

March 7, 2011

Joint Committee on Government Administration and Elections
Room 2200, Legislative Office Building
Hartford, CT 06106

Re: Minority Business Set-Aside Hearings, House Bill #5877

Proprietary Building Products

There have been several state funded jobs in which proprietary products, such as Sarnafil, have been in the specifications as a basis for a roofing project. Although in many cases there are no other products that can meet the specifications, in most of these cases, the manufacturer of the proprietary material is aware that they have managed to get a product approved in which there are no equivalent alternatives. These manufacturers are effectively limiting the ability of small contractors to bid on many state funded projects by only certifying a limited number of contractors on their certified/proprietary product. This has prevented Beaulieu Company, LLC, and many other small contractors from bidding certain state funded projects. This activity stifles open competitive bidding and company growth, and in the long run, increases costs for the State of Connecticut in the form of increase bid values, and decreased employment tax revenues.

Recently, there was a bid on the East Hartford/Glastonbury Magnet School in which Sarnafil was used as a proprietary roofing product. Although the specifications stated that other products that meet the Sarnafil specification may be used, Sarnafil had managed to eliminate other small/ minority contractors by offering artificial cosmetic standing seam profile ribs to a PVC roof. Other manufacturers offer the same system, with the same warranty, in TPO. In the past, Sarnafil has refused to certify anyone other than their favorites. This means that only a select few will have the opportunity to bid on this work. This is only the most recent case of many over the years.

In addition to the above the same East Hartford/ Glastonbury Magnet School valued at an estimated \$37,000,000 has "no" Small Minority Set Aside requirement.

I am asking that there be no single proprietary products used on state funded projects, and that if there needs to be a specialty product, that ALL contractors be allowed to bid, and that the manufacturer will certify ALL contractors for that particular product.

Minority Set-Aside Requirements

We at Beaulieu Company, LLC (a registered SMBE), feel that a Disparity Study is a good first step to addressing the overall issue. However, more must be done to assure a

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competitive market. We feel that the goal in the bill to separate minority ethnic businesses from woman owned business is a good thing as many larger businesses have a woman partner that may qualify them under the current regulations. The Disparity Study should also investigate if a woman owned business is legitimate and if the female owner or partner is an active participant in the business. The State should immediately set-aside 5% of State contracts for ethnic minority businesses.

In addition, the State should stop the current practice of meeting a Minority Requirement through a material supplier, or by "passing materials through" another minority vendor. This has the effect of providing incentive to only a single portion of the construction trade, or providing only a token amount to actual minority businesses and does not help with labor employment. The Minority Requirement should be met only through the direct labor of a certified Small/Minority Business Enterprise (SMBE).

Sincerely,



Michael Beaulieu, Owner
Beaulieu Company, LLC