)
- Department of Emergency Services and Public Protection

The work group is expected to make revisions based on agency feedback to the audit instrument and choose FY2020 agencies to audit during next month's meeting.

The work group has been through roughly 37 agencies and hoping to complete list of all state agencies in 4 years.

Noted that some procurement is being folded into MOUs and MOAs and need to better understand the process that agencies are using them.

Question made by Chair Fox about the difference between MOU and MOA.

Response made by Mr. Ahneman referenced the Department of Education (DOE) identification of how they use each.

Question made by Chair Fox about the competitive nature of MOAs and MOUs.

Response made by Mr. Ahneman indicated that this is a grey area that the work group is incorporating into its corrective measures.

Question made by Chair Fox about any records of the number with dollar signs of MOAs and MOUs used by the state.

Response by David Guay indicated this data could be captured, yet unsure of who is presently reporting it.

Question made by Albert Ilg for an example of MOU used.

Response made by Mr. Ahneman listing DAS-BEST.

Question made by Chair Fox Larry about MOAs and MOUs being posted on the State Contracting Portal.

Response made by Mr. Ahneam noting that agencies report using the portal, but unsure if MOAs and MOUs are listed.

Comment made by Chair Fox stating this as an item of interest since state law seeks for competitive processes to procurement, unless waived.

Comments made by Bruce Buff regarding the procurement manual of DOE review by the board in which the board recommended not MOUs or MOAs for external companies.

i. Consider acceptance of Department of Labor Compliance Report

Motion made by Robert Rinker and seconded by Thomas Ahneman to accept the report of the Department of Labor. All voted in favor.

ii. Consider Acceptance of the Connecticut Insurance Department (CID) Compliance Report

Motion made by Robert Rinker and seconded by Jean Morningstar to accept the report of the Department of Labor.

Comments made by Chair Fox requesting information about 3-year procurement plan.

All voted in favor.

b. Report from the Data Analysis Work Group

Data Analysis Group Chair Alfred Bertoline reported no new business was pending before the workgroup.

c. Report from the Regulation Work Group

Executive Director, David Guay reported that the original regulations were submitted in 2016, and after a meeting with OPM this past week, there is more movement on this. The regulations have been scaled back from the original version to meet the needs of the Board and address the feedback received from OPM.

Question made by Chair Fox about any actions and next steps the Board needs to take.

Response made by Mr. Guay about the process the revised regulation language must take before it becomes operable.

9. Legislative Update

Executive Director, David Guay reported the following four bills of interest:

Substitute for Raised S.B. No. 920 AN ACT CONCERNING PUBLIC-PRIVATE PARTNERSHIPS. As of Tuesday, 5/11/21 it has been tabled for the Calendar, Senate. Section 4 is no longer in the bill, which is the section that would have removed the Board thru Sec 4-16 from the approval process.

Substitute for H.B. No. 6194 AN ACT CONCERNING THE COMPETITIVE BIDDING AND OVERSIGHT OF QUASI-PUBLIC AGENCY CONTRACTS. As of 5/4/21 it is tabled for the Calendar, House. The bill creates new transparency in the awarding of quasi-public agency contracts by requiring them to be subject to competitive bidding and subject to oversight by the State Contracting Standards Board.

Substitute HB 6444 AN ACT CONCERNING THE MODERNIZATION OF STATE SERVICES. As of 4/19/2021 it has a Favorable Report, and tabled for the Calendar, House. The bill implements the Governor's budget recommendations in terms of contracting. Such as:

CONTRACTING AFFIDAVITS Generally eliminates requirements that contractors submit documentation (e.g., affidavits and certifications) about their compliance with certain contracting laws and instead requires that they incorporate the applicable requirements into the contracts

§§ 8-11 —SET-ASIDE PROGRAM Revamps program's eligibility requirements by requiring that for-profit entities be certified with the federal SBA to participate in the program

§ 12 — COMPETITIVE BIDDING WAIVERS Clarifies DAS commissioner's authority to waive competitive bidding requirements

§ 13 — REVERSE AUCTIONS FOR SERVICES Allows use of reverse auctions to purchase services other than construction or construction-related services

§ 14 — PRE-MARKET PRODUCT TESTING BY STATE AGENCIES Expands the types of eligible businesses and products eligible for pre-market testing by state agencies

§ 15 — PURCHASES FROM EXISTING CONTRACTS Expands the state’s “piggyback” purchasing authority to include purchases from contracts with another state agency or branch; allows agencies to make these purchases directly if approved by DAS

§ 16 — STATE INSURANCE AND RISK MANAGEMENT BOARD Reduces the board’s size from 13 members to 10 and makes conforming changes

§ 17 — BUSINESS ACTIVITIES CONDUCTED ONLINE Allows state and quasi-public agencies to conduct certain business activities electronically

§ 18 — INFORMATION AND TELECOMMUNICATION SYSTEMS STRATEGIC PLAN Requires that DAS’s annual information and telecommunication systems strategic plan include standards for digital identity verification

§§ 19-25 — ELIMINATED REPORTING REQUIREMENTS Eliminates various reporting requirements

Substitute for Raised S.B. No. 1076 AN CONCERNING PUBLIC-PRIVATE PARTNERSHIPS AND PRIVATIZATION OF STATE SERVICES AT THE UNIVERSITY OF CONNECTICUT HEALTH CENTER. As of 4/15/2021 its Senate Calendar Number 287. The Bill requires The University of Connecticut Health Center to obtain the approval of the General Assembly prior to soliciting bids or a request for proposals for a privatization or public-private partnership contract.

Chair, Lawrence Fox reported:

The Board has testified before the Appropriations Committee in favor for more funding to add five more positions. The Appropriations Committee recommendation for a budget did add those positions.

Chair Fox met with the Governor’s Office and OPM Secretary to provide them a better understanding of the Board’s needs. Chair Fox had a second meeting with the Speaker of the House, Matt Ritter, regarding the same topic. Both meetings were successful.

Of note, included in the proposed bill expanding oversight of quasi-public agencies, is a fiscal note for a Chief Procurement Officer.

Comment made by Donna Karnes volunteering to schedule a meeting with Senate Majority Leader Bob Duff about the proposed bills.

Comment made by Lauren Gauthier regarding her communication with House Minority Leader, Vincent Candilora about the Board's legislative areas of interest.

10. Other business

Executive Director, David Guay reported:

The Capital Regional Development Authority's General Counsel contacted the Board on April 19, 2021 for advice on a possible unqualified perspective bidder based on a settlement with the State Elections Enforcement Commission for unauthorized political contributions (sec 4e-34). The Board may find this possible after a hearing based on the type of settlement reached. Since the settlement agreement is public, a different potential bidder could bring it to the Board under 4e-36 subcommittee.

Comment made by Chair Fox expressing his direction to Mr. Guay on to lead the investigation on this inquiry.

Question made by Albert Ilg seeking an update on the State Pier in New London, the Seabury consulting payments, and any action by legislators from the area?

Response made by Mr. Rinker to Mr Guay's report providing more context of the issue of political contributions from the Board's past work on the Dillion Stadium report and the outcome of that case where CRDA entered a contract with the City of Hartford and not the sports group.

Question made by Chair Fox for any updates regarding Mr. Ilg's previous questions.

Response made by Mr. Guay regarding the Board's meeting request which was deferred by Mr. Satnick to the Connecticut Port Authority (CPA).

Response made by Lauren Gauthier about additional actions being taken like requests for more funding to move the project along, potential press event with President Biden, and the legislative bills in queue.

Question made by Mr. Ilg seeking an update on Seabury Capital payments and comments regarding following this issue further.

Response made by Lauren Gauthier about an open investigation of the CPA by the Attorney General's Office, unsure if it involves Seabury Capital payments or prior board member's involvement in the process. Clarified for the board that the redacted pages were from Gateway's business plan in their RFP response.

Comments made by Chair Fox, that the issue has been put on hold on any further investigation till the legislature acts.

Comments made by Mr. Ilg noting the importance of the findings of the special CPA committee, reactions to the CPA public hearing, and possibility of seeking a status of the Attorney General's investigation.

Comments made by Chair Fox noting the importance of the legislature to act on quasi-public agencies so the Board can continue the investigation.

11. Public Comment

No comments from public.

12. Adjournment

Motion made by Robert Rinker and seconded by Stuart Mahler to adjourn. All voted in favor, the motion passed, and the meeting adjourned at 11:20 A.M.

Respectfully submitted: Xholina Nano