



June 15, 2010

Mr. Gale Mattison
Chair, Privatization Contract Committee
State Contracting Standards Board
Room 173, State Office Building
165 Capitol Avenue
Hartford, CT 06106

Dear Mr. Mattison:

This letter concerns several points raised by a letter to you dated June 8, 2010 from a Mr. Paul Brady, Executive Director of the American Council of Engineering Companies of Connecticut (ACEC). I have enclosed a copy of that letter.

I am counsel to the CSEA, SEIU, Local 2001, a labor organization representing union members throughout Connecticut and, in particular, several thousand employees of the State of Connecticut. A copy of Mr. Brady's letter was sent to the Executive Director of CSEA, a Mr. Robert Rinker.

Previously, Mr. Rinker of CSEA asked the Contracting Standards Board to determine whether bridge safety inspections are core governmental functions under Public Act No. 07-1. That request, to CSEA's understanding, has been referred to a subcommittee of the Board which subcommittee is scheduled to meet on June 16, 2010.

Mr. Brady, on behalf of ACEC, claims in his letter that his organization has the right to request intervenor status with respect to this determination and goes on to take the position that since some bridge inspection work in the past has been the subject of contracts with private entities, none of the existing contracts for bridge inspection can be challenged by CSEA under the privatization or core governmental function language in the Public Act.

Mr. Brady misconstrues the applicable provisions of the law. A core governmental function cannot be privatized or contracted out until the entire process in the statute is followed and completed. In such cases, a state agency must submit a business case to the State Contracting Standards Board and the business case must contain an analysis of whether the agency is understaffed so that it cannot at the time of the promulgation of the business case provide the core governmental function. If there is a finding that the agency is understaffed, the business plan must contain a plan for the remediation of the

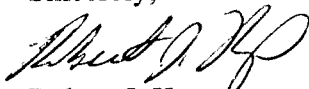
understaffing. Thereafter, the Public Act contains a detailed process for the finalization of any contract to privatize a service. Such finalization includes consideration of the understaffing remediation plan.

The Board, after its review and determination of whether certain work is a core governmental function, may only approve a privatization contract for the performance of a core governmental function by a two-thirds vote and only if the state agency has provided sufficient evidence to the Board to rebut the presumption in the law that a core governmental function should not be privatized. The existence of a prior or existing contract to privatize some or all of a service, does not prevent the Contracting Standards Board from exercising its statutory obligation to determine whether something is a core governmental function and whether it should be contracted out either in the future or on a continuing basis. There is nothing in the Public Act that exempts existing contracts.

On behalf of CSEA, I would urge you and your Board to apply the provisions of the statute as written and to continue with the important work before you starting with a determination of whether bridge safety inspection work is a core governmental function. The law contains no provision that such a determination cannot apply to any prior or existing contract. On the contrary, the intent of the Public Act is provide a process whereby core governmental functions remain within state government unless there is a compelling case to privatize. Such an intent would be thwarted by exempting existing contracts.

Lastly, Mr. Brady asks that you as Board Chair solicit an opinion from the Office of State Ethics concerning board members and their particular affiliations. Clearly, Mr. Brady is upset with CSEA's legitimate request to the Board for a determination of whether bridge safety inspection is a core governmental function and seeks to raise collateral issues beyond the purview of your Board. His request should be disregarded.

Sincerely,



Robert J. Krzys
Counsel, CSEA, SEIU, Local 2001

Cc: Robert D. Rinker, CSEA, SEIU, Local 2001
Paul Brady, ACEC