

Analysis of State Bond Commission Agenda Items

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OFFICE OF FISCAL ANALYSIS

Room 5200, Legislative Office Building
Hartford, CT 06106 • (860) 240-0200
E-Mail: ofa@cga.ct.gov
www.cga.ct.gov/ofa

OFA STAFF

Alan Calandro, Director

Christine Ashburn, Section Chief

Sarah Bourne, Principal Analyst	Elementary Education, Office of Higher Education, Town Education Grants
Christina Gellman, Principal Analyst	Dept. of Developmental Services, Teachers' Retirement, Bureau of Rehabilitative Services, Results Based Accountability
Alan Shepard, Principal Analyst	Board of Regents for Higher Education, UConn, Banking, Consumer Protection, Attorney General
Rachel Welch, Associate Analyst	Children and Families, Public Health, Medical Examiner, Tobacco Settlement Funds

Michael Murphy, Section Chief

Evelyn Arnold, Analyst II	Economic Development, Housing, Culture and Tourism, Results Based Accountability
Don Chaffee, Principal Analyst	Budget Information System - Data Coordinator, DAS, Statewide Personnel, State Comptroller
William Lederman, Associate Analyst	Budget Information System, Income Tax Modeling
Linda Miller, Principal Analyst	Treasurer, Debt Service, Bonding, Construction Services
Chris Wetzel, Associate Analyst	Tax Policy & Revenue Analysis, Dept. of Revenue Services, Spending Cap

Chris Perillo, Section Chief

Neil Ayers, Principal Analyst	Dept. of Social Services, UConn Health Center, Office of Health Care Advocate, Department of Insurance
Dan Dilworth, Analyst I	Office of Government Accountability, Governor, Lt. Governor, Secretary of the State, Comm. on Human Rights & Opportunities, Dept. of Labor
Marcy Picano, Associate Analyst	Environment, Agriculture, Legislative Agencies, Agriculture Experiment Station
Kyle Rhude, Associate Analyst	Office of Policy & Mgmt., Grants to Towns (PILOTS, Pequot), Energy Issues/Energy Funds, Consumer Counsel, Municipal Funds

Rob Wysock, Section Chief

Anne Bordieri, Analyst I	Transportation Fund, Motor Vehicles, Dept. of Transportation
Jonathan Palmer, Analyst II	Corrections, Emergency Services & Public Protection, Military, Veterans' Affairs, Soldiers, Sailors, & Marines'
Phoenix Ronan, Associate Analyst	Criminal Justice, Judicial, Public Defender, Probate
Emily Shepard, Associate Analyst	Dept. of Social Services, Mental Health and Addiction Services, Psychiatric Security Review Board, Federal Funds
Holly Williams, Analyst II	Dept. of Social Services (Health Care), State Employee Fringe Benefits, Workers' Compensation

Administrative Staff

Laurie L. Wysock, Sr. Executive Secretary
Theresa Kelly, Senior Legislative Secretary
Lisa Kiro, Staff Assistant/Fiscal Note Coordinator

Legislative Office Building, Room 5200, Hartford, CT 06106

Phone: (860) 240-0200

E-Mail: ofa@cga.ct.gov; www.cga.ct.gov/ofa

The following is intended to provide legislative members of the State Bond Commission (SBC) with additional information and analysis of the items on the agenda. We have reviewed the items and provided additional information, comments or questions where it would be helpful.

I. Summary

FY 13 General Obligation Bonds¹

Allocations	FY 13	FY 12
August Agenda (revised)	\$85,750,587	\$113,051,806
Prior Allocations	<u>298,785,273</u>	<u>367,152,505</u>
Year to Date Total	\$384,535,860	\$480,204,311

¹ The figures do not include reallocations.

FY 12 Transportation Fund Bonds

Allocations	FY 13	FY 12
August Agenda (revised)	\$11,680,000	\$556,540
Prior Allocations	<u>438,684,000</u>	<u>416,755,548</u>
Year to Date Total	\$450,364,000	\$417,312,088

Special note on job creation/retention estimates in the SBC agenda:

The Office of Policy and Management has provided an estimate for the number of jobs created or retained for each agenda item. The figures are based on the assumption that for every \$1 million of directly expended project construction costs, a total of 21 jobs are created or retained. Of the 21 job total, 9.4 are direct jobs and 11.6 are supplier jobs.

II. Agenda Items

Item #1 Department of Labor: Armed Forces Member Subsidized Training and Employment Program – STEP (\$5,000,000 in new General Obligation bonds)

These funds will provide grants to businesses to subsidize on-the-job training costs and compensation for the first 180 days of employment for a new employee who is an unemployed veteran who served in either Operation Enduring Freedom in Afghanistan or military operations in Iraq, and was honorably discharged after at least 90 days. The program is open to any business that: (1) has operations in Connecticut, (2) has been registered to do business in any state for at least 12 months, and (3) is in good standing regarding all state and local taxes.

The grant covers a portion of the employee's compensation, not counting benefits, up to a maximum of \$20 per hour. The grant amount phases out according to the following schedule:

Days of Employment	Maximum percentage of employee wages covered
Day 1-30	100%
Day 31-90	75%
Day 91-150	50%
Day 151-180	25%

The Department of Labor (DOL) is permitted to use up to four percent of the allocation to cover the cost of hiring regional workforce investment boards and outside consultants to run the program. DOL may use an additional four percent in FY 13 for the program's marketing and operation costs. DOL is required to report biannually on the number of businesses participating in the program, and the number of unemployed veterans hired as a result of the program.

The Subsidized Training and Employment Program (STEP) for armed forces members is similar to the STEP program that received a \$10 million allocation at the January 2012 State Bond Commission meeting. That program uses bond funds to subsidize on-the-job training costs and compensation for a new employee's first six months. It is open to small businesses and manufacturers meeting certain requirements for employees that are unemployed prior to hire, live in certain municipalities and meet family income requirements.

Questions:

1. What is the unemployment rate among veterans in Connecticut?
2. How many businesses have received grants, and how many workers have been hired under the STEP program that received funding in January 2012?
3. Have other states implemented similar STEP programs that subsidize the cost of on-the-job training? How successful have those programs been?

Item #2 Office of Policy and Management: Computer-assisted Mass Appraisal (CAMA) grant-in-aid (\$38,500 in new General Obligation bonds)

The funds will be used to provide grants-in-aid to the last four municipalities under the CAMA program. CAMA grants-in-aid are used to purchase or develop computer hardware and software, and to train municipal personnel in the proper use of a computer system for: (1) the appraisal of real property, (2) assessment administration and (3) tax collection, when property in a municipality is revalued. The grant amount ranges from \$27,500 to \$66,000, based on the population of the municipality.

Item #3 Department of Education: Grant-in-aid to the Hartford Public Schools for costs at Betances - STEM Magnet School associated with the Sheff v. O'Neill court order (\$300,000 in new General Obligation bonds)

The funds will provide a grant-in-aid to Hartford Public Schools for renovation of classroom space at the Betances- STEM Magnet School. The funding will be used for incubation space, including: renovation of classrooms, construction of a science lab and purchasing science equipment, upgrading of technology infrastructure and hardware to support the STEM, and other costs related to the improvement of the facilities, to ensure that they are operational for the beginning of the 2012-2013 school year. This is the first time that the school will receive any Sheff funding. The projected enrollment for the 2012-2013 school year is 110 students.

Item #4 Department of Economic and Community Development: Small Business Express Program (\$20,000,000 in new General Obligation bonds)

The funds will be used to recapitalize the Small Business Express Program, which was created by Public Act 11-1 of the October Special Session. The State Bond Commission allocated \$50.0 million to the program in December 2011.

The Express program provides regular loans, forgivable loans, or matching grants to Connecticut-based small businesses and small manufacturers. Awards range from \$10,000 to \$250,000.

In order to be eligible for assistance businesses must:

- Employ no more than 50 people during at least half of its working days during the prior 12 months;
- Be based and operate in Connecticut;
- Have been registered to do business at least for 12 months;
- Be current on all state and local taxes; and
- Be in good standing with all state agencies.

As of August 28, 2012, 1,316 businesses applied for a total of \$169,291,074 in assistance. Of the \$50.0 million allocated to the program in December, a total of \$48.3 million has been paid/will be paid shortly by the Department or has been given to partnering entities to provide to businesses.¹ A total 266 businesses have received funding of \$33,977,111 from either DECD or the partnering entities.

In addition to these payments, the DECD has committed \$19.7 million which have yet to be processed. This bond allocation will support those additional funds that have been committed but not yet processed.

Question: Based on the number of applications received to date, when does DECD anticipate that the entire \$100 million authorization for the program will be committed?

Item #5 Department of Economic and Community Development: Remediation of five state-owned surplus properties in preparation for sale (\$500,000 in new General Obligation bonds)

PA 11-1 of the October Special Session requires the Department of Economic and Community Development (DECD) to identify, remediate, and market five geographically diverse state-owned contaminated properties (i.e., brownfields) for private development. Pursuant to this act, the following properties were identified by DECD, in consultation with the Department of Transportation and the Department of Energy and Environmental Protection for remediation.

State-Owned Brownfield Surplus Properties	
Property	Location
Mystic Oral School	Groton
CT DOT Rail Property	Waterbury
Former CT Transit Bus Garage	New Haven
Former Storage Warehouse and Power Plant at Fairfield Hills	Newtown
Cedarcrest Hospital	Newington

This funding will support a study of the present condition of these facilities and the level of remediation required for each.

Question: What will happen if the cost to remediate all five properties exceeds the \$20 million authorization? What options would DECD consider?

¹ The Department of Economic and Community Development (DECD) administers the funds in the Express program with six partnering entities, including the Community Economic Development Fund, the Waterbury Development Corporation, the Connecticut Community Investment Corp., the Hartford Economic Development Corp, the Middlesex County Revitalization Commission, and the SouthEastern Connecticut Enterprise Region. DECD has provided \$24.9 million out of the \$50.0 million allocation to these partners to administer.

Item #6 Board of Regents for Higher Education – Regional Community-Technical College System: Expansion of the precision manufacturing program at Asnuntuck Community College in Enfield (\$1,100,000 in new General Obligation bonds)

Asnuntuck awards a one-year certificate or a two-year associate's degree through its precision manufacturing program. The program provides classroom instruction, computer and hands-on laboratory training in the following areas:

- Machining with CNC
- Welding/Robotics
- Electronics
- Electro/Mechanical

The program currently has approximately 150 students enrolled and expansion will double that capacity. So far, the program has graduated over 1,000 students.

Item #7 Department of Veterans' Affairs: Design for replacement of the boiler plant blow-off system at Rock Hill (\$32,000 in new General Obligation bonds)

The total cost of the replacing the steam boiler blow-off system is \$290,000. The \$32,000 allocation will be used for project design. The system currently does not meet state and local safety codes due to internal and external corrosion. This component of the boiler system dates back to the 1950s. The blow-off system is designed to cool the high temperature of condensate before it is discharged into the sanitary sewer system. State and local codes require that the temperature of the condensate not exceed 150° F at the point of discharge into the sewer system.

Item #8 Department of Administrative Services: Infrastructure improvement projects (\$250,000 in new General Obligation bonds)

The State Bond Commission allocated \$2.5 million at its July 2012 meeting for the state data center project. The additional \$250,000 is needed for the acquisition of a warehouse to house the modular-designed data center.

Item #9 Department of Administrative Services: Infrastructure improvement projects (\$650,000 in new General Obligation bonds)

Building Demolition Design – 10 Clinton Street, Hartford \$100,000: The structure was built in 1966 and subsequently expanded in the early 1980's to 110,000 sq ft. The building is being demolished because the cost to renovate it would be significant. The problems include: (1) it was used as laboratory space, which is difficult to reconfigure as office space; and (2) it has significant environmental remediation and HVAC issues that would need to be addressed. The demolition

decision was made after discussions with OPM's Asset Management Division. The actual cost of demolition is not known at this time and there is no immediate plan for reusing the property.

Exterior Building Improvements - 410-474 Capitol Avenue, Hartford \$150,000:

The following improvements will be made: (1) Exterior door replacements (security issues), (2) Concrete and brick work, (3) Courtyard Improvements (ADA issues), (4) Asphalt and Parking improvements, and (5) Parking area Emergency Call boxes. The allocation will cover the entire cost of the project.

Exterior Building Improvements - 11 Shuttle Road, Farmington \$100,000:

The following improvements will be made: (1) Exterior perimeter caulking, (2) Asphalt and parking repairs, and (3) ADA issues. The allocation will cover the entire cost of the project.

HVAC/Elevator/Mechanical Improvements - 18/20/30 Trinity Street, Hartford \$45,000:

The following improvements will be made: (1) Hot water heater replacement, (2) Elevator machine room heat pump upgrade, (3) Address drainage issues in elevator pit, (4) Elevator upgrades/improvements, and (5) HVAC/valve repairs/improvements. The allocation will cover the entire cost of the project.

HVAC/Mechanical Upgrades - 11 Shuttle Road, Farmington \$75,000:

Various HVAC/valve improvements and upgrades will be made. The allocation will cover the entire cost of the project.

Abatement of Hazardous Materials - 1115 Virginia Ave, Bridgeport \$180,000:

The funds will be used to transport out of state and dispose of a pile of PCB-contaminated brick and concrete debris. The pile is the remains of a state-owned building that was demolished in 2009 in preparation for construction of the DCF Juvenile Girls' Treatment Facility (the project was cancelled). Although the building was abated prior to demolition, the EPA subsequently identified polychlorinated biphenyls (PCBs) in some types of building materials. The City of Bridgeport, which will receive title to the site from the state, recently tested the pile and detected trace amounts of PCBs. The PCB concentration is not classified as hazardous under US EPA standards but it is sufficiently contaminated to classify under Connecticut standards, which limits options for reusing the pile as clean fill. The allocation will cover the entire cost of disposal.

Item #10 Department of Energy and Environmental Protection: Improvements at state parks and recreation facilities (\$1,388,064 in new General Obligation bonds)

This allocation will be used to abate lead paint and replace gutters and windows at the Goodwin Conservation Education Center in Hampton. The center is owned and operated by the Department of Energy and Environmental Protection in conjunction

with the Connecticut Forest and Park Association. It offers educational programs to schools, faculty and members of the public, including landowners, foresters, loggers and municipal land use commissioners. The center is located on 2,000 acres with three ponds and 14 miles of trails for hiking, cross country skiing and horseback riding. Signs are posted along portions of the Air Line Trail and the Blue/Yellow loop to provide information on the history, ecology and management of the forest. There is also a small nature museum, the 130-acre Pine Acres Pond and a youth group campsite.

Item #11 Department of Developmental Services: Improvements at departmental facilities (\$660,000 in new General Obligation bonds)

The funds will be used for alterations and improvements at the following departmental facilities:

Southbury Training School (\$435,000) - This state-owned facility was originally built in 1939 - 1940. It currently houses 409 clients.

- Power Plant & Heating System Repairs - Various power plant equipment and sections of the steam distribution system have reached the end of their useful life. These repairs will improve system reliability and energy efficiency.
- Electrical Upgrades - Much of the electrical system is original to the facility and has safety issues that require upgrading. These improvements will also address low voltage issues in the computer network.

Camp Harkness, Waterford (\$175,000) - This year-round state park is dedicated for use by citizens with disabilities, accompanied by their family and friends. Over 1,100 clients occupy the camp's cabins and approximately 40,000 visitors come to the camp annually.

- Bathroom Upgrades - Upgrades will be made to cabin bathrooms to meet clients' accessibility needs and to bring them into compliance with American with Disabilities Act (ADA) standards.

Group Homes located in Enfield, Manchester, Rocky Hill, Newington, Columbia (\$50,000) - The seven group homes currently house a total of 132 clients.

- Renovations to Kitchens - The funds will be used to make improvements to the kitchens in these residences. These repairs are necessary: (1) due to normal wear and tear over time and (2) to meet criteria established by the Centers for Medicare and Medicaid (CMS).

Item #12 Department of Economic and Community Development: Grant-in-aid to the Corporation for Independent Living for accessibility modifications (\$1,000,000 in new General Obligation bonds)

The funds will provide a grant-in-aid to the Corporation for Independent Living to assist homeowners transitioning from long term care facilities back to their communities by making accessibility modifications to residences under the Money Follows the Person Program (MFP).

MFP is a federal demonstration program designed to help states rebalance their long-term care systems to better support people currently living in institutions who want instead to live in the community. The program is intended to serve elderly people and others with mental illness and developmental disabilities. To be eligible a person must: (1) have been institutionalized for at least six months and (2) meet Medicaid eligibility criteria. In addition, it cannot cost more to care for the person in the community than in an institution.

Question: Will the Corporation for Independent Living or a state agency select the individuals to receive assistance under this program?

Item #13 Department of Education – Technical High Schools: Purchase of new and replacement equipment (\$1,800,000 in new General Obligation bonds)

Please see Appendix A for a list of the new and replacement equipment that will be purchased, listed by the school that will receive it.

Item #14 Department of Transportation: Minor bridge repair projects (\$10,000,000 in new Special Tax Obligation bonds)

The funds will be used statewide for minor bridge repairs that will address some of the 1,900 outstanding Bridge Maintenance memos. DOT will work through existing DAS contracts with contractors who specialize in three areas (joints, steel or concrete repairs). The contractors will receive project assignments based on the type of repair necessary and the geographic area. The contractors will be under the direction of a DOT inspector.

Item #15 Department of Transportation: Design of additions and renovation to the Maintenance, Repair and Storage facility in Wethersfield (\$1,680,000 in new Special Tax Obligation bonds)

The funds will finance the design of renovations, code-compliance improvements, and an addition to the DOT Maintenance, Repair and Storage Facility in Wethersfield. The total estimated cost of the project is \$14.9 million. The storage facility was built in 1962.

Question: What is the anticipated timeline for the project?

Item #16 Office of Policy and Management: Grant-in-aid to Hartford for streetscape improvements on Wethersfield Avenue (\$750,000 in General Obligation bonds)

The funds will be used for improvements to Wethersfield Avenue, including construction of new granite curbing, minor drainage improvements, pavement markings, new sidewalks and crosswalks, and full depth roadway patches. The project will also include the installation of parking bays and “bulb outs” (see picture below) along the sides of the roadway to calm traffic and increase safety. The improvements are being coordinated with the Metropolitan District Commission (MDC) sewer separation project in the Airport Road area. The MDC will pay for the sewer work and contribute \$420,950 to streetscape improvements.



A bulb out or curb extension

Items #17, #22 & #29 Regional Community-Technical College System: Northwestern Community College, Winsted - Construction contract for roof replacement and envelope restoration at Greenwoods Hall (total of \$1,004,800 in new General Obligation bonds)

The funds will be used for replacement and envelope restoration at Greenwoods Hall. The current tar and gravel roof, which was installed in 1990, has exceeded its useful life and has several leaks. The new roof will be a fully adhered, non-ballasted EPDM roofing system (sheets of rubber glued together). It will have a 20 year life expectancy, which is the industry standard. The project also involves restoration of brick masonry exteriors, restoration of stone copings (ornamental stone work and shapes on the façade), and inspection and/or replacement of the steel lintels (horizontal steel plates holding up the brick work above the windows). During a window replacement project in 2006, several lintels showed signs of major deterioration and aging (rust).

The building was constructed in 1921 as a junior high school building for the town of Winsted. The state acquired it in 1986 and converted it for use as a college classroom and office building in 1990. College enrollment for the Fall 2012 Semester is 1,237 students.

Item #18 Department of Economic and Community Development: Grant-in-aid to Westport for improvements to the Levitt Pavilion (\$500,000 in new General Obligation bonds)

The funds will provide a grant-in-aid to Westport to assist with replacement of the current temporary stage at Levitt Pavilion with a permanent stage structure. The project also includes a new LEED-certified building, improved River Walk and picnic groves, an information booth, and community hospitality center.

The Levitt Pavilion for the Performing Arts was founded in 1973 and produces one of the largest and longest-running free outdoor festivals in the nation. The Pavilion typically serves 50,000 patrons every summer.



Proposed construction at the Levitt Pavilion for the Performing Arts

Question: What is the total cost of the Pavilion project? Will it receive funds from any other source besides the state?

Item #19 Department of Economic and Community Development: Grant-in-aid to the New England Air Museum for a new education/conference center and storage hangar (\$500,000 in new General Obligation bonds)

The funds will provide a grant-in-aid to the New England Air Museum for construction of a new education/conference center and a storage hangar. The education and conference center will provide additional exhibit space and an 80-120 seat theater. The storage hangar will permit the museum to rotate exhibits more frequently.

The museum, which is located at Bradley International Airport, is the largest aviation museum in New England.

Question: What is the total cost of the project? Will it receive funds from any other source besides the state? Can this grant be used to leverage additional funds?

Item #20 State Library: Grant-in-aid to the New Haven Free Library for renovation of the Ives Main Library (\$318,524 in new General Obligation bonds)

The funds will provide a grant-in-aid to the New Haven Free Library for renovation of the Ives Main Library to provide new performance and exhibit space and a 1,500 sq ft expansion for the library's 50-Plus Transition Center. The Center is intended for individuals age fifty and older, who are not interested in senior centers and wish to maintain an active life. It is located on the first floor and offers publications and presentations on subjects such as budgeting, health, jobs, travel, identity theft, fraud, living on a fixed income, computers and literature.



The Ives Main Library building in New Haven was built in 1911 and renovated and expanded in 1990.

Item #21 Department of Mental Health and Addiction Services: Connecticut Valley Hospital – Replacement of steam supply and condensate lines at Whiting Forensic Institute (\$873,480 in new General Obligation bonds)

These funds will be used to replace the steam supply line between the main campus boiler and Whiting Forensic Institute. Approximately two years ago, leaks were identified in this supply line, which was subsequently capped. Since that time, Whiting has been supplied by a rented portable boiler, at a cost of approximately \$7,000 per month.

Item #23 Regional Community-Technical College System: Naugatuck Valley Community College, Waterbury – Construction contract for concrete and masonry restoration of a pedestrian bridge at Ekstrom Hall (\$799,211 in new General Obligation bonds)

The funds will be used for concrete and masonry restoration of a pedestrian bridge at Ekstrom Hall. The bridge needs restoration because the mortar, caulk joints, and anchors that fasten the masonry (brick) and stone copings to the backup structural

system have deteriorated to the point where the stone copings are at risk of falling onto the perimeter loop road below and hitting pedestrian and vehicular traffic. The copings are longitudinal concrete “caps” that weigh close to 100 lbs. each and are located on both walls of the bridge that spans Ruth Parsons Drive. In addition, many bricks have fallen off the face of the bridge walls and need to be replaced.

In addition, repairs will be made to the concrete walkways on the bridge and at two other plaza locations, which have deteriorated to the point that pedestrians are at risk of injury from tripping and falling. Broken and/or loose concrete walking surfaces will be removed down to the structural concrete deck (slab) and new waterproofing membranes will be installed before the new concrete is poured. The project also includes new caulking joints and mortar joints, and sealing of brick masonry and concrete surfaces.

The bridge to Ekstrom Hall and the plazas are part of the “Core” Building (Fine Arts Center, Library, and Student Center), which was constructed in the early 1980s. Naugatuck Valley’s enrollment for this Fall 2012 Semester is a total of 6,711 students.

Item #24 Regional Community-Technical College System: Housatonic Community College, Bridgeport - Construction contract for HVAC improvements and energy conservation renovations (\$687,069 in new General Obligation bonds)

The funds will be used for HVAC improvements and energy conservation renovations at Housatonic Community College. The project consists of cooling tower replacement and repair or replacement of other mechanical components of the system. Housatonic’s enrollment for this Fall 2012 Semester is 5,975 students.

Item #25 Regional Community-Technical College System: Capital Community College, Hartford - Construction contract for reroofing (\$437,070 in new General Obligation bonds)

The funds will be used for a new roof at Capital Community College in Hartford, which is located in the former G. Fox building. The current roof is almost 20 years old and leaks in several locations, which has caused stains on walls and ceilings. In addition, pails have occasionally been used in various locations to catch dripping rain water/snow melt. The project will replace the portion of the building roof that is owned by the state, above Capital Community College. The new EPDM roofing system (sheets of rubber glued together) will have an expected life of 20 years. The project also includes removal of old mechanical equipment no longer in use. The Capital’s enrollment for this Fall 2012 Semester is 4,500 students.

Item #26 Department of Children and Families: Wesleyan University – Reimbursement of remediation costs for the Long Lane School property in Middletown (\$1,707,938 in new General Obligation bonds)

The funds will be used to reimburse Wesleyan University for the cost of environmental remediation on the former state-owned Long Lane School property in Middletown. The reimbursement is required under the terms of the agreement between the state and Wesleyan that was signed when the University purchased the 152 acre property for \$15 million in 2000.

The pollution on the Long Lane School site is due to coal, which was the main source of fuel from 1870 through 1950. Before construction of the main boiler house (which served as the centralized heating source), many of the oldest buildings on site were heated with individual coal burners. As was common practice during that time, coal ash was used as grading and backfill around many of the school’s oldest buildings, beneath sidewalks and roads, and to backfill low spots in various places on the main campus. In addition, historical regrading and reworking activities (such as landscaping) also resulted in placement of ash in various locations throughout the site.

Questions:

1. When will remediation be completed?
2. How much additional money will the state be required to pay to the University?

Item #27 Judicial Department: Exterior restoration to the Superior Courthouse at 121 Elm Street in East Haven (\$336,105 in new General Obligation bonds)

The allocation will be used to provide additional funds to cover the increased cost for renovations to the 121 Elm Street Courthouse. The contract will be awarded to the next qualified bidder because the lowest bid proposal did not to meet the minimum requirements for experience in historical restorations and the second-lowest bidder declined to hold their price.



The 121 Elm Street Courthouse was built in 1914 and the building exterior has deteriorated to the point that scaffolding has been erected in some areas to protect pedestrians from falling stone debris.

Item #28 Department of Economic and Community Development: Grant-in-aid to Shore Line Trolley Museum for two trolley storage buildings (\$1,000,000 in new General Obligation bonds)

These funds will provide a grant-in-aid to the Shore Line Trolley Museum for the construction of two trolley storage buildings above the 500-year flood level. Currently the Museum's collection of trolleys is located on a flood plain. The total cost of the project is approximately \$2.0 million. The Museum has been fundraising over the past 18 months to support the cost of this construction.

The Shore Line Trolley Museum in East Haven maintains several collections of vintage trolley cars, photographic images, books, documents, and artifacts which preserve the history and heritage of the Trolley Era.

Question: What is the timeline for the project?

Item #30 Department of Economic and Community Development: Manufacturing Assistance Act (MAA) loans (\$25,500,000 in General Obligation bonds)

A. Loan to Advance Stores Company, Inc. in Enfield for acquisition of machinery and equipment (\$5,000,000)

The funds will provide a loan to Advance Store Company, Inc. for the acquisition of machinery and equipment for a new 450,000 sq ft distribution center in leased space in Enfield. The interest rate on the loan is 2.0% for a term of ten years. Principal payments will be deferred for the first three years. The company may be eligible for loan principle forgiveness of \$3.0 million if 107 jobs are created within one year. If the company reaches 200 jobs within three years, the remainder of the principal will be forgiven in increments, based on annual job creation levels.

Advanced Store Company is a specialty retailer of automotive parts and accessories for both professional installers and consumers performing maintenance work on their vehicles.

B. Loan to Lex Products in Shelton for acquisition of machinery (\$1,500,000)

These funds will support a loan to Lex Products to finance the purchase of machinery for expansion. The company intends to acquire a European competitor and relocate those operations to Shelton. Additionally, it will also develop four new product lines.

The loan will be provided at an interest rate of 2.5% for 10 years. The company will retain 182 jobs and create an additional five jobs by 2013.

Lex Products designs and manufactures electrical power distribution and control systems in both commercial and military power markets.

Question: Will the company be eligible for loan forgiveness? If so, what criteria must be met to qualify for forgiveness?

C. Loan to Dollar Tree, Inc. in Windsor for purchase of equipment and employee training (\$7,500,000)

These funds will support a \$7.0 million loan to Dollar Tree, Inc. for: (1) automation equipment associated with development of a new one million sq ft distribution center in Windsor and (2) a \$500,000 employee-training grant. The company intends to create 200 new jobs within the next five years.

The loan will be provided at an interest rate of 1.0% for ten years with principal deferred for the first five years. The company may be eligible for forgiveness of the loan principal if 200 jobs are created within two years.

Dollar Tree, Inc. is a national company with thousands of retail stores which sell a variety of products at \$1.00 or less.

D. Funding to allow DECD to provide smaller loans and grants to businesses (\$2,000,000)

These funds will allow the Department of Economic and Community Development (DECD) to provide smaller loans and grants to manufacturers and economic based businesses across the State. The funds will allow DECD to provide financial assistance to business that will retain operations, grow operations or locate operations in Connecticut. The release of these funds will be controlled through the allotment process pending determination of grant and loan recipients.

Question: Will this funding be available to business that may otherwise not qualify for the Small Business Express program or any other assistance program?

E. Funding for the Economic Assistance Bond Fund (\$2,500,000)

The funds will provide supplemental funding to the Economic Assistance Bond Fund. The Fund enables the Department to provide a variety of types of financial assistance, including grants, extensions of credit, loans or loan guarantees or a combination thereof to support economic development projects that are part of the Industry Cluster Initiative and Next Generation Competitiveness Strategy. State funds are matched by recipients from both private sector and non-profit organizations by at least 50% of program costs.

To date, the State Bond Commission has authorized \$12 million to fund 74 projects.

Questions:

1. What is the selection process for this program?
2. Does the number of applications outweigh the level of funding for this program?

F. Loan to Polamer Precision in Newington for acquisition of machinery and equipment (\$3,000,000)

The funds will support a loan to Polamer Precision for the purchase of machinery and equipment for the consolidation of three separate facilities in Newington to a new facility in New Britain. The company will retain 62 new jobs and intends to create another 78 within three years.

The loan will be provided at an interest rate of 3.0% for 10 years and \$1.5 million of principal may be forgiven if employment reaches 140 full-time jobs within three years.

Polamer Precision is a contract aerospace manufacturing firm that produces engine and airframe components.

G. Funding for DECD associated with DECD/CDA seamless funding program (\$4,000,000)

This program allows both the Connecticut Development Authority (CDA) (merged with Connecticut Innovations, Inc. under PA 12-1 of the June Special Session) and the Department (DECD) to participate in loans to businesses at a blended interest rate that makes the financing more attractive to businesses. This program allows DECD to loan money to business jointly with CDA by utilizing the due diligence, board approval, and closing process of the CDA.

This funding will support existing projects being developed. Currently, there is \$1.0 million remaining in the program which has been committed to a business project that CDA and DECD are structuring.

Question: Does the merger of CDA into Connecticut Innovations have any impact on the seamless funding program?

Item #31 Office of Policy and Management: Urban Action Program (\$18,525,000 in new General Obligation bonds)

I. Department of Economic and Community Development

A. Grant-in-aid to Hartford Hospital for expansion of the Center for Education, Stimulation and Innovation (\$10,000,000)

The funds will provide a grant-in-aid to Hartford Hospital to help finance expansion of the Center for Education, Simulation and Innovation (CESI). The new 30,000 sq ft facility will provide space for simulation areas, electronic training facilities, and research laboratories.

The CESI is the second largest surgical center in New England and the Northeast's largest robotic surgery center. The current facility uses exact replicas of an operating room, intensive care unit, delivery room and trauma room used for training purposes.

Questions:

1. What is the total cost of the project?
2. Is the project receiving additional funding from another source?

B. Grant-in-aid to Ansonia for an emergency generator (\$50,000)

This funding will finance the replacement of the emergency generator at Ansonia's Emergency Operations Center. The generator powers communications equipment that is used by the town's emergency personnel.

C. Grant-in-aid to West Haven for a transit-oriented development (TOD) District master plan study (\$200,000)

The funds will finance a study on the Transit-Oriented Development District Master Plan in West Haven. The city intends to conduct a study of development options and update the existing Master Plan in anticipation of the future West Haven train station. The study will begin immediately and is estimated to take 12 months.

A Transit-Oriented Development is comprised of mixed-use developments located near transit facilities that maximize the use of public transport.

D. Grant-in-aid to Bloomfield for brownfield remediation of a site on Cottage Grove Road (\$900,000)

The funds will finance remediation of a brownfield site on Cottage Grove Road in Bloomfield for redevelopment of the site and construction of a new medical office building.

Question: What is the timeline for this completion of the remediation?

E. Grant-in-aid to Torrington for a façade improvement program (\$500,000)

The funds will be used for a façade improvement program that will enhance and restore the exteriors to the older buildings in Torrington. Participating businesses will be required to match state funds. In addition, the federal government has pledged \$500,000 for streetscape improvements in the city.

Question: Has this program received prior state bond funds?

F. Grant-in-aid to IWSR Managers, LLC for a parking garage in Norwalk (\$5,000,000)

The fund will provide a grant for developer IWSR Managers to assist in the construction of a 237-space parking garage at Wall Street Place, a housing redevelopment project in Norwalk.

Phase I of Wall Street Place will create 101 residential units, which will be a mix of approximately 30% affordable rental units and 70% market-rate rental apartments. Additionally, Phase I will create 23 surface parking spaces, an automated parking garage available to residents and the public, and 15,933 sq ft of retail space.

The estimated cost of Phase I is \$45 million. POKO Partners, a firm specializing in urban and suburban mixed-use development, has \$40 million in committed funds and the remaining \$5 million for the parking garage is being provided through this grant.

G. Grant-in-aid to St. Vincent's College for construction of additional classroom space (\$1,800,000)

The funds will be used for construction of an additional 12,000 sq ft of classrooms, study areas and labs in a newly-acquired building located two blocks from the college.

St. Vincent's College is in the process of raising \$5 million through a capital campaign to update its current facilities and add classroom, laboratory, and student learning spaces in order to accommodate growth in its enrollment and programs. The St. Vincent's Foundation has committed \$2.2 million in funding to upgrade the infrastructure of the building, including new heating and ventilation systems, and windows. The college is raising an additional \$2.8 million for renovations to the third floor of the building as well as updating existing facilities. As of this summer, the college raised \$1.0 million through private donations and fund-raising activities.

II. Department of Children and Families

Grant-in-aid to Wheeler Clinic for relocation of a short-term residential center for children in crisis from the UConn Health Center in Farmington to New Britain (\$75,000)

The funds will be used to reimburse the Wheeler Clinic for the cost of renovating a leased house on Russell Avenue in New Britain for use as a short-term residential housing for youth in crisis. This type of housing is currently being provided at the University of Connecticut Health Center (UCHC) campus but it is being displaced by construction of the UCHC Jackson Laboratory for Genomic Medicine facility.

The New Britain location is across the street from a home already owned by the Wheeler Clinic and is also in proximity to other group residences and community support services. A set of renovation specifications has been negotiated with the landlord of the house on Russell Avenue and work is scheduled to begin. The University of Connecticut is donating \$150,000 toward renovation costs. The \$75,000 allocation will be used to cover the balance of these costs. Relocation is projected to occur around the end of October.

It is anticipated that the Wheeler Clinic will be able to: (1) cover the cost of moving equipment and furniture from its operating budget and (2) relocate from the UCHC to New Britain in a matter of days, without any major disruption to youth who will be in residence during the move.

UCHC housing for youth in crisis is provided as a component of the Wheeler Clinic's "Green House - Crisis Stabilization Program." The Green House - Crisis Stabilization Program offers short-term residential placement for youth ages 11 through 17 that need immediate intervention during an emotional or behavioral crisis. Youth are offered a safe and secure place to stay while clinicians work with them and their families to stabilize their situation.

Appendix A

CT Technical High School System Equipment Replacement Plan

Category/School	City/Town	Quantity	Sub Total \$
Desktops			
Ella T. Grasso	Groton	60	45,000
Platt	Milford	75	56,250
Bullard Havens	Bridgeport	25	18,750
Henry Abbott	Danbury	25	18,750
H.H. Ellis	Danielson	25	18,750
Eli Whitney	Hamden	45	33,750
A.I. Prince	Hartford	55	41,250
Howell Cheney	Manchester	26	19,500
H.C. Wilcox	Meriden	20	15,000
Vinal	Middletown	120	90,000
E.C. Goodwin	New Britain	110	82,500
Norwich	Norwich	70	52,500
Oliver Wolcott	Torrington	35	26,250
W.F. Kaynor	Waterbury	20	15,000
Windham	Willimantic	50	37,500
Emmett O'Brien	Ansonia	25	18,750
Bristol TEC	Bristol	10	7,500
Stratford SAMT	Stratford	5	3,750
CT Aero	Hartford	10	7,500
		811	608,250
Ipad Cart - (24 Ipads+Cart+ MacBook Pro)			
Ella T. Grasso	Groton	1	17,000
Platt	Milford	1	17,000
Bullard Havens	Bridgeport	1	17,000
Henry Abbott	Danbury	1	17,000
H.H. Ellis	Danielson	1	17,000
Eli Whitney	Hamden	1	17,000
A.I. Prince	Hartford	1	17,000
Howell Cheney	Manchester	1	17,000
H.C. Wilcox	Meriden	1	17,000
Vinal	Middletown	1	17,000
E.C. Goodwin	New Britain	1	17,000
Norwich	Norwich	1	17,000
Oliver Wolcott	Torrington	1	17,000
W.F. Kaynor	Waterbury	1	17,000

Category/School	City/Town	Quantity	Sub Total \$
Windham	Willimantic	1	17,000
Emmett O'Brien	Ansonia	1	17,000
Bristol TEC	Bristol	1	17,000
Stratford SAMT	Stratford	1	17,000
CT Aero	Hartford	1	17,000
		19	323,000
Smartboards			
Ella T. Grasso	Groton	10	41,500
Platt	Milford	10	41,500
Bullard Havens	Bridgeport	9	37,350
H.H. Ellis	Danielson	6	24,900
Eli Whitney	Hamden	8	33,200
H.C. Wilcox	Meriden	8	33,200
Vinal	Middletown	9	37,350
Oliver Wolcott	Torrington	9	37,350
Windham	Willimantic	8	33,200
Emmett O'Brien	Ansonia	8	33,200
		85	352,750
Printers			
Platt	Milford	4	1,544
Howell Cheney	Manchester	2	1,800
Vinal	Middletown	2	1,800
E.C. Goodwin	New Britain	3	2,700
Oliver Wolcott	Torrington	4	1,544
Emmett O'Brien	Ansonia	4	1,544
CT Aero	Hartford	2	772
		21	11,704
Network Infrastructure			
A.I. Prince Wireless expansion			23,500
Small switches through the district			15,000
Wireless Network cards - Vinal		12	1,584
Servers for desktop virtualization		18	237,600
Network performance appliance			33,000
E.C. Goodwin - Video Editing workstation			2,580
Ipads for Library Media Centers for Student Use			
Ella T. Grasso	Groton	3	1,497
Platt	Milford	3	1,497

Category/School	City/Town	Quantity	Sub Total \$
Bullard Havens	Bridgeport	3	1,497
Henry Abbott	Danbury	3	1,497
H.H. Ellis	Danielson	3	1,497
Eli Whitney	Hamden	3	1,497
A.I. Prince	Hartford	3	1,497
Howell Cheney	Manchester	3	1,497
H.C. Wilcox	Meriden	3	1,497
Vinal	Middletown	3	1,497
E.C. Goodwin	New Britain	3	1,497
Norwich	Norwich	3	1,497
Oliver Wolcott	Torrington	3	1,497
W.F. Kaynor	Waterbury	3	1,497
Windham	Willimantic	3	1,497
Emmett O'Brien	Ansonia	3	1,497
Bristol TEC	Bristol	3	1,497
		51	25,449
Uninterrupted Power Supplies			
Eli Whitney	Hamden	3	3,600
Oliver Wolcott	Torrington	3	3,600
Bristol TEC	Bristol	2	2,400
		8	9,600
W.F. Kaynor - Data Lines run		30	4,500
W.F. Kaynor - Network Switch		1	8,000
Replacement data cables			10,000
Replacement of Telephone Systems			
Ella T. Grasso	Groton		42,000
Platt	Milford		47,000
Oliver Wolcott	Torrington		39,000
Server racks			
Vinal	Middletown	2	3,000
Oliver Wolcott	Torrington	2	3,000
		4	6,000
Grand Total			1,800,517