



STATE OF CONNECTICUT
OFFICE OF GOVERNMENTAL ACCOUNTABILITY
STATE CONTRACTING STANDARDS BOARD

Draft Minutes

Friday, August 12, 2016 Special Meeting of the State Contracting Standards Board Privatization
Contract Committee

Fifth Floor Conference Room, 999 Asylum Avenue, Hartford, CT 06105

Members Present:

Claudia Baio, Chair

Charles W. Casella, Jr.

Lawrence Fox

Brenda Sisco

Staff Present:

David L. Guay, Executive Director

Julia K. L. Marquis, Chief Procurement Officer

1. Call to order

Meeting called to order by Chair Baio at 12:00 Noon.

2. Approve the Minutes of the July 7, 2016 Meeting

Chair Baio entertained a motion to approve the draft minutes of the July 7, 2016 State Contracting Standards Board Privatization Contract Committee meeting.

Motion made by Lawrence Fox and seconded by Brenda Sisco to approve the minutes of the July 7, 2016 State Contracting Standards Board Privatization Contract Committee meeting. All voted in favor, the minutes of the July 7, 2016 meeting were approved.

3. Department of Transportation (DOT) bridge safety inspection review

Chair Baio initiated discussion on the material received and reviewed from the last meeting.

Mr. Fox read the material and was part of the previous discussions and review in 2010. DOT last provided material in 2015.

Chair Baio noted there wasn't a cost benefit analysis (CBA) template in 2010 and now there is. The review in 2010 predated the current constitution of the Board. The lack of a template was one of the issues from 2010.

Mr. Fox's impression from the material is that it is more expensive to use consultants than if the work was done in-house, with some specialty exceptions.

Chair Baio noted the 2010 analysis by the Department of Transportation (DOT) didn't consider the cost, storage and maintenance of heavy equipment, buy vs. lease options. A study was to be conducted, but there is no evidence it ever was completed.

Mr. Fox asked whether this is a core governmental function. Chair Baio responded that the 2010 Committee, with the assistance of counsel, determined that it is a core governmental function.

Brenda Sisco stated the Committee should do this review. Mr. Fox stated we should understand the equipment costs.

Chair Baio suggested asking DOT about the equipment costs in the cost effectiveness evaluation conducted and produced in 2015.

Chair Baio asked that the following questions be presented to DOT:

- Is the unfunded pension liability included?
- Explain the issue of equipment cost, such as lease vs. purchase?

Chair Baio suggested it makes sense to invite DOT representatives to our next meeting to respond to the Committee's list of questions. Questions should be prepared in advance.

Mr. Fox asked what the obstacles to bringing the work in-house are.

Ms. Marquis offered to create a work flow chart for the review process.

Chair Baio asked Ms. Marquis to see whether the contracts have been renewed.

Mr. Casella asked what would be the Committee's next step. Ms. Marquis suggested as discussed to reach out to DOT and inform them we are undertaking the review and under C.G.S. Sec. 4e-16(l) are asking DOT to perform a cost benefit analysis. Since a cost effectiveness evaluation was recently conducted, DOT should either resend that information or update as necessary.

The committee by consensus agreed to the following action plan:

- Letter of notice of review to DOT
- invitation to DOT to attend the next meeting
- Gather list of questions
- Meet with representatives of OPM, DAS and the AG

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- Primer from staff on the process
- Possibly a public hearing to hear from other interested parties

Next meeting set for September 6, 2016 at 9:00 A.M.

4. DORS privatization of interpreter services

Non Committee Board member Salvatore Luciano raised at the July 7, 2016 meeting an issue about the Department of Rehabilitation Services (DORS) being in the process of closing the sign language interpreting services unit. The agency will no longer be direct providers of sign language interpreting services and will instead rely upon private providers of sign language interpreting services.

Ms. Marquis reported that she had written to DORS inquiring about the issue. Ms. Marquis directed the members to the DORS response provided in the meeting materials. DORS wrote that they are in compliance with C.G.S. 4e-16, there is not a current contract nor was there ever one. (DORS' response letter is attached and incorporated into the minutes by reference.) Discussion was held on whether the new invitation to bid for the hiring of interpreters by DORS meets the definition of privatization under CGS Sec. 4e-16. Ms. Marquis was tasked with consulting with the Board's Assistant Attorney General (AAG).

5. Western Connecticut State University contract with Presidio

Ms. Marquis provided an update. Ms. Marquis explained that Mr. Luciano had raised this issue. The Presidio contract originated at Western Connecticut State University utilizing a National Association of State Procurement Officials (NASPO) cooperative master contract. The contract is to provide certain information technology (IT) services. All the IT services are purchased with IT capital bond funds, which goes back to 2008 prior to the inception of the Board. Along with the service and equipment, maintenance is also provided. Ms. Marquis has been told that the IT services provided by Presidio are beyond the expertise of the IT employees employed. Ms. Marquis was also told that the analysis performed at the time indicated that the services to be provided by Presidio were not substantially similar to and in lieu of state employees providing services because there is not the level of expertise for this functionality.

The Committee directed Ms. Marquis to communicate with the President of the Board of Regents to gather a further understanding of the services provided and whether or not they are substantially similar to and in lieu of state employees, when did the contract start and does it meet the definition of a privatization contract under C.G.S. Sec. 4e-21.

6. Other business

No other business raised.

7. Adjournment

Motion made by Lawrence Fox and seconded by Charles Casella to adjourn. All voted in favor and the meeting was adjourned at 1:42 P.M.

Respectfully submitted: David L. Guay