**Draft Minutes of the Meeting**

**New York State Procurement Council**

**October 15, 2014 - 11:00 A.M.**

**Meeting Room 6**

**North Concourse**

**Empire State Plaza**

**Albany, NY**

1. **Call to Order**

Sergio Paneque, Chief Procurement Officer, OGS NYS Procurement called the meeting to order and thanked everyone for attending.

Mr. Paneque took a moment to welcome Mike Whyte from the NYS Council of Veterans to the Council. Mr. Paneque also announced membership updates. Ronald Tascarella and Ronald Romano are now full voting members of the Council.

1. **Minutes of Meetings**

Sergio Paneque asked Council members for additions or corrections to the draft minutes from the May 21, 2014 meeting. Since there were no additional changes offered, a motion to accept the minutes as presented was made by Ron Romano seconded by James Bays and passed unanimously. Mr. Paneque mentioned there is a Code of Conduct handout in everybody’s packets, and that all members should review the Code of Conduct.

1. **Procurement Related Legislation Updates**

Anne Phillips, OGS Deputy Counsel & Director of Legislative Affairs, brought attention to a couple of bills that were signed by the Governor as part of this past session. The first bill was A9668s7314, it was signed by the Governor as chapter 7399. It relates to provisional certification of certain minority and woman owned firms. This gives the Empire State Development agency (ESD) its ability to determine, in a particular industry, that the definitions for small business and net worth should be increased to cover that particular industry. This was referred to at the recent minority and woman owned business forum. It was suggested that the financial sector may want to engage in an analytical process to make such a determination, which would be made public as per ESD’s analysis.

The second bill was the Procurement Lobbying Restrictions law, which was due to sunset in July of this year. OGS introduced a departmental bill which asked for a four year extension. The assembly and the senate decided that a two year sunset extension would be appropriate. The Procurement Lobbying Restrictions Statute would have the same sunset year as the Procurement Stewardship Act. The Procurement Stewardship Act is SFL §163, which is also subject to an expiration date of June 30, 2016. The Legislature indicated it would like to have discussions with respect to certain aspects of the Procurement Lobbying Law and the Procurement Stewardship Act. However, these discussions have not yet begun. The call letter for the 2015 session has been issued. Agencies are in the process of preparing their legislative programs

In April of 2013, a memo was issued by Larry Shwartz, secretary to the governor, about responsibility, provisions and state contracts. The responsibility assessment is part of the Procurement process, which is a function of SFL §163.9.f. It requires a responsibility assessment for every contract award. This memo from the chamber was to outline what was expected in terms of that responsibility assessment, and also requires that agencies post determinations of non-responsibility findings on OGS’s website. The information posted includes company name and address, Federal EIN, date of determination, and agency contact information. There are currently ten companies listed as being subject to non-responsibility determinations. This was being discussed because we think there are non-responsibility determinations that are not being reported. The determination by another state agency is not a debarment, and does not mean another agency is restricted from awarding a contract to somebody that is on this list. If you are an agency who’s made a determination of non- responsibility and you have not yet reported this determination to OGS, please do so. The non-responsibility website is nysnon-responsibility@ogs.ny.gov.

1. **NYS OSC Bid Protest Webpage**

Charlotte Breeyear, from the Office of the State Comptroller, discussed the Bid Protest decisions webpage. The new webpage is part of Comptroller DiNapoli’s strategic priority of transparency. This tool is word searchable and very handy. A navigation handout provided guidance on how to locate this service on the OSC website. Charlotte said they are always open to suggestions to improve the OSC website.

1. **Service Disabled Veterans Program**

Kenneth Williams, the Director for the new Service Disabled Veterans Program, talked about how the application for the Veterans program went live September 30. A number of applications have already been received. The systems are in place for this program, and outreach across the state is being developed to help Service Disabled Veterans start their businesses. The definition of a Service Disabled Veteran is 10% disabled or greater. This program applies to the Air National Guard Reserves, as well as active duty Veterans. A lot of time will be spent evaluating the applications and businesses. The Service Disabled Veteran Program ensures that businesses are independent, and that the disabled veteran has at least a 51% ownership in the business. There is an ambitious goal of a 6% set aside for this program. There will be a database built to list those that are certified.

1. **MWBE Commercial Useful Function**

Karanja Augustine, representing Empire State Development’s Division of Minority and Women’s Business Development (MWBD) discussed commercially-useful function, and the two main reasons for the commercial useful function change. The first reason was to prevent fraud. The second reason was to provide clarification for practitioners within the sister agencies. Not having the commercially-useful functions standard in place would put MWBE constitutionally in jeopardy.

1. **Preferred Source Recommendations under OGS Standing Authority**

Christine Irvine, Assistant Director of NYSPro – for this meeting there is no report on the Preferred Source recommendations under OGS Standing Authority. However, the digital printing application for NYSID was denied at the May 21, 2014 Procurement Council meeting. NYSID did appeal to the OGS Commissioner, and the Commissioner rendered her response, which is in your packets.

1. **Preferred Source Status Updates**

Last year at this time OGS had well over 100 applications in our queue to review. We have come a long way since then. At the 9 month mark we were holding about 60 applications in our queue. At the six-month mark, we had between 40 and 45. In the last three months we’ve been running between 15 and 25 applications each week in our queue to be reviewed and evaluated. Significant progress has been made. On September 1, 2014 we launched electronic applications, which we anticipate will further enhance our ability to keep up with the flow of work. We are looking to have our average application approval time to be between 30 and 50 days.

1. **Preferred Source Applications requiring Procurement Council Approval – NIB Mail Fulfillment On Site Service**

Christine Irvine discussed the NIB Onsite Mailroom Services application. This all started by DMV seeking support with their mail fulfillment services at their Utica location. DMV had previously been working with a contractor who did not pay benefits, which is something required by DMV. There was also an issue with the turnover rate. DMV reached out to NYSID and NIB to see if either one could provide these services. NYSID declined. The Blind said they would like to do this. Upon receiving the application from the Blind, OGS checked the Preferred Source guidelines and found out that the blind were not approved for this on-site service. The blind are approved in every category of mail fulfillment except for on-site services. Approval for this application requires the Procurement Council’s vote and approval.

Carrie Laney, Executive Director of the NYS Preferred Source Program for the People who are Blind, managed by NIB spoke further on the NIB Mail Fulfillment on-site Services application. On-site mailroom services means ‘at the customer location’, this is a very geographically specific project. NYSPSP has been approved for some types of mail fulfillment off-site services for over 15-years. The CABVI agency in Utica is 0.4 Miles from the DMV facility in question, and already employs almost a hundred people in that area. CABVI’s pricing was found to be competitive against other rates, including the GSA. The contract will be for five-years, paying hourly wages with benefits. There will be a 3% incremental increase over the five-year contract. The contract amount in the first year totals $343,000. CABVI staff will report to DMV’s supervision, and DMV would also have a role in the recruitment process.

Mr. Paneque entertained a motion to approve this application. Ms. Higgins made the motion to approve the NIB application to add mail fulfillment on-site services as a Preferred Source offering. The motion was seconded by Thomas Hippchen and approved unanimously.

There being no other business to discuss, a motion to adjourn was made by Michael Hurt and the motion was seconded. The meeting adjourned at 11:50 AM.

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| **Members in Attendance on October 15, 2014:** |  |
|  | Thomas Hippchen – SUNY |
| James Bays – Ag & Mkts | Michael Hurt – DOCCS |
| Andrew Bechard – ITS | Gerard Minot-Scheurmann – DOB |
| Charlotte Breeyear – OSC | Sergio Paneque – OGS |
| Christine McCann – ESD | David Russo – OMH |
| Mary Beth Hefner – DOH | Mecca Santana – Chief Diversity Officer |
| Kelly S. Higgins – OPWDD |  |

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| **At-Large Members in Attendance:**  |  |
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| Ronald Romano – NYSID | Ronald Tascarella – NIBRichard St. Paul – Local Governments |

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| **At Large Members Absent:** |  |
| Edul Ahmad – The Ahmad GroupRashida Mendes – RM Capital, LLC | Gregory Weston – Pillsbury, Winthrop, Shaw, Pittman LLPMike Whyte – Council of Veterans Organization |

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| **Also in Attendance:** |  |
| Christine Irvine – OGS | Noreen VanDoren - OGS |
| Anne G. Phillips – OGS | Karanja Augustine – ESD |

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**NYS PROCUREMENT COUNCIL**

**VOTING RECORD**

Meeting Date: October 15, 2014

Question, Motion or Issue: Approve the May 21, 2014 Meeting Minutes

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| **MEMBER** | **VOTE** |
| **AYE** | **NAY** | **ABSTAIN** | **ABSENT** |
| **COMMISSIONER OF GENERAL SERVICES** |  |  | X |  |
| Sergio Paneque | (Anne Phillips)(Christine Irvine) |
| **Chief Diversity Officer** | X |  |  |  |
| Mecca E. Santana | (Ashley Harrington) |
| **Office of the State Comptroller** | X |  |  |  |
| Margaret Becker | (Charlotte Breeyear)(Diane Taylor) |
| **Director of the Budget** | X |  |  |  |
| Susan Knapp | (Jerry Minot-Scheurmann) |
| **Commissioner of Economic Development** | X |  |  |  |
| Steven Cohen | (Christine McCann) |
| **NY Apple Association** |  |  |  |  | X |
| Jim Allen |  |  |  |  |  |
| **AGENCY REPRESENTATIVES** |  |  |  |  |
|  **Ag & Mkts**James B. Bays  | (Lucy Roberson)(Carol Casale) | X |  |  |  |
| **DOCCS**Michael Hurt | (Michael Elmendorf) | X |  |  |  |
| **SUNY**Thomas Hippchen | (Kellie Dupuis) | X |  |  |  |
| **OPWDD**Kelly S. Higgins | (John F. Smith) | X |  |  |  |
| **DOH**Marybeth Hefner | (Joseph Zeccolo) | X |  |  |  |
| **ITS**Andrew Bechard | (Theresa Papa)(John Cody) | X |  |  |  |
| **OMH**David Russo | (Jason Wilkie) | X |  |  |  |
| **AT-LARGE MEMBERS** |  |  |  |  |
| Mike Whyte |  |  |  | X |
| Ronald Tascarella – NIB  | X |  |  |  |
| Rashida Mendes |  |  |  | X |
| Richard St. Paul |  |  |  | X |
| Gregory Weston |  |  |  | X |
| Ron Romano - NYSID | X |  |  |  |

**NYS PROCUREMENT COUNCIL**

**VOTING RECORD**

Meeting Date: May 21, 2014

Question, Motion or Issue: Approve NIB Mail Fulfillment, On-site Services

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| **MEMBER** | **VOTE** |
| **AYE** | **NAY** | **ABSTAIN** | **ABSENT** |
| **COMMISSIONER OF GENERAL SERVICES** |  |  | X |  |
| Sergio Paneque | (Anne Phillips)(Christine Irvine) |
| **Chief Diversity Officer** | X |  |  |  |
| Mecca E. Santana | (Ashley Harrington) |
| **Office of the State Comptroller** | X |  |  |  |
| Margaret Becker | (Charlotte Breeyear)(Diane Taylor) |
| **Director of the Budget** | X |  |  |  |
| Susan Knapp | (Jerry Minot-Scheurmann) |
| **Commissioner of Economic Development** | X |  |  |  |
| Steven Cohen | (Christine McCann) |
| **NY Apple Association** |  |  |  |  |  |
| Jim Allen |  |  |  |  | X |
| **AGENCY REPRESENTATIVES** |  |  |  |  |
|  **Ag & Mkts**James B. Bays  | (Lucy Roberson)(Carol Casale) | X |  |  |  |
| **DOCCS**Michael Hurt | (Michael Elmendorf) | X |  |  |  |
| **SUNY**Thomas Hippchen | (Kellie Dupuis) | X |  |  |  |
| **OPWDD**Kelly S. Higgins | (John F. Smith) | X |  |  |  |
| **DOH**Marybeth Hefner | (Joseph Zeccolo) | X |  |  |  |
| **ITS**Andrew Bechard | (Theresa Papa)(John Cody) | X |  |  |  |
| **OMH**David Russo | (Jason Wilkie) | X |  |  |  |
| **AT-LARGE MEMBERS** |  |  |  |  |
| Mike Whyte |  |  |  | X |
| Ronald Tascarella – NIB  |  |  | X |  |
| Rashida Mendes |  |  |  | X |
| Richard St. Paul |  |  |  | X |
| Gregory Weston |  |  |  | X |
| Ron Romano - NYSID | X |  |  |  |