

DRAFT

***Construction Contracting & Bidding Transparency (CCBT)
Working Group***

Meeting Minutes

June 24, 2014

1:00 in Room 1D

The meeting was called to order at 1:08 p.m. by Chairman DeFronzo.

The following Working Group members were present:

June 24, 2014 CCBT Working Group Attendance

Agency/Association	Appointment(s) Name	Appointing Authority
Office of Policy & Management (OPM)	Patrick O'Brien	Secretary Barnes
Department of Labor (DOL)	Sandra Barrachina	Commissioner Palmer
Commission On Human Rights & Opportunities (CHRO)	James O'Neill	Executive Director Teresa Hughes
Commission On Human Rights & Opportunities (CHRO)	Alix Simonetti	Executive Director Teresa Hughes
Department of Administrative Services (DAS)	Donald DeFronzo	Assigned Chairman
Department of Administrative Services (DAS)	Peter Babey	Commissioner DeFronzo
Department of Administrative Services (DAS)	Kevin Kopetz	
Connecticut Construction Industries	Donald Shubert	Speaker of the House

Associations (CCIA)		
American Institute of Architects (AIA)	Philip Cerrone	Senate Minority Leader
University of Connecticut	Matthew Larson	President Herbst
University of Connecticut	Berri Gerjouy	President Herbst
Ct Building Trades Association	Dave Roche	Governor Malloy

- Mr. Gary Pechie, Department of Labor was absent at 6/24 meeting.

Chairman DeFronzo outlined the safety protocols and made opening remarks.

Working Group member introductions were made by all in attendance.

Chairman DeFronzo summarized for members the information included in their packets for the June meeting including legislative history, goals and objectives, as well as tentative schedule for upcoming meetings.

Chairman emphasized that today is only an overview and beginning of the working group duties around these reporting requirements.

Working Group can add and modify objectives as we see fit moving forward. No official decisions will be made today but we are going forward with reviewing existing processes.

Peter Babey and Kevin Kopetz provided the group with a detailed presentation of Division of Construction Services current construction delivery methods, including SBE/MBE selection process, compliance and data collection. Members and the public interested in reviewing the full presentation and all other materials are on the DAS website at <http://das.ct.gov/fp1.aspx?page=452> under Latest News.

Ms. Barrachina asked “does DCS currently require second tier contracting data?”

Mr. Babey responded that while DCS adheres to the statute and general conditions and requirements—we don’t request or enforce 2nd tier subcontractor data as we are not required to.

Mr. Roche agreed that the lack of 2nd tier data is the reason this Working Group has been assembled.

Commissioner agrees that this is an area that the group as a whole will be spending additional time discussing at length re: what 2nd tier and lower subcontractor improvements can be made by contracting agencies.

Counsel Kopetz did clarify for Ms. Barrachina that there is no such required listing of subcontractors on “construction manager-at-risk” (CMR) projects as this is pre-construction and trade packages are not bid until a “guaranteed maximum price” (GMP) has been agreed to with the CM. Once agreed to DCS through general conditions and requirements on our on-call Construction Administrator can monitor payroll, SBE MBE compliance, etc.

Mr. Roche asked how many times DCS has utilized their existing authority to bid more than the required four classifications.

Mr. Babey responded not much of late. More frequently used a decade ago for higher education projects.

Mr. Roche offered that the CM should already be compiling this 2nd tier information and that bid shopping is rampant.

Mr. Cerrrone asked is bid shopping illegal, as it is common practice in private sector. He also asked does the State participate in ***shared savings arrangements*** with CMR(s). No legal opinions offered by agencies on the bid shopping assertion. Mr. Babey responded that we do not have shared savings agreements.

Chairman DeFronzo suggested that Mr. Cerrone consider offering the shared savings model as a possible recommendation. Chairman agrees that as we move forward the discussion will focus on how prevalent bid-shopping is in Connecticut. Once we have ascertained the extent, we can begin to discuss potential remedies with all stakeholders.

Matt Larson provided a general overview of University of Connecticut process. Looking forward to working with DAS and the members in making some positive changes.

Discussions with Chairman DeFronzo indicate that both UConn and DAS may do a follow-up presentation on existing improvements aimed at MBE/SBE firms.

Commissioner reminded members of the working group objectives and schedule for July presentations. Informed members to get any desired changes or modifications to Terrence in advance of the July 29th meeting.

Official meeting notice for July 29th will be forthcoming when all appointments are confirmed.

Chairman DeFronzo adjourned meeting at 2:48 p.m.