



STATE OF CONNECTICUT  
DEPARTMENT OF PUBLIC WORKS



Testimony of  
Jonathan Holmes, Acting Commissioner of Public Works  
Appropriations Committee  
February 25, 2011

Good morning Senator Harp, Representative Walker, Senator Kane, Representative Miner and committee members. I am Jonathan Holmes, Acting Commissioner of the Department of Public Works.

Before commenting on Governor Malloy's budget proposal as it relates to the Department of Public Works (DPW), I would like to provide some background information that may be helpful to our discussion.

In terms of the General Fund, the DPW is a pass-through agency for the costs of certain state facilities. The department provides and pays for leased and owned office space for state agencies in Hartford. The department also provides and pays for space at the Rowland Government Center in Waterbury, the Uncas-on-Thames campus in Norwich and the Mystic Education Center in Mystic. Ninety-eight percent (98%) of the department's Other Expenses General Fund budget finances office space for state agencies. The Department provides these property management services through a combination of in-house janitorial and trade staff, contracted janitorial service companies and services provided through property management contracts.

The property manager will, under contract with the DPW and with oversight of DPW, sub-contract for and coordinate the delivery of mechanical system maintenance, physical maintenance, custodial, trash and recycling, maintenance of utility systems, tenant relations and safety and security programs. The contract property management program has been in-place since approximately 1992 and currently provides management of more than 2.5 million square feet of state owned space in Hartford. The cost of this program is carried in the DPW budget under the line-item Management Consultant Services.

In addition to office space management, the General Fund finances the administrative cost of leasing space throughout Connecticut for most state agencies, custodial care of surplus property until disposition by the state and administration of the State's facility construction program.

The DPW is unique in that of the major agencies that have responsibility for facilities management, we provide space to other State agencies for the conduct of business with their constituents. As a result, our budget is driven by the office space and to a certain degree, the programmatic requirements of other agencies

The budget proposed by Governor Malloy recognizes the cost of heating, cooling, lighting and maintaining large office buildings and provides the necessary funding for these services. The major components of DPW's budget are of a fixed cost nature which leaves the agency with little or no margin to financially respond to upward cost spikes such as energy price increases. DPW's costs are also sensitive to state policy and tenant agency changes where space needs and the attendant costs may fluctuate.

The DPW is responsible for the design and construction of nearly all major capital projects. Of course, these are financed largely through bond funds, not the General Fund. DPW's costs in managing such projects are charged against the allocated bond funds for each project. The DPW Project Management Teams are composed of architectural, engineering, and construction professionals who support individual State Agencies by managing the Capital Projects design and construction process. DPW assists the agencies with their facility needs analysis, and the preparation of their funding request.

As part of his proposal to restructure state government, Governor Malloy is recommending that DPW be consolidated with the Department of Administrative Services and the Department of Construction Services. All the services outlined above would continue to be provided under this proposal.

Thank you for the opportunity to speak on behalf of the Department. I am available to answer any questions that you may have with respect to this budget.