

MEETING MINUTES

April 17, 2013

GOVERNOR'S COMMITTEE FOR THE PURCHASE OF COMMODITIES AND SERVICES FROM THE HANDICAPPED

The meeting was called to order by Acting Chairperson Brenda Bates at 10:00 a.m. April 17, 2013 at the WVARF office located at 400 Allen Drive, Charleston, West Virginia.

ATTENDANCE:

Committee: Cedric Greene, (Chairperson); William "Bill" Monterosso, Executive Director; Everette Sullivan; Brenda Bates; Jan Smith; Phillip Mason; Don Arrick, Executive Secretary; Carol Jarrett, Recording Secretary.

WVARF Staff: William "Bill" Monterosso
Cyndi Auth
Mark Jackson
Gary Wolfe
Aaron Jones

Absent: Cedric Greene
Jan Smith attended by Conference Call

Guests: Joyce Birley, Goodwill Industries
Carla Cleek, Division of Rehabilitation Services

COMMITTEE CHAIR REPORT:

Ms. Bates, Cedric isn't here today and I am going to handle the Chair for him. Let's have a roll call. I have nothing to report today. Do I have an approval of the minutes from our last meeting?

MOTION #1

Ms. Smith made a motion to approve the minutes. Mr. Sullivan seconded. Motion passed.

EXECUTIVE SECRETARY'S REPORT:

\$5,055.00 -	Annual Allocation
0.00 -	A/P Personal Expenses (Act. 001)
0.00 -	A/P Employee Benefits (Act. 010)
0.00 -	A/P Current Expenses (Act. 130)
865.40 -	Disbursement
<u>276.86 -</u>	Transfer Out
\$3,912.74 -	Balance Remaining

EXECUTIVE DIRECTOR'S REPORT:

Mr. Monterosso, I extended the invitation to the Committee to attend tomorrow as we are having J. D. Kleinke come and present information on the Affordable Health Care Act (AHCA). This is the slides that we will use (copy handed out to all attendees). He will arrive this evening and we will meet and have a discussion. We have already discussed what we have done with CRPs in terms of putting out questionnaire and having focus groups. We are excited to learn some strategic opportunities that as CRPs regardless of size that we can take those measures and have a venue of our group to have some concerns and questions and have those addressed. Let's talk a little about the contracts.

Ms. Bates, what time is this presentation? I may come and bring Candace with me; she is with the Randolph Sheppard program because it affects our blind vendors as well.

Mr. Monterosso, great, it is at 1:30 p.m. at Oglebay.

Mr. Monterosso, Harry, Doug and LuAnn will be meeting with the Rehab Committee this afternoon. We had a meeting to go through the guidelines of what we wanted to achieve. Division of Rehabilitation Services (DRS) staff will be part of the board meeting and they will be first on the agenda at 9:00 a.m. to talk about the importance of having a single point of contact collectively with the Rehab Committee creating benchmarks, making sure that we are meeting collectively so we are working in concert with each other. Create some myth busters because there was as we mentioned, it goes both ways, CRPs are just as guilty as DRS staff in some areas. This isn't a blanket statement, there are certain areas that relationships are wonderful, couldn't ask for them to be better, and there are other areas that need some work. This is a great avenue and venue to put together a single point person, hold CRPs accountable to reaching out to DRS. LuAnn, Doug and Harry will do the same on their end to really create a collaborate effort. I am optimistic with this meeting. There are six (6) regions of DRS, Cyndi and I went through yesterday and took all the CRPs, not just the membership, but all the CRPs and what their regions are and put them all together.

Mr. Monterosso, at the last meeting, let me just lay the ground work, because there are mixed emotions and there is some stress created. We talked about renewing the contracts; obviously we have to renew the contracts for the janitorial. With the shift in staffing and with new staff we thought it was best to add, and it was granted, an extension on the commodities. I hope this Committee sees the work that is being done for those of you who have been here a while. I hope you realize there is a difference in the sense of urgency and the professionalism and the attention to detail. For you that are new to the Committee hopefully you can see there is effort being made and that communication is open. I brought the Committee upstairs at the last meeting where this table and another table were completely full of contracts and we have narrowed them down. It is critical for us to build the foundation and I am leading up to this because I have to paint this picture for you. It is critical that we build a foundation internally so we have an understanding of the contracts, we have an understanding of how they are generated, and we have an understanding of how it impacts those individuals with disabilities and at the same time keeping in mind the best interest of both the state agency and the CRP. I have been asked numerous times who are you working for the state agency or the CRP? I work for integrity. That is my bottom line, the integrity of the contract, and if they are correct then whoever benefits then it benefits. It doesn't matter to me as long as the integrity cannot be questioned.

We presented a new contract last week and in terms of the conversation substitute wages was brought up. Finishing up my comment about the current state of the contracts when we looked at it, there are huge discrepancies and I cannot say and Cyndi cannot say and the staff cannot say that it is absolutely incorrect. Just by touching them and through visits because we are now scheduling those assessments that have not taken place. I don't care to say things haven't been done; I am not the guy who tries to hide anything. I am not the guy who is going to paint a pretty picture and say everything is fine then the hammer falls and we are all left in a liable position. If things are not right I'm looking to you guys and looking to the CNA Committee, to the CRPs, the membership as well as department agencies to collectively help in this effort.

I had a wonderful meeting last week with Dave Tincher and Mike Sheets and they are supportive, I couldn't ask for any more support than what I received from Dave and Mike. We spent, and Joyce was one of the CRPs that spent significant time looking at these contracts. The bottom line, I need you guys to be able to trust me. I want to feel like I can come to you with full disclosure and not get spanked or have to back up and it seems like since I have been here because of the state of chaos. This place was like running 90 miles an hour and then coming to a dead stop. Taking two steps forward and three steps back and trying to create some continuity and consistency in this place. The reality of it, that when you have contracts and they have replacement costs for supervisors and the Governor's Committee was adamant that we are not paying for a replacement cost because we are not paying as a state agency for something we don't receive. There is also replacement cost that should be for direct labor. So if you remove some of those every CRP with direct labor would lose thousands of dollars and would have to absorb that, and I am not talking losing thousands of dollars from their current contract, I am talking about losing thousands of dollars from the bottom line and potentially not being able to offer that service. Our sole goal and purpose of the substitute wage was not by any means of padding or creating a greater profit margin, the purpose behind creating those substitute wages was for the integrity of the contract and ensuring that the quality of the contract, is someone sick, if someone goes on vacation, if there is a death in the family, if a car breaks down, whatever the scenarios are, that each of us who don't have some of the situations employees face every single day. I had to have staff come to Huntington so I could meet with you guys today. I had the resources to be here for this meeting, a lot of our people don't. We want to ensure the integrity and the quality of those contracts. What I am proposing is twofold.

I have pitched this with Dave Tincher and Mike Sheets and they said they support that, no problem. Dave Tincher even said, "Bill, you can tell the Governor's Committee that I will approve if you want to extend the contracts as is for six (6) months, I am perfectly fine with that." So I am asking the Committee's approval to extend the contracts as is. We are just asking for a six (6) month extension to December 31, 2013 so we don't have to look at each and every single contract and I am going to be 100% honest with you here. When Cedric made the comment and this isn't against Cedric, I wish he was here; I love Cedric, he was very adamant, if it came across Department of Administration (DOA) we wouldn't be paying for any substitute wages. They have been paying for substitute wages for years.

Ms. Bates, I think the issue becomes whether as Jan and I talked last week, some of the CRPs actually do pay people for being off so they are paying for sick leave, but some of them don't. So they are paying the same amount regardless and that is where the issues come in. I think if the state knew what they were doing and that is what happened with DOA last year is they had someone who was actually looking at hours worked and that is where the problems came in last year. I think he is absolutely right that if state agencies were aware of how things were being done, if they looked at hour per hour and the way things are now, it would be a problem just like it was last year with DOA. To extend them is fine; I would accept a motion to do that. I think we need to have of course, DOA and Cedric represented before we make any kind of decisions on any kind of substitute wage or anything that we do in the future. I would ask for a motion.

MOTION #2

Ms. Smith made a motion to extend the contract for six (6) months until December 31, 2013. Mr. Sullivan seconded. Motion passed.

Mr. Monterosso, I am committed to revamping, we have looked at and have touched every contract and we are looking at policies and procedures. Before that renewal, we will restructure and I am going to be leaning on the standardization committee to restructure the way these contracts are being done. Instead of, and Brenda I heard you loud and clear and I agree with you, we cannot have it both ways, we can't have the contracts set up task based and then expect us to be treated as a performance based. Even though we are a performance based contract the way that the contracts are created now it opens the door for questioning. If it is truly a performance based contract and we truly want to be treated as most any other contractor as a performance based contract, those contracts need to be reflective of that. So, I am working with New Jersey, Texas and a few other national states to say, instead of saying how much is equipment, how much is labor, we are going to be basing the contracts and I have also pitched this to Dave Tincher who said, if you can do that, you would make our life so much easier. Based on square footage, zero to 15,000 here is a flat rate; 15,001 to 25,000 or 30,000 here is a flat rate. I am not being specific. That is the mentality that we want to move towards that is recognized nationally. It will be backed and supported by ISS safe standard and OS1 standard. It would make it clean, it would make it simple and then of course we can have stripping and waxing – some things added on that go above the normal course of the contract. It will be fair market value without any question, we will have backup documentation to verify so the Governor's Committee approves something that they are fully aware of and have concrete knowledge of, more so, than potentially with the current way the contracts are assembled because I can't even understand them. I want to make sure that the Governor's Committee knows exactly what you are approving and the methodology behind that. Over the course of the next several months we will work diligently in restructuring that whole process. The Governor's Committee will be apprised at each meeting of the status of that. You will be able to see how

we are doing it, constructing it, you will be able to have input, so you will understand fully how it is being generated and when you support it you know what you are supporting.

I appreciate you allowing us by the motion to extend it, it is not an easy decision, and it is not one that I really want to make but based on the replacement it would cost. For instance, Goodwill would lose significant dollars on their contracts. So, that has already been approved for six (6) months and I appreciate the approval.

FINANCIAL REPORT:

Mr. Monterosso, if you will look at the financial reports, I hope that you will see a much cleaner version. We have the Statement of our Financial Position which is the first two pages. We have the Statement of Activities Budget vs. Actual – that's consolidated between the CNA membership. We also have a single budget for CNA and a single budget for membership. It is much cleaner than the budgets that you have seen. You met Aaron at our last meeting and he worked with Melinda and with Suttle and Stalnaker to reformat this. Consolidated we are running about \$18,000 deficit. CNA is running about \$13,000 deficit and membership is running about \$4,600 or \$4,700 deficit. The reason for that has not changed. I think we made significant headway because the budget was created last year, I had no hand in creating the budget and also I did include this for you; however, the board has not approved this yet. But this is a draft and the last two pages is the draft budget for the upcoming year. This is my budget so I am pretty confident that I can manage this budget. We took out things that didn't need to be in there and we worded things that needed to be worded and we have structured them in a way that we can understand it.

The reason for the deficit, there wasn't any document imaging budgeted in there and we spent over \$20,000, we had to, it didn't even scratch the surface. When we moved from Institute to Goodwill we carried all kinds of stuff with us, when we moved from Goodwill to here, it was a mess and we are diligently moving forward and Aaron and I have had extensive conversations on efficiencies, processes, becoming paperless as much as we can, and expediting invoices. The document imaging was a huge cost to us. Moving to this building was a huge cost that wasn't fully budgeted. Moving to the building was absorbed by the membership budget; however, there was peripheral cost that was associated with this. The computers, working with Advanced Technology Services (ATS) in the last two weeks our servers got fixed finally, I hope. That was a mess. The Professional Services those will be reduced significantly since Aaron is on board but we had to lean heavily on Suttle and Stalnaker. Just a few things that made us run over budget besides the fact that there were a lot of things that were not even budgeted for.

Ms. Bates, my question on the budget is, there was about \$37,000 two years in a row that were overages for each year and then when we began the budget they began with the 4.1% that was estimated for the coming year and we never found out what happened to either years overage which was about \$37,000. I think although you are \$18,000 short this time there is about \$75,000 that is not really accounted for in either 2012 or 2013 budgets. When we met with Marsha and Greg and previous directors we asked for there to be a plan for those funds, how they were to be spent. For Greg we got plans for training but we never saw where that was completed or how it was completed and again the budget was created based upon the 4.1% of the projected income. So, I would say that is something that you really need to look into.

Mr. Monterosso, myself, Aaron and Melinda had a brief discussion on this. I don't think the \$37,000 number came up. I will try and Aaron will try to dig back and see how the money was spent if we possibly can but as any business some years you are going to be up and some years you are going to be down. I am just guessing and I will look into this, but let's use your \$37,000 - \$38,000 number.

Ms. Bates, I could be wrong on the amount, I just know there was an overage.

Mr. Sullivan, I thought it was about \$42,000.

Ms. Bates, and the year before that – somewhere \$37,000 is in my mind, it may have been the year before.

Mr. Sullivan, Greg told us he was going to use that for training.

Ms. Bates, right - he did and we never saw a report on how it was spent. The budget was based upon the 4.1% not the 4.1% + the \$40,000 + the \$30,000 some thousand the year before. So there has been two years of an overage in the budget that hasn't been accounted for to the Committee. That just concerns me.

Mr. Sullivan, perhaps Aaron can answer this, what about the collections, are they coming along ok?

Mr. Monterosso, if you look at Accounts Receivable (A/R Aging Summary) if you go to page 7 of aged receivables it gives you a total. We have about \$2.2M out there total. If you look at those columns greater than 90 days is \$211,369.48; 60-90 days is almost \$14,000; 30-60 days \$177,622.10; 30 days or less \$336,123.79. If you add all those up, these are current invoices; it adds up to \$2,296,853.04. Aaron, Joyce and I spoke on this, to really look at the 90 days and really attach it to the invoices. A lot of these are fine, if you reach out and call them and remind them they are generally good to pay. What happened is we lost sight of that tickler process. We are reinstituting that tickler and we will make a concerted effort on the 60-90 day people to make sure we are expediting those accounts receivables as that helps our revenue and helps the budget.

Ms. Bates, the Committee had a process in place where over 90 days they received a letter from the Chairperson of this Committee and that was in place for quite some time and I don't know where that process got lost but that is what we had done – and I thought it was still being done because that is the way we have done that. It was a letter and it was sent to the Cabinet Secretary. The Committee Chair person wrote that and it worked like clockwork.

Mr. Sullivan, that seemed to be more effective than anything else.

Mr. Monterosso, and I appreciate that and you guys are going to have to continue to remember that I'm still learning as we go and I know you guys have been doing this so I'm sure there is an assumption, well we instituted this – why aren't you doing it? If I don't have knowledge of it, we are all learning. To keep that in mind to that point what I want to do and not today is to really look at the processes that we as a Governor's Committee, if we want something approved, if we want something added. Sometimes it is minutes, sometimes it's a letter and currently there was reasoning for that. For instances, the 4x10 and 4x20 mats that were approved last March from this Committee to the hands of Purchasing and something got screwed up. Mike Sheets with Purchasing said just give me the minutes for that. Microfiber mops and Don Arrick has the

minutes that were approved back in April or June of last year. There really should be a letter. I want to have a clear understanding, looking at the current process are they the most effective way to do it so we all have a common understanding and a common expectation. That way when you are saying, why this isn't done, we all know that it should be done.

Ms. Bates, I think we had the receivables down really low at one point when we were following that process. I can't remember exactly but I think it was the 90 days and over. I am sure that DOA, Ross Taylor at that time made the commitment that they would do everything they could to make sure their payments were made on time and he is very good about keeping commitments. I know there are huge contracts and I'm sure Cedric can work that out for you and anything with DRS. At one time we had continuing resolution issues and were behind and anything we can do we will take care of that. I think we stopped getting some of those reports.

Mr. Sullivan, when Chris was here he did the financial report and would give us an update of the collection of what was over 90.

Ms. Bates, yes and it was real clear.

Mr. Sullivan, Aaron might think about that.

Mr. Jones, this is my copy and everything over 90 I have already gone in and looked at. I think with the move and going from one system to another it has just kind of gotten lost in the shuffle.

Mr. Bates, it is not a problem, I'm just saying we just need to look at what we did in the past because it was effective. We don't have to come up with a new process, just look at what we did in the past. I would like for us to get Jan back on the phone because we don't have a quorum.

Mr. Monterosso, she just texted and said she didn't have service where they are.

Ms. Bates, we can't vote on anything.

Mr. Sullivan, the over 90 days the longer they go the harder they are to collect.

Mr. Arrick, looks like 70% of that amount is in four (4) locations.

Ms. Bates, Jan is on the phone.

Ms. Bates, let's move to the Contract Presentations if you don't care Bill so that she can vote. Jan we are moving to Contract Presentations because we need your vote in order to get these through.

CONTRACT PRESENTATIONS:

Ms. Auth, we have four (4) items today.

1) NEW CONTRACTS: DRS Office, Martinsburg, WV – Developmental Center & Workshop.

Facility measures 7,098 sq. ft. Scope-of-work for five days a week for basic janitorial service. At the agency's request, the contract will include supplying paper products (toilet paper and paper towels) which are listed on the expendable supplies sheet and the CRP was fine with that. Staff will be moving to the new location April 24 - 25 and service has been requested to begin April 26, 2013. Priced through traditional ISSA work loading, the monthly rate is \$1,560.51 with a partial rate listed for April.

The contract has been reviewed and approved by Tony Francis of the Developmental Center and Sue Landis of DRS.

MOTION #3

Mr. Sullivan made a motion to approve the contract. Ms. Smith seconded. Motion passed.

Ms. Birley, a paper product, that is on state bid and I don't know if you are able to do that. The last time I tried to do that, they stopped it. Paper products can't be included.

Ms. Bates, we will have to look at that with Purchasing. Jan, Joyce is saying that paper products can't be included on any bid and we will probably have to table that until we get the answer to that question.

Ms. Smith, ok that is fine.

Mr. Monterosso, can we approve it pending and we can do that electronic?

Ms. Bates, yes so consider the motion pending approval?

2) CHANGE ORDER: New Creek DOH, New Creek – Developmental Center and Workshop.

This was presented at the last Governor's Committee meeting; after it was approved DOH requested a modification to the building audit numbers. This change order is to cover providing janitorial service to the additional 703 sq. ft. of space resulting from the addition of a trailer. Total sq. ft. will be 1,458.

A building audit was conducted on February 28th. The scope-of-work calls for basic janitorial service once per week. The addition results in approximately one additional hour weekly for a total of 2.12 hours per week.

The contract period is for April 18 – June 30, 2013. The monthly rate is \$284.77 with partial rate for April.

The proposal has been reviewed and approved by Tony Francis of the Developmental Center and Workshop as well as Laranda Baldwin of Division of Highways (DOH).

MOTION #4

Mr. Sullivan made a motion to approve. Ms. Smith seconded. Motion passed.

3) RENEWAL: ABCA Lawn Care, Charleston, Goodwill of Kanawha Valley

They requested renewal of their seasonal maintenance contract for their property in Nitro. Monthly service from April – October. A slight increase which is consistent with the gas/oil and equipment. Rate per occurrence is \$239.52. All supplies or equipment are provided by the agency.

This proposal was reviewed and approved by Joyce Birley of Goodwill and Belinda Burdette of ABCA.

MOTION #5

Mr. Sullivan made a motion to approve. Ms. Smith seconded. Motion passed.

4) COMMODITIES/SERVICES CHANGE ORDER: Low Impact Monitoring

This was also discussed at our last meeting. DOH has requested expansion or change order for the Low Impact Monitoring Dispatch Service with Harrison County. There was conversation that it is on the commodities and services. I worked with Connie Oswald and Don Arrick regarding that and we put it into the format that it's already been presented. The contract that you were sent to review includes the previous plus the additional expansion, so it is a change order. Contract period is scheduled to end December 31, 2013 to coincide with the renewal of total Services and Commodities statewide contract. The monthly rate would be \$7,967.11 which is approximately \$2,700 increase.

The proposed changes have been approved by Wayne Kessinger (DOH), Connie Oswald (Purchasing) and Janiece Sleigh (ARC of Harrison County).

MOTION #6

Mr. Sullivan made a motion to approve. Jan Smith seconded. Motion passed.

CONTRACT COMPLAINTS:

None

OLD BUSINESS:

Mr. Monterosso, at the last meeting we talked.....

Ms. Bates, are you asking for an Executive Session?

Mr. Monterosso, I just didn't feel comfortable with another CRP being present. Should we ask for Executive Session?

Ms. Bates, we either go into Executive Session or it is open to the public, you can't do both.

Mr. Monterosso, we will go into Executive Session then.

Ms. Bates, is there a move to go into Executive Session?

MOTION #7

Mr. Sullivan, I move we go into Executive Session. Ms. Smith seconded. Motion passed.

Ms. Bates, those who are not Executive Committee have to leave the room.

Ms. Bates, there was no discussion in the Executive Session that required a motion so we will continue on. Is there any other old business?

Mr. Sullivan, at the last meeting we talked about looking into the possibility of doing better than minimum wage.

Mr. Monterosso, Brenda sent me something that was perfect timing. Again this is a learning process and we are growing. Jan and I have had this discussion and she is going to support me again tomorrow at the board meeting. Immediately after our meeting I sent a response out to all CRPs, I even created a spreadsheet; all you do is plug in the formulas to figure out what the cost is. A normal person that would send something out saying, hey, the Governor's Committee is really standing up and looking at an opportunity to increase the wages potentially for your employees. You would think they would get to their computer fast enough to give you that information. There are 24 CRP members and I sent to state use wide, and I have only received eight (8) responses back. I will drill this tomorrow at the board meeting. Frankly, I am embarrassed about it, this isn't the first time.

I have asked for a lot of different things from the membership and outside of the membership to better our cause and to put us in a better position and that puts them in a better position and for whatever reason they don't feel it necessary to respond, that is putting it kindly I suppose. I will work as hard as I possibly can to collectively have it, all of those I did receive, I have put into a folder, but eight (8) CRPs doesn't paint a picture for it. As I receive a majority of them, hopefully by the next meeting, I will be able to share that information with you so you will know exactly what those wages are.

Ms. Bates, Everette we include information in our annual report related to the number of individuals with disabilities who are hired through state use and the average hourly wage.

Interestingly, 2011 which was the last annual report that was done, I think there were 898 individuals who were employed and the average wage was \$7.87. That is a little better than minimum wage and I was pleased to see that. The 2013 report will be due soon he is working on the 2012 now to make sure that we get the information that we need and that report, by Code to be presented through the Committee to the Legislature. We missed that last year and we will have to get that in and then we also need to be working now getting ready to work on 2013.

Mr. Monterosso, it is kind of a double edge sword and sometimes we shoot ourselves in the foot because we want to be accurate and that need and desire to be accurate makes us miss some things. Do you put disclaimers out there – this isn't really right – but here it is. Some people may say - Bill if one or two people don't respond you can still do it – the year-end report. Well yes, but it is not accurate. Jan will support me; she follows through what she says.

Ms. Bates, another thing we need to look at that I was thinking about when we started talking about the 2012 report, is the report regarding percentage of individuals with disabilities who have worked through the state use program because there is a 75% requirement. The Committee normally reviews that every quarter and I have not seen that for some time. So, I don't know where we got lost on that but we need that for this past, probably three quarters at least. Because it is our responsibility as a Committee to ensure that that 75% - 25% ratio is met and we haven't seen that for some time.

Mr. Sullivan, did you say the average overall was \$7.87?

Ms. Bates, yes, that is according to the annual report that I had for state use for 2011.

Mr. Monterosso, preliminary data that I am receiving as a result of our last meeting shows that it will probably be higher than that.

Ms. Birley, especially when we bring in the temps which is a little bit higher.

Ms. Bates, I think that bodes well with the Committee because we are always looking at that, always supporting supervisors getting more pay and I think we have done a good job as a Committee.

Mr. Monterosso, right now I have seen supervisors' wages at \$13.00, \$14.00 and \$16.00 an hour.

Ms. Bates, and also tenured folks, sometimes that will come to the Committee that people who have tenure should have more and we support that.

Ms. Bates, any other old business?

NEW BUSINESS:

Mr. Monterosso, had a horrible last few weeks, it has just been crazy here. Had two good meetings: 1) looking at major flagship and we have talked a little about this but we had a meeting with flagship hotel that is interested in utilizing, we can't use the state use but the concept of individuals with disabilities to provide the hospitality and cleaning and those kinds of things for them. Jan will be part of that subcommittee to work with this flagship hotel in designing a curriculum and I wanted DRS in that. That will be a win for everyone. 2) Yesterday Mark and Gary met with a major distributor and things actually snowballed. We went from a meet and greet to looking at potentially having an impact on the distribution sight. We went out and measured a building for DHHR and the guy who owns the building has a 140,000 sq. ft. showroom which is the KIA dealership in Wheeling and he said, "can you help me here." We might be able to enter into and create sustainability for the CRPs to have additional work for those individuals and creating some avenues for them to expand their book of business outside of just state use which helps everyone.

At the next meeting I want to talk about prevailing wage and I will probably have a pre-meeting with Purchasing to talk about prevailing wages and what does that really mean. Because one of the things that I think we can explore and get into maybe, and if you guys say, Bill you are stepping over the line, I'll back off. This KIA owner asked about, during the construction phase of buildings, and Everette I am being sensitive to you so don't back hand me or anything, he is saying with prevailing wages he has to pay \$24.00 - \$26.00 an hour for them to just sweep and clean up. They are required to, by state and he said can you guys do this because not only because it is a better cause but I would rather use you guys anyways because I am doing good for the community but it would save me, and it is not trying to put anyone out of business or competing against union or anything, I don't want to do that, but I just want to have an understanding and a grasp of what is the state requirement for prevailing wages because there is a lot of that happening throughout, and I am not talking outside of state buildings I am talking about within state buildings that there is a lot of construction going on and there is a state requirement and this came from the owner of a couple of the buildings that the state is leasing – that one of the requirements is prevailing wage. That he has to pay prevailing wages and a lot of the union shops are coming in which is great, that is fine, I have nothing against people earning a living, but he is saying if you guys can come in here and do it, whatever the cost is I would rather use you guys. We said we don't think we can do that and we put it at bay. But, I just want to explore what opportunities there are just for my knowledge because I don't want to go into waters that I shouldn't be in, I don't want to compete against private enterprise, but I do want to create avenues for those that this Committee is dedicated to serving.

Mr. Sullivan, the only response that you would get into there is during the construction phase they wouldn't be permitted to intermingle with the contractors that are there doing the work. Even though they might be sweeping the floor, that would be the laborers work. It just wouldn't be kosher for that to happen.

Mr. Monterosso, Mr. Fern the KIA owner who owns a few of the buildings, he is trying to get things done more efficient because this is out of my pocket, this is Fern saying I am paying for this and I'll call these guys and say come and clean this and it is after the sheet rockers, the framers are gone then this group comes in at night or whatever and cleans it up for the next day.

Ms. Bates, it is all a part of the real estate contract and I would seriously doubt that you could be part of that. It is part of a real estate contract that is all inclusive and state agencies don't have control over that. The Real Estate Division handles all of our contracts. I would doubt it.

Mr. Monterosso, we are out there exploring.

Mr. Sullivan, after it is completed and everybody is finished, then if they want to have people there to clean up we could do that.

Ms. Bates, that's fine, or a one-time clean up but the contract is with a state agency verses the landlord. You can't mix them. The contracts are always with the state agency and the state agency has the contracts with the landlord or the Real Estate Division.

PUBLIC COMMENT:

Ms. Birley, the renewals, since we are going to extend those, the workers comp and unemployment taxes that did go up in January; those will not be reimbursed to CRPs or will be reimbursed to CRPs?

Mr. Monterosso, some went up and some went down so that is why we are only extending it for six (6) months and we are sensitive to that.

Ms. Birley, but that is an entire year, right? The changes took place in January for the CRPs.

Mr. Monterosso, so you are only six (6) months low or high depending on where you are so it would be a full year. And, this is the Governor's Committee call.

Ms. Bates, this is just me, I think you either extend them or you don't. You can't have it both ways. That is not our call, that is up to you. You asked us to extend it and we said ok. If you get with the CRPs tomorrow and they say they don't want to do that, you come back to the next meeting and we work on all the contracts. That's the way I see that. There is no motion necessary.

MOTION #8

Mr. Sullivan made a motion to adjourn.

COMMITTEE MEETING DATES FOR 2013

June 19, 2013
July 17, 2013
August 21, 2013
September 18, 2013
October 16, 2013
November 20, 2013
December 18, 2013