Analysis of
State Bond Commission
Agenda Items

March 24, 2016
10:30 AM
OFA STAFF

Neil Ayers, Director

Christine Ashburn, Section Chief

<table>
<thead>
<tr>
<th>Name</th>
<th>Department</th>
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<tbody>
<tr>
<td>Sarah Bourne, Principal</td>
<td>Elementary Education, Office of Higher Education, Town Education Grants</td>
</tr>
<tr>
<td>Rachel Della Pietra, Principal Analyst</td>
<td>Children and Families, Public Health, Medical Examiner, Dept. of Veterans’ Affairs</td>
</tr>
<tr>
<td>Christina Gellman, Principal Analyst</td>
<td>Banking, Dept. of Insurance, Dept. of Developmental Services, Teachers’ Retirement, Dept. of Rehabilitation Services</td>
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<tr>
<td>Alan Shepard, Principal</td>
<td>Board of Regents for Higher Education, UConn, UConn Health Center, Consumer Protection</td>
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Michael Murphy, Section Chief

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<tr>
<th>Name</th>
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<tr>
<td>Evelyn Arnold, Associate</td>
<td>Economic Development, Housing, Culture and Tourism</td>
</tr>
<tr>
<td>Anne Bordieri, Associate</td>
<td>Energy Funds, Consumer Counsel, Transportation Fund, Transportation Bonding, Motor Vehicles, Dept. of Transportation, Soldiers, Sailors &amp; Marines’</td>
</tr>
<tr>
<td>Grant Gager, Associate Analyst</td>
<td>Attorney General, Treasurer, Debt Service, Bonding</td>
</tr>
<tr>
<td>William Lederman, Principal</td>
<td>Budget Information System, Income Tax Modeling</td>
</tr>
<tr>
<td>Chris Wetzel, Principal</td>
<td>Dept. of Labor, Tax Policy &amp; Revenue Analysis, Dept. of Revenue Services, Spending Cap</td>
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Chris Perillo, Section Chief

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<tr>
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<tr>
<td>Don Chaffee, Principal</td>
<td>Legislative Management, Emergency Services &amp; Public Protection, Office of Governmental Accountability, Secretary of the State, State Personnel</td>
</tr>
<tr>
<td>Dan Dilworth, Associate</td>
<td>Office of Policy &amp; Mgmt., Grants to Towns (PILOTS, Pequot), Municipal Funds, Federal Funds</td>
</tr>
<tr>
<td>Meghan Green, Analyst I</td>
<td>Dept. of Administrative Services, State Personnel, Statewide Issues</td>
</tr>
<tr>
<td>Marcy Ritsick, Principal</td>
<td>Environment, Agriculture, Agriculture Experiment Station, Council on Environmental Quality, Comm. on Human Rights &amp; Opportunities</td>
</tr>
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Rob Wysock, Section Chief

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<tr>
<th>Name</th>
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<tbody>
<tr>
<td>Jonathan Palmer, Associate</td>
<td>Military, Corrections, Budget Information System</td>
</tr>
<tr>
<td>Phoenix Ronan, Principal</td>
<td>Dept. of Insurance, Criminal Justice, Judicial, Public Defender, Probate</td>
</tr>
<tr>
<td>Emily Shepard, Principal</td>
<td>Dept. of Social Services, Mental Health and Addiction Services, Psychiatric Security Review Board, Office of Early Childhood</td>
</tr>
<tr>
<td>Holly Williams, Associate</td>
<td>State Comptroller, Dept. of Social Services, Office of Health Care Advocate, State Employee Fringe Benefits, Workers’ Compensation</td>
</tr>
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Administrative Staff

<table>
<thead>
<tr>
<th>Name</th>
<th>Title</th>
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<tbody>
<tr>
<td>Laurie L. Wysock, Sr. Executive Secretary</td>
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</tr>
<tr>
<td>Theresa Kelly, Senior Legislative Secretary</td>
<td></td>
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<td>Lisa Kiro, Staff Assistant/Fiscal Note Coordinator</td>
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</tbody>
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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.

I. Summary

FY 16 General Obligation Bonds

<table>
<thead>
<tr>
<th>Allocations</th>
<th>FY 16 $</th>
<th>FY 15 $ (3/17/15)</th>
</tr>
</thead>
<tbody>
<tr>
<td>March Agenda</td>
<td>728,150,913</td>
<td>141,912,830</td>
</tr>
<tr>
<td>Prior Allocations</td>
<td>1,153,136,441</td>
<td>1,365,383,740</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>1,881,287,354</strong></td>
<td><strong>1,507,296,570</strong></td>
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</table>

1 The figures do not include reallocations.

Calendar Year 2016 General Obligation Bonds

<table>
<thead>
<tr>
<th>Allocations</th>
<th>2016 $</th>
<th>2015 $(3/17/15)</th>
</tr>
</thead>
<tbody>
<tr>
<td>March Agenda</td>
<td>728,150,913</td>
<td>141,912,830</td>
</tr>
<tr>
<td>Prior Allocations</td>
<td>505,111,037</td>
<td>905,179,405</td>
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<tr>
<td><strong>Subtotal</strong></td>
<td><strong>1,223,261,950</strong></td>
<td><strong>1,047,092,235</strong></td>
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<tr>
<td>Automatic Allocations</td>
<td>467,000,000</td>
<td>525,200,000</td>
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<tr>
<td><strong>TOTAL</strong></td>
<td><strong>1,700,261,950</strong></td>
<td><strong>1,572,292,235</strong></td>
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</tbody>
</table>

1 The figures do not include reallocations.
2 Automatic allocations include UConn 2000, CSCU 2020, the Bioscience Collaboration Fund (Jackson Lab) or the Bioscience Innovation Fund.

FY 16 Transportation Fund Bonds

<table>
<thead>
<tr>
<th>Allocations</th>
<th>FY 16 $</th>
<th>FY 15 $ (3/17/15)</th>
</tr>
</thead>
<tbody>
<tr>
<td>March Agenda</td>
<td>10,000,000</td>
<td>2,544,251</td>
</tr>
<tr>
<td>Prior Allocations</td>
<td>879,089,771</td>
<td>657,090,336</td>
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<tr>
<td><strong>TOTAL</strong></td>
<td><strong>889,089,771</strong></td>
<td><strong>659,634,587</strong></td>
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Calendar Year 2016 Transportation Fund Bonds

<table>
<thead>
<tr>
<th>Allocations</th>
<th>2016 $</th>
<th>2015 $ (3/17/15)</th>
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</thead>
<tbody>
<tr>
<td>March Agenda</td>
<td>10,000,000</td>
<td>2,544,251</td>
</tr>
<tr>
<td>Prior Allocations</td>
<td>86,400,000</td>
<td>65,750,000</td>
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<tr>
<td><strong>TOTAL</strong></td>
<td><strong>96,400,000</strong></td>
<td><strong>68,294,251</strong></td>
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Special Note: Subsequent to the State Bond Commission (SBC) agenda being posted on March 17, 2016, OFA was notified of revisions affecting Item #21. These revisions affect Item #21, sub-items D and I, and reduce the allocation to $34,650,000 in new General Obligation bonds (the reallocation figure is unchanged). The above tables incorporate such revisions. However, insufficient information was received to enable revision of the affected portions of the Item #21 analysis that follows.
II. Agenda Items

**Item #1 (& #8)** Office of Policy and Management: Transit-Oriented Development and Predevelopment Activities ($6,000,000 in total new General Obligation bonds)

The requested funds will provide grants to municipalities and regional councils of government for reimbursement of expenses on projects that facilitate transit-oriented development. The Office of Policy and Management operates a competitive grant program and recipients for the current round of awards will be announced in late spring 2016. Approximately 45 municipalities and regional councils of government submitted applications during this round of funding and maximum awards are anticipated to be approximately $2 million per project.

In FY 15, $1.5 million in transit oriented development funding was awarded to 11 communities for planning and feasibility studies centered on transit hubs.

**Item #2 (& #17)** Department Of Administrative Services: Infrastructure Repairs and Improvements Including Compliance with the Americans with Disabilities Act ($19,700,000 in new General Obligation bonds and $1,258,803 in previously allocated bonds)

The requested allocation will fund renovations, improvements, and fit-out at 450 Columbus Boulevard in Hartford. Seven state agencies and approximately 2,200 state employees will begin relocating to 450 Columbus Boulevard in June. The property consists of two office towers (11 & 15 stories) above a 5-level 850 spot parking garage. Funds will be used for South Tower interior fit-out as well as mechanical, electrical and IT/Telcom improvements. Funds will also be used for North Tower interior renovations and floor build-out.

*Background* 450 Columbus Boulevard was purchased by the state for $34.5 million in 2013 and will house employees currently based in the State Office Building during the planned renovation of that building.

**Item #3** Board of Regents for Higher Education: Consolidation and Upgrade of System Student and Financial Information Technology Systems ($10,000,000 in new General Obligation bonds)

The requested allocation will be used to advance development of IT networks throughout the state college system. The system is comprised of 17 institutions and approximately 92,000 students. The funds will be used to continue the implementation and consolidation and upgrade of student and financial information systems. This allocation is the second installment of $10 million this calendar year for this purpose.

**Item #4 (& #15)** Department Of Housing: Flexible Housing Program ($8,199,961 in total new General Obligation bonds)
The two allocations will support a loan to Teachers Corner Hartford, LLC to assist with development of 60 units of mixed income housing in a mixed use property at 370 Asylum Street in Hartford. The project will be marketed to teachers.

The project will have a mix of studios, one-bedroom, two-bedroom units and ground floor retail space. Two of the apartments will be reserved for individuals or families at 25 percent of the midpoint income for the Hartford metro area, or less than $15,500 for a single person. Ten will be reserved for those earning no more than half of the region's median income, or less than $31,000 a person. Two will be restricted to individuals who earn $61,250 or less, or $70,000 for a family of two.

The market rate units are expected to cost $1,200 for a studio and $1,750 for the most expensive two-bedrooms. The affordable apartments could be as little as $400 a month for someone earning less than $15,500 a year and as much as $1,600 for the two-bedroom units aimed at moderate-income renters.

**Item #5** Office of Policy and Management: Responsible Growth Incentive Fund ($5,000,000 in new General Obligation bonds)

The requested funds will provide grants to municipalities and regional councils of government for reimbursement of expenses for the planning and construction of responsible growth projects consistent with the state plan of conservation and development. The Office of Policy and Management operates a competitive grant program and recipients for the current round of awards will be announced in late spring 2016. The maximum award is anticipated to be approximately $2 million per project.

No funding has been awarded under the Responsible Growth Incentive Fund to date.

**Item #6** Office of Policy and Management: Grants-In-Aid for the Purchase of Body-Worn Recording Equipment and Digital Data Storage Devices or Services for Law Enforcement Officers ($2,000,000 in new General Obligation bonds)

This allocation will support the grant-in-aid program established in PA 15-4, of the June Special Session, and operated by the Office of Policy and Management, that provides reimbursements for procurement of body worn recording and storage equipment by law enforcement agencies. The current request will provide for the purchase of such equipment by the Department of Emergency Services and Public Protection’s Division of State Police.

**Item #7** Department of Transportation: Let’s Go CT ($10,000,000 in new Special Tax Obligation Bonds)

The requested funds are for the completion of design of a cab signal system, with automatic train control, for the Metro-North Waterbury branch line. The funds will also
enable the start of construction as well as procurement of certain project materials that have long lead-times.

Installation of a cab signal system is a recommendation from the Waterbury Branch Feasibility Study to enhance capacity and on-time performance on the twenty-seven mile branch line. It is expected that the project will require additional bond allocations this calendar year when construction commences.

**Item #8** Office of Policy and Management: Transit-Oriented Development and Predevelopment Activities ($6,000,000 in total new General Obligation bonds)

Please see Item #1 write-up.

**Item #9** Office of Early Childhood: Smart Start Competitive Grant Program ($1,218,405 in new General Obligation bonds)

The requested funds will support the grants-in-aid program that reimburses local and regional boards of education for capital and operating expenses related to establishing or expanding preschool programs. A list of recipients for this $1.2 million allocation, including project description and use of funds, is included in Appendix A.

**Item #10** Department of Education: Alterations and Improvements to Buildings and Grounds for the Regional Vocational-Technical School System ($2,225,000 in new General Obligation bonds)

The requested allocation will support alterations and improvements to buildings and grounds for the Regional Vocational-Technical High School System. The funds will also be used to purchase replacement equipment, tools, vehicles, technology upgrades and supplies necessary to update curricula. The funds will be distributed across the system based on needs and priorities established by the superintendent.

**Item #11** Board of Regents for Higher Education: Quinebaug Community College Parking and Site Improvements ($1,681,451 in new General Obligation bonds)

The requested funds will support upgrades to the parking areas at Quinebaug Community College. The project will encompass most of the pavement and sidewalk areas around the college with the exception of the 2014 addition of the Middle College High School at the east end of the property. The site improvements work includes: repaving parking spaces and drive aisles; repairing the site’s drainage system; replacing lighting fixtures; replacing sidewalk bollards; installation of additional blue phone units and car charging stations; and an emergency access road to Rock Avenue.

**Item #12** Office of Early Childhood: Grants-In-Aid to Municipalities and Non-Profits for Minor Capital Repairs at School Readiness Programs ($71,424 in new General Obligation bonds)
The requested funds will support the grant-in-aid program administered by the Office of Early Childhood that provides municipalities and non-profits funds for facility improvements and minor capital repairs at school readiness programs. A list of recipients for this allocation, including project description and use of funds, is included in Appendix B.

**Item #13** Board of Regents for Higher Education: Housatonic Community College Renovations and Additions to Lafayette Hall ($2,963,222 in new General Obligation Bonds)

The requested funds will be used to purchase new furniture and equipment for Lafayette Hall at Housatonic Community College. The allocation will benefit the new and renovated computer and science labs, art rooms, student spaces, and library.

The unduplicated headcount enrollment at Housatonic Community College for 2015 was 7,579.

**Item #14** Department of Transportation: Grants-In-Aid for Improvements to Ports and Marinas, Including Dredging and Navigational Direction ($1,500,000 in new General Obligation bonds)

The allocation will provide matching funds for a study to determine the feasibility of modifying the existing main ship channel in New Haven Harbor; from Long Island Sound to the terminals on the seaward side of Interstate 95. The New Haven Port Authority is partnering with the US Army corps of Engineers on the study with each contributing fifty percent of the $3 million project cost.

The study will examine widening the channel and increasing the depth to 37 – 40 feet (from the existing 35 foot depth). Expanding the size of the channel is anticipated to benefit several existing users by allowing larger vessels to access the port.

**Item #15** Capital Region Development Authority: Grants or Loans to Encourage Residential Housing Development ($8,199,961 in total new General Obligation bonds)

Please see Item #4 write-up.

**Item #16 (& #18)** Department of Energy and Environmental Protection: Alterations, Renovations and New Construction at State Parks ($11,804,932 in total new General Obligation bonds)

The funds from these requested allocations will support a utility reconstruction and rehabilitation project at Hammonasset Beach State Park in Madison. This is a two-year project to replace the current utility systems serving the park and campground;
including the electrical, water, and natural gas systems. Project costs associated with this specific allocation are as follows:

<table>
<thead>
<tr>
<th>Item Description</th>
<th>Costs ($)</th>
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<tbody>
<tr>
<td>Construction</td>
<td>6,725,000</td>
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<tr>
<td>Electric utility construction</td>
<td>2,694,393</td>
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<tr>
<td>Gas utility construction</td>
<td>305,000</td>
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<tr>
<td>natural gas conversions</td>
<td>350,000</td>
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<tr>
<td>special inspections</td>
<td>30,000</td>
</tr>
<tr>
<td>laboratory testing</td>
<td>20,000</td>
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<tr>
<td>construction administrator</td>
<td>336,250</td>
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<tr>
<td>engineering/architectural</td>
<td>111,000</td>
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<tr>
<td>contingency</td>
<td>941,939</td>
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<tr>
<td>Department of Administrative (DAS) fee</td>
<td>291,350</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>11,804,932</strong></td>
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**Item # 17** Department of Administrative Services: Infrastructure Repairs and Improvements Including Compliance with the Americans with Disabilities Act ($19,700,000 in new General Obligation bonds and $1,258,803 in previously allocated bonds)

Please see Item #2 write-up.

**Item #18** Department of Energy and Environmental Protection: Alterations, Renovations and New Construction at State Parks ($11,804,932 in total new General Obligation bonds)

Please see Item #16 write-up.

**Item #19** Department of Energy and Environmental Protection: Grant-In-Aid to the Town of Fairfield For The Rooster River Flood Control Project ($30,000 in new General Obligation bonds)
This allocation will provide a grant-in-aid to the town of Fairfield for a flood control project on the Rooster River. The river serves as the border between Bridgeport and Fairfield. The project area encompasses portions of Bridgeport, Fairfield, and Trumbull and is home to approximately 80,000 people.

Fairfield is working with neighboring municipalities, the Southwest Conservation District, and DEEP to develop a watershed based plan for the Rooster River. A contractor, Fuss & O’Neill, Inc., and Connecticut Fund for the Environment/Save the Sound (CFE/STS) were retained to lead the development of the plan, working with a Project Steering Committee consisting of representatives from the project stakeholders.

**Item #20** Connecticut State Library: Grants-In-Aid to Public Libraries That Are Not Located within Distressed Municipalities, ($27,500 in new General Obligation bonds)

The requested funds will be used for a grant-in-aid to the C.H. Booth Library in Newtown. The allocation will allow for the renovation of an existing space within the library to house a “maker” space called chbMAKERS which is intended to be a gathering place where patrons can discover new skills, create their own projects, and network with other “makers” in the community.

*Background* chbMAKERS was made possible through an anonymous gift and also funded by GE Capital and fundraising efforts of the CH Booth Library’s Board of Trustees. It is currently located on the 2nd floor. chbMAKERS provides free access to new technologies and materials that allows patrons to learn new skills, create their own projects and connect with other makers in the community.

The chbMAKERS’ Corner is stocked with an array of devices to provide patrons with options to explore a variety of new technologies. Once they’ve been trained on using some or all of the equipment they’ll be able to make an appointment to use the equipment on their own.

**Item #21** Department of Economic and Community Development: Manufacturing Assistance Act ($34,650,000 in new General Obligation bonds and $3,000,000 in previously allocated bonds)

This funding will support the following business initiatives enumerated below:

**A. Aer Lingus** ($4,500,000)

These funds will support a grant-in-aid to Aer Lingus, Limited to assist with establishing a cross-Atlantic between Bradley International Airport and Dublin Ireland, with service to more than 20 other European cities. The service will begin in September 2016.
The daily flights will include one evening departure from Bradley at 6:20 p.m. that arrives in Dublin at 5:20 a.m., and one afternoon departure from Dublin at 2:30 p.m. that arrives at Bradley at 4:40 p.m. Each flight will include 12 business class seats.

In order to recruit this service, the state has agreed to provide a revenue backstop for the first two years of service. These funds represent the maximum payment that could be made to Aer Lingus to support any revenue shortfalls during the first year of service. A maximum of $9 million may be expended to support any shortfalls over the first two years. Funds will be granted to the extent that Aer Lingus sustains revenue losses.

Aer Lingus is the national airline of Ireland, founded in 1936. The company operates 50 aircraft on routes to destinations in the UK, Europe and North America and carries 11 million customers per year.

B. Accel International Holdings, Inc ($3,000,000)
These funds will support a loan to Accel International Holdings, Inc. to assist with construction, leasehold improvements, inventory, working capital, machinery, equipment and software for expansion.

The loan will be provided at an interest rate of 2% for ten years. The company will be eligible for incremental loan forgiveness up to $3 million if it retains 83 jobs and creates up to 75 new jobs.

Accel International Holdings Inc. is a manufacturer of high-performance specialty wires and conductors. The company is located in Meriden.

C. Log Storm Security, Inc. (d.b.a. Blackstratus) ($5,500,000)
These funds are requested to provide a loan to Log Storm Security, Inc., d.b.a. BlackStratus to assist with equipment, leasehold improvements and working capital expenses for (1) a cyber-security center in Stamford and (2) an incident response operation to be located in eastern Connecticut. The company intends to create 65 jobs within three years and 134 by year ten.

The loan will be provided at an interest rate of 2% for ten years. The company will be eligible for loan forgiveness of $2.5 million if it creates 65 jobs within three years and retains them for two years.

Since 1999, BlackStratus has produced reliable and innovative security information event management products and services. BlackStratus has offices in Stamford, CT and Piscataway, NJ.

D. ABB, Inc. ($1,000,000)
These funds will support a loan to ABB, Inc. to assist with machinery, equipment and leasehold improvements to its facility in Bloomfield. The company will consolidate operations from various sites to expand research and development.

The loan will be provided at an interest rate of 2% for ten years with principal and interest deferred for two years. The company will be eligible for loan forgiveness of $750,000 if it retains 64 jobs and creates 16 new jobs and maintains them for two years.

ABB is a leading global technology company in robotics and power and automation technology that enables utility, industry, and transport and infrastructure customers to improve their performance while lowering environmental impact. The ABB Group of companies operates in roughly 100 countries and employs about 135,000 people.

E. Axel Plastics Research Laboratories, Inc. ($500,000)
These funds will support a loan to Axel Plastics Research Laboratories, Inc. to assist with machinery and equipment for relocation from New York to Monroe, CT.

The loan will be provided at an interest rate of 2% for ten years with principal deferred for four years. The company will be eligible for loan forgiveness of $350,000 if it meets the job creation goal of 35 new jobs within three years.

Axel Plastics Research Laboratories (AXEL) is a U.S. based manufacturer of proprietary mold releases and process aid additives for all types of plastics, rubbers, and urethanes. AXEL also provides formulated mold releases for decorative laminates, concrete, abrasives and other markets.

F. BTG Pactual Commodities Trading (US) LLC ($5,000,000)
These funds will support a loan to BTG Pactual Commodities Trading (US) LLC to assist with leasehold improvements and equipment for relocation of its primary U.S. operations from New York to Stamford.

The loan will be provided at an interest rate of 1% for ten years with principal and interest deferred for five years. The company will be eligible for incremental loan forgiveness up to $5 million if it retains 120 jobs and creates 150 new jobs within five years.

BTG Pactual is a Brazilian financial company that operates in the markets of Investment Banking, Wealth Management and Asset Management. It offers advisory services in mergers and acquisitions, wealth planning, loans and financings, as well as investment solutions and market analyses.

G. W.J. Deutch & Sons Ltd ($5,000,000)
These funds will support a loan to W.J. Deutch & Sons Ltd. to assist with leasehold improvements, furniture, equipment and project costs for relocation from New York to Stamford.

The loan will be provided at an interest rate of 2% for ten years with principal deferred for four years. The company will be eligible for loan forgiveness of $5 million if it creates 100 new jobs within two years and an additional 15 jobs within three years.

W.J. Deutsch & Sons, Ltd. (a.k.a. Deutsch Family Wine & Spirits) was founded in 1981 to market quality wine and spirits produced by prestigious families from major wine and spirits regions of the world.

H. Doncasters, Inc. ($4,000,000)
These funds will support a loan to Doncasters, Inc. to assist with renovations, machinery and equipment for expansion of its operations in Groton.

The loan will be provided at an interest rate of 2% for ten years. The company will be eligible for loan forgiveness of $2 million if it retains 136 jobs and creates 120 new jobs within five years and maintains them for two years.

The Doncasters Group is a leading international manufacturer of performance and tolerance critical engineered components for a variety of applications in the aerospace, industrial gas turbine, specialist automotive, petrochemical, construction, industrial, and transportation markets.

I. The Electric Heater Company (d.b.a. Hubbell Heater Company) ($4,000,000)
These funds are requested to provide a loan to The Electric Heater Company d.b.a. Hubbell Heater Company to assist with leasehold improvements, machinery and equipment for expansion of its operations in Stratford. The company will retain 61 jobs and create 35 new jobs within four years.

The loan will be provided at an interest rate of 2% for ten years with principal deferred for one year. The company will be eligible for loan forgiveness of $750,000 if it retains 61 jobs and creates 35 new jobs within four years.

Hubbell Heater Company, founded in 1919, is a manufacturer and engineer of customized water heaters for a multitude of industries and applications.

J. CareCentrix – First Five Program ($2,400,000)
This funding will support a grant-in-aid to CareCentrix to assist in relocation and expansion from East Hartford to Hartford. The company relocated its headquarters from East Hartford to Hartford in January 2013.
The Department of Economic and Community Development will provide a total of $24.0 million in grant funding in installments over five years if the company meets annual job retention and creation goals until it reaches 503 total jobs.

The grant distribution is as follows:

1) $12.0 million in grants over five years if all 213 existing employees are retained for the five years;
2) $12.0 million grant will be paid over a five-year schedule if 290 jobs are created in the five-year span.

Were the company to create more than the targeted number of full-time jobs per year, payments may be accelerated upon the company’s request based on an agreed upon payment schedule. The total cost of the project is estimated to be $86 million.

The State Bond Commission previously allocated $16.4 million of the $24 million to CareCentrix. Including this requested allocation, $5.2 million remains to be allocated to the company.

K. Vermillion, Inc. ($2,000,000)
These funds will support a loan of $2 million to Vermillion, Inc. to assist in relocation from Austin, Texas to Trumbull. The company intends to create 40 new jobs.

The loan will be provided at an interest rate of 2% for ten years. The company will be eligible for loan forgiveness of $2 million if it creates the 40 jobs and retains them for two years. The company became eligible for this $2 million loan by (1) receiving FDA approval of its new product and (2) for achieving annual revenue targets in accordance with the agreement.

The State Bond Commission allocated $2 million to Vermillion, Inc. at the September 2015 meeting.

Vermillion, Inc. is a bio-analytical solutions company focused on gynecologic disease. The company provides development and commercialization of novel high-value diagnostic and bio-analytical solutions that help physicians diagnose, treat and improve gynecologic health outcomes for women.

L. New England Airfoil Products, Inc. ($3,000,000)
These funds will support a loan to New England Airfoil Products, Inc., which was acquired by Pietra Rosa TBM of Italy, to assist with machinery, equipment and working capital to retain and grow its operations in Farmington.

The loan will be provided at an interest rate of 2% for ten years. The company will be eligible for loan forgiveness of $1 million if it retains 15 jobs and creates 85 new jobs within five years and retains them for two years.
New England Airfoil Products Inc. is a Farmington-based aerospace manufacturer which was recently acquired by Pietra Rosa TBM. Pietra Rosa, a manufacturer of compressor airfoils for gas turbines, agreed to keep the operation in Farmington and invest more than $10 million in the facility. This will allow Pietra Rosa to better reach its customers in North America.

**Item #22** Department of Energy and Environmental Protection: Clean Water Fund ($120,000,000 in new General Obligation bonds and $110,000,000 in new Clean Water Revenue bonds)

The State’s Clean Water Fund program provides grants for qualifying water treatment and transport infrastructure projects. Such grants are available for 20% of the eligible project costs. Additionally, the fund provides loans for the remainder of the project costs. Such loans are repaid over not more than 20 years at 2% interest for most water pollution control projects, with some exceptions.

Funding is awarded according to a priority list which is developed, according to regulation, based on priority rating criteria, project ranking mechanism, order of priority funding, annual public hearings, and subsequent revisions to the priority list. The priority list is managed by DEEP. A copy of the current list is available here: [http://www.ct.gov/deep/lib/deep/water/municipal_wastewater/cleanwater_draftpriority_1617.pdf](http://www.ct.gov/deep/lib/deep/water/municipal_wastewater/cleanwater_draftpriority_1617.pdf)

**Item #23** Department of Energy and Environmental Protection: Clean Water Fund, Drinking Water State Fund ($4,500,000 in previously allocated bonds)

The allocation will be used to provide low-interest loans through the Drinking Water State Revolving Fund (DWSRF) for projects that have been identified by the Department of Public Health (DPH). There are approximately 1,050 public water systems in the state that are eligible for loans for drinking water infrastructure improvements. The last State Bond Commission allocation for the DWSRF was $6.0 million on December 13, 2013.

*Background:* In each fiscal year, DPH approves project loans to recipients on the project priority list to the extent of available funds. Each recipient may apply for and receive a project loan and subsidies in an amount up to 100% of the eligible project cost. In some cases, based on readiness to proceed, a project may be bypassed on the Project Priority List. In these situations, DPH Drinking Water Section continues to provide support for a potential recipient so that eligible projects can proceed as soon as possible.

**Item #24** Department of Transportation: Intra-state Highway Program ($21,406,749 in new Special Tax Obligation Bonds)
The allocation will be used to provide additional funds for the reconstruction of the Atlantic Street railroad overpass on the New Haven line in Stamford. The funds will specifically be used for unexpected utility relocation costs associated with the installation of a utility corridor through the Metro North Railroad embankment between South State Street and Manhattan Street. Three 36-inch pipes will enable relocation of utility lines for Eversource and AT&T equipment allowing the bridge reconstruction to proceed.

**Item #25 Department of Administrative Services: School Building Projects (Principal and Current Payments) ($500,000,000 in new General Obligation bonds)**

This allocation will support grants-in-aid for FY 16 for the state’s share of the cost of the principal and current and interest payments for the construction of local school building projects. The school construction grant program has hundreds of school construction projects in various stages of completion. These projects include expansion, renovations and improvements, safety and health related projects, vocational agricultural centers and cooperative regional special educational facilities.

School districts may submit requests for school construction grant payments for any one or all of those projects. The dollar amount of the bond commission request is based upon the aggregate of all open school construction projects, specific cash flows from some projects, and historical experience with the ebb and flow of grant payment requests.

**Item #26 Office of Policy and Management: Urban Act ($1,079,018 in new General Obligation bonds)**

The requested allocation will support the following grants-in-aid:

I. To The Center for Women and Families of Eastern Fairfield County, Inc. for a supplemental grant-in-aid to assist with renovations to the recently acquired property. This $479,018 allocation will supplement a $1.2 million allocation from the January 9, 2014, state bond commission meeting.

II. To the Center for Hospice Care of Southeast Connecticut for design of a new facility. This $600,000 allocation will be the first installment of the state’s share for the $6 million project. Approximately $1.4 million in future bond commission allocations are anticipated.

**Item #27 Approval of the State Treasurer's Certificate of State Indebtedness**

This resolution satisfies statutory requirements for approval of documents related to State Bond Commission meetings.
Appendix A

Item 9 Office of Early Childhood: Smart Start Competitive Grant Program
($7,750,000 in new General Obligation bonds)

List of Grant-in-aid Recipients

<table>
<thead>
<tr>
<th>Grantee</th>
<th>Description</th>
<th>Renovation $</th>
<th>Computer $</th>
<th>Equipment $</th>
<th>Engineering $</th>
<th>Award $</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ansonia Public Schools</td>
<td>Outdoor Playscape; Storage shed; Ground cover/safety surface for playscape; Playscape and fencing installation; Architectural consultation; Instructional equipment; Classroom furniture.</td>
<td>49,700</td>
<td>-</td>
<td>20,300</td>
<td>5,000</td>
<td>75,000</td>
</tr>
<tr>
<td>Clinton Public Schools</td>
<td>Support an additional Smart Start Classroom: Classroom furniture and instructional equipment; Refrigerator and meal delivery cart; Enhancements to existing playground with additional sensory equipment, swings, and safety surfacing; Technology including an interactive projector, laptop and desktop computers, and color printer</td>
<td>45,500</td>
<td>6,500</td>
<td>23,000</td>
<td>-</td>
<td>75,000</td>
</tr>
<tr>
<td>Coventry Public Schools</td>
<td>Support an additional Smart Start Classroom: Upgrades to bathroom; Playground enhancements through the addition of play equipment; Upgrades to electrical, plumbing, heating/air conditioning and floors; Bathroom fixtures and HVAC units; Architectural plans</td>
<td>43,600</td>
<td>-</td>
<td>18,550</td>
<td>12,850</td>
<td>75,000</td>
</tr>
<tr>
<td>Cromwell Public Schools</td>
<td>Upgrade classrooms and renovate bathroom; Install ductless AC unit; Instructional equipment; Classroom furniture; Outdoor storage shed</td>
<td>41,000</td>
<td>5,300</td>
<td>24,700</td>
<td>4,000</td>
<td>75,000</td>
</tr>
<tr>
<td>Derby Public Schools</td>
<td>Install indoor playground; Improvements to windows, flooring, and doors; Security cameras; Indoor playground equipment and classroom furniture for 2 classrooms; Architectural plans</td>
<td>109,500</td>
<td>-</td>
<td>31,500</td>
<td>9,000</td>
<td>150,000</td>
</tr>
<tr>
<td>Grantee</td>
<td>Description</td>
<td>Renovation $</td>
<td>Computer $</td>
<td>Equipment $</td>
<td>Engineering $</td>
<td>Award $</td>
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</tr>
<tr>
<td>New London Public Schools</td>
<td>Install 2 bathrooms that will be accessible to all 4 classrooms; Renovate 4 classrooms - including new flooring, repairs to walls, installation of cubicles and storage areas; Classroom fixtures, furniture and instructional equipment; Technology including SmartBoards, laptop computers, iPads</td>
<td>250,000</td>
<td>25,000</td>
<td>25,000</td>
<td>-</td>
<td>300,000</td>
</tr>
<tr>
<td>Plainville Public Schools</td>
<td>Repairs to playground fencing; Classroom fixtures, furniture, and instructional equipment</td>
<td>4,000</td>
<td>-</td>
<td>14,405</td>
<td>-</td>
<td>18,405</td>
</tr>
<tr>
<td>Wallingford Public Schools</td>
<td>Support 2 additional Smart Start Classrooms: Consultation services for NAEYC accreditation facility renovations; Retrofit classrooms for PreK students; Purchase and install additional equipment for the 2 playscapes including a swingset, dramatic play area, track/path and climbing apparatus; Classroom furniture, fixtures and instructional equipment; Refrigerator; Technology including SmartBoards, iPads/Chromebooks</td>
<td>50,000</td>
<td>8,000</td>
<td>77,000</td>
<td>15,000</td>
<td>150,000</td>
</tr>
<tr>
<td>West Hartford Public Schools</td>
<td>Playground equipment and surfacing; Furniture, fixtures, and instructional equipment for 4 classrooms; Technology including SmartBoards, desktop computers, and iPads.</td>
<td>100,000</td>
<td>12,400</td>
<td>187,600</td>
<td>-</td>
<td>300,000</td>
</tr>
<tr>
<td></td>
<td><strong>Total</strong></td>
<td><strong>693,300</strong></td>
<td><strong>57,200</strong></td>
<td><strong>422,055</strong></td>
<td><strong>45,850</strong></td>
<td><strong>1,218,405</strong></td>
</tr>
</tbody>
</table>
## Appendix B

**Item #12 Office of Early Childhood: Minor Capital Repair Grants-in-aid**

### List of Grant-in-aid Recipients

<table>
<thead>
<tr>
<th>Town</th>
<th>Grantee</th>
<th>Description of Revised Proposal</th>
<th>Original State Aid</th>
<th>Current Funds Request</th>
<th>Total State Aid</th>
<th>Total Project Costs</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sprague</td>
<td>Sprague PS - Sprague SR</td>
<td>The revised proposal includes a new parking lot at the recommendation of the engineer for safety reasons, instead of parking lot resurfacing under the original proposal. The remaining scope of work is the same and includes a security system and entryway upgrades.</td>
<td>80,641</td>
<td>14,359</td>
<td>95,000</td>
<td>105,841</td>
</tr>
<tr>
<td>Norwalk</td>
<td>Children's Playhouse - Bouton Street</td>
<td>The revised proposal maintains the same scope of work but accounts for a calculation error on the initial quote. Scope of work includes playground surfacing, fencing and equipment as well as a kitchen renovation.</td>
<td>70,822</td>
<td>18,165</td>
<td>88,987</td>
<td>88,987</td>
</tr>
<tr>
<td>New London</td>
<td>Connecticut College Children's Program</td>
<td>The revised proposal includes the replacement of the foundation under the playground that was previously approved for resurfacing. This change comes at the recommendation of the engineer for safety reasons.</td>
<td>56,100</td>
<td>38,900</td>
<td>95,000</td>
<td>164,688</td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td></td>
<td>207,563</td>
<td>71,424</td>
<td>278,987</td>
<td>359,516</td>
</tr>
</tbody>
</table>