

Analysis of State Bond Commission Agenda Items

January 25, 2013
10:30 AM

OFFICE OF FISCAL ANALYSIS

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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. 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 \$
January Agenda revised	394,920,084	66,075,247
Prior Allocations	<u>544,543,140</u>	<u>864,230,152</u>
Year to Date Total	939,463,224	930,305,399

¹ The figures do not include reallocations.

FY 13 Transportation Fund Bonds

Allocations	FY 13 \$	FY 12 \$
January Agenda	165,250,000	57,000,000
Prior Allocations	<u>502,944,000</u>	<u>568,081,592</u>
Year to Date Total	668,194,000	625,081,592

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 Office of Policy and Management: Information Technology Capital Investment Program (\$4,700,000 in new General Obligation bonds)

Of the \$4.7 million total, \$4.6 will be used to develop and implement information technology enhancements for the Department of Energy and Environmental Protection (DEEP), the Office of Policy and Management (OPM), and the Governor's Office, with the remaining \$70,173 being retained as contingency. The table below shows the breakdown of the allocation by agency and what will be purchased.

Description	DEEP \$	OPM \$	Governor's Office \$
Consultant Services	1,613,801		1,663,252
Hardware		120,000	
Software	316,260	301,244	95,331
Telecommunication Equipment	519,939		
Total	2,450,000	421,244	1,758,583

DEEP - The funds will be used to: (1) develop an online case-management system, a data management program and data warehouse for DEEP data, and (2) replace the current telephone system at DEEP headquarters and major satellite offices.

OPM - The funds will be used to purchase Lifecycle Grants¹ Management Solution software for the Criminal Justice Policy and Planning Divisions. This system will assist with the management and administration of grant programs, and sub-recipient grant projects or contracts.

Governor's Office - The funds will be used for regulations modernization, which includes development of a website to provide information concerning all state agency regulations, the regulations-making process, and a history of actions concerning regulations.

Questions:

1. What kind of information will be stored in DEEP's data warehouse?
2. Will additional bond funds be needed to complete any of these projects?
3. Are there any plans to make this information available online to the public?

Item #2 Department of Construction Services: Statewide Asbestos Abatement Program (\$2,500,000 in new General Obligation bonds)

¹ The stages of the grants management lifecycle include: (1) identifying grants opportunities, (2) evaluation of grant feasibility, (3) grant application process, (4) grant decision (award/rejection), (5) grant compliance, and (6) performance measurement and reporting.

The funds will be used on an as-needed basis for the state's on-going program to remove or encapsulate asbestos in state-owned buildings. The agency selects a vendor from the list of pre-approved contractors to do the abatement when it encounters asbestos in a building repair or renovation project. The State Bond Commission has allocated \$139.5 million for the Statewide Asbestos Abatement Program since 1986.

Item #3 Department of Education: Improvements for Commissioner's Network and low performing schools (\$5,384,124 in new General Obligation bonds)

The \$5,384,124 total includes: (1) \$2,384,124 to purchase computers, smart boards, classroom furniture and minor facility upgrades at the four Commissioner's Network schools and (2) \$3,000,000 for architectural design costs associated with New London High School.

PA 12-116 established a Commissioner's Network to provide new resources and flexibilities to improve student achievement in the state's lowest performing schools. The four Commissioner's Network turn-around schools include: (1) Milner in Hartford, (2) Curiale in Bridgeport, (3) High School in the Community, located in New Haven and (4) Stanton in Norwich. Each school has a turnaround plan to improve the school environment and provide technology and infrastructure. The plans have been approved by the State Board of Education and these funds will allow them to be implemented. The projects are expected to take one to three months to complete.

New London High School is under the supervision of a Special Master. As part of a district-wide plan, the high school will undergo a school-wide programmatic redesign in which the school building is "renovated as new" to match the future programmatic changes needed to address the persistently low achievement of New London students. The estimated total cost of the "renovate as new" project is \$60 million.

Item #4 Department of Children and Families - Grants-in-aid to four nonprofit child care providers (\$539,450 in new General Obligation bonds)

The funds will be used to provide grants-in-aid to four nonprofit child care providers for various alterations, repairs and improvements (see table below).

Facility	Purpose	Amount \$
Children and Family Guidance Center	Renovate third floor office space in Bridgeport	333,000
Clifford W. Beers Guidance Clinic, Inc.	Renovation of basement - repair water damage in New Haven	101,350
Community Mental Health Affiliates	Generator replacement in Torrington	8,200
Mid-Fairfield Child Guidance Center, Inc.	Window and gutter replacement in Norwalk	96,900
Total		539,450

Item #5 Department of Energy and Environmental Protection: Underground Storage Tank Petroleum Clean-Up Program (\$4,500,000 in new General Obligation bonds)

The State Bond Commission allocated \$4.5 million for the Underground Storage Tank (UST) Petroleum Clean-up Program at its July 2012 meeting to pay the oldest, approved claims awaiting payment. It is anticipated that the current allocation will be used in the same way. The program has approved claims totaling approximately \$20.6 million awaiting payment and claims of \$92.5 million waiting for audit, approval and payment.

Background for the UST Program:

The program is administered by the Department of Energy and Environmental Protection. It enables owners and operators of federally-regulated petroleum UST's (motor fuel, used oil, or heating oil for resale) to comply with financial-responsibility requirements and provides reimbursement to responsible parties and third parties to investigate and clean-up releases or suspected releases from USTs. Heating oil USTs for onsite heating are ineligible for this program.

PA 12-1 of the June Special Session, phases out the UST Program. It designates dates after which UST owners or operators can no longer rely upon the program to comply with financial responsibility requirements. After these deadlines, owners or operators must use other mechanisms to satisfy the fiscal responsibility requirements. PA 12-189 authorizes \$36 million in GO bonds to pay outstanding claims under the program.

Items #6 & #19 Secretary of the State: Upgrade of information technology systems (a total of \$2,463,680 in General Obligation bonds)

The funds will be used to upgrade various information technology database systems including: (1) the CONCORD system, (2) the Centralized Voter Registration system, (3) the Public Notary Database, and (4) the SOTS eBusiness Portal and Data Collection Center. The total project cost is anticipated to be approximately \$5 million, including the \$2,536,320 allocation in August 2011. To date, five contracts totaling \$1,918,466 have been awarded.

CONCORD system: The Commercial Recording Division of the Secretary of the State (SOTS) files and maintains all legally required records of corporations, limited liability companies, limited liability partnerships, and other business entities. These filings are all maintained through the CONCORD system.

Centralized Voter Registration System: This system is required by both federal and state law for use in all elections. All Registrar of Voters and Town Clerks must have access to the system and use it to produce official voter lists.

eBusiness Portal and Data Collection Center: This system will be used as the single point of entry for new businesses forming and transacting in Connecticut. The eBusiness Portal will direct businesses new to the state to the various licensure requirements as well as directing them to business support resources and programs. This is a new system to SOTS and is in the process of development.

Questions:

1. What is the timeframe for launching each of the four systems?
2. How much will be spent on computer hardware or software and what amount will be spent on consultants for programming costs?

Item #7 Department of Veteran's Affairs: Replacement of a boiler control system at the Veteran's Home in Rocky Hill (\$41,300 in new General Obligation bonds)

These funds will be used for the design and replacement of a 75-year-old boiler control system. The pressure valves have stopped working and the system is not operating efficiently. The replacement of the boiler control system is anticipated to result in energy and cost savings.

Question: How much is anticipated in energy cost savings per year?

Item #8 Department of Administrative Services: Elevator upgrades at the state-owned building at 450 Capitol Avenue in Hartford (\$970,125 in new General Obligation bonds)

The funds will be used for upgrades to two elevators located in the state-owned building at 450 Capitol Avenue in Hartford. The project will include the disassembly and removal of the entire existing system and replacement with new equipment and controls, including HVAC and fire alarm systems. In addition, fire sealants will be installed throughout the work areas and the elevator pit will be modified to meet OSHA and fire code requirements. The timeline for the project is estimated to be 300 days and is expected to result in energy savings because the new system will be more energy efficient than the current one.

The facility was built in 1912 and last renovated in 1981. It houses the Department of Public Health, the Office of Policy and Management and the Connecticut Health Exchange. The upgrades are necessary because the current 30-year-old system breaks down frequently and is expensive and time consuming to repair because replacement parts are no longer available and must be specifically manufactured. In addition, the system does not meet current OSHA and building codes.

Item #9 Department of Administrative Services: As-needed funding for emergency and minor repair projects at state-owned buildings (\$500,000 in new General Obligation bonds)

The agency will use these funds for projects at state-owned buildings, including (1) emergency situations that must be addressed immediately and (2) small-scale repairs.

Item #10 Department of Administrative Services: Roof replacement at the DCF building located at 395 West Main Street in Waterbury (\$465,115 in new General Obligation bonds)

The funds will be used to replace the roof on the state-owned building at 395 West Main Street in Waterbury because the current roof is leaking intermittently. The new roof will use a ballasted system², which is comprised of loose-laid roof membrane and underlying insulation components that are held in place by a heavy layer of stone or concrete pavers distributed over the roof surface. The life expectancy of the new roof is 20 to 30 years.

The facility was built in 1964 and renovated for use by the Department of Developmental Services (formerly the Department of Mental Retardation) in 1986.

Item #11 Department of Energy and Environmental Protection: Repair of damage from Hurricane Sandy at state parks (\$579,846 in new General Obligation bonds)

This allocation will fund repairs to state parks damaged by Hurricane Sandy according to estimates presented in the table below:

Super Storm Sandy: Repairs Required from Damage to State Parks

State Park	Town	Description	Est. Cost \$
Sherwood Island	Westport	Damage to Sherwood Island Point	35,860
		Replace washed out materials at 9/11 Memorial	11,275
		Move piles of sand displaced from W. Beach	15,820
		Move piles of sand displaced from E. Beach	33,900
		Total Sherwood	96,855
Silver Sands	Milford	Training wall repairs	59,570
		Replace damaged pavement Silver Sands Pkwy	19,250
		Replace 200 ft. of wooden post & rail	15,200

² Ballasted roofs systems are comprised of insulation and membrane layers that are not fastened or adhered to the underlying structure. The only thing holding the roof in place is the weight of the stone ballast or concrete pavers placed on top of these layers.

State Park	Town	Description	Est. Cost \$
		Replace damaged boardwalk, railings, ramps	175,000
		Replace storage trailer skirt and electric panel	3,450
		Debris clean up and disposal	9,450
		Total Silver Sands	281,920
Hammonasset	Madison	Remove and dispose of 5000 cubic yds of debris	33,725
		Replace interpretive platform	17,635
		Total Hammonasset	51,360
Rocky Neck	East Lyme	Repairs to Ellie Mitchell Pavilion Roof	9,597
		Repairs to Rocky Neck Boardwalk	47,263
		Total Rocky Neck	56,860
Harkness Memorial	Waterford	Enders Roof Repairs	18,456
		Mansion & Support Complex Roof Repairs	51,270
		Total Harkness Memorial	69,726
Ft. Trumbull	New London	Fishing Pier Repairs	23,125
		Total Repairs for State Parks	579,846

Questions:

1. Are any of these costs reimbursable from the federal government?
2. Has the state received any federal assistance to carry out these repairs?

Item #12 Department of Developmental Services: Improvements at departmental facilities (\$750,000 in new General Obligation bonds)

The following table details the requested projects at various DDS facilities:

Project	Town(s)	Clients	Cost \$	Description
ADA Compliance Upgrades	Newington, Killingly(2), Columbia & other locations as needed	24 clients occupying four residences	200,000	ADA compliance upgrades to group homes in bathrooms, doorways, entry ramps and various accessibility improvements
Flooring Upgrades	Southbury	Southbury Training School: 398 clients served	300,000	Floors that are worn beyond their useful life and have been cited by DPH
Emergency Projects	Various	Various	250,000	The funds will be used to immediately initiate corrective action when code safety, health or emergency conditions develop in agency-operated facilities.
		Total	750,000	

Item #13 Department of Education: Purchase of buses for the Technical High School System (\$385,000 in new General Obligation bonds)

The funds will be used by the Connecticut Technical High School System (CTHSS) to purchase five buses to replace buses currently ending their useful life.

The five buses are being purchased under an existing DAS state contract and will meet all environmental specifications/requirements through 2014. The district currently has a fleet of 117 buses.

CGS Section 10-97b (a), as amended by Section 72 of PA 12-116, requires that the State Board of Education replace any school bus that either: (1) is 12 years or older and is in service at any technical high school, or (2) has been subject to an out-of-service order, as defined in CGS Section 14-1, for two consecutive years for the same reason.

Item #14 Department of Education: Alterations and improvements at various technical high schools (\$1,500,000 in new General Obligation bonds)

Town	School	Project Description	Cost \$
Ansonia		Install Security Cameras	15,000
		Repair Public Address System	50,000
		Replace Missing Blinds & Ceiling Tiles	20,000
		Subtotal	85,000
Bridgeport	Bullard Havens	Gymnasium Enhancement Project (bleacher retractor, power crank basketball hoop, repair/update gym divider)	40,000
		Repair Public Address System	20,000
		Painting of General Hallways, Locker Rooms & Stairways	50,000
		Convert Old Electronics Shop into Two New Computer Labs	50,000
		Update Energy Management System A & B Building	40,000
		Repair Bathrooms	15,000
		Install Pigeon Deterrent System & Clean-up	12,000
		Repair Overhead Doors	25,000
		Repair Fire Doors & Closures	15,000
		Subtotal	267,000
Bristol	Bristol Tech.	Repair Parking Lot and Sidewalk	20,000
		Repair External Exterior Lighting & Emergency Lighting	25,000
		Replace Public Address System	50,000
		Install Generator	95,000
		Subtotal	190,000
Danbury	Henry Abbott	Security Camera Upgrades	60,000
		Install Power to Computer Lab	5,000
		Subtotal	65,000

Town	School	Project Description	Cost \$
Groton	Ella T. Grasso	Paint Exterior Doors & Windows	40,000
Manchester	Howell Cheney	Security Camera Upgrades	37,000
		Connect Emergency Back-up Generator to Fire Alarm Security & Data	15,000
		Energy Management System Upgrades	15,000
		Subtotal	67,000
Middletown	Vinal	General Painting	10,000
		Refinish & Replace Floor in Electromechanical Shop	10,000
		Subtotal	20,000
Milford	Platt	Repairs to Fire Safety Emergency Lighting	26,000
		Corridor Ceiling & Lighting Replacement/Main Office	10,000
		Subtotal	36,000
New Britain	E.C. Goodwin	Install Higher Pressure Water Pumps	20,000
		Replace Doors	10,000
		Subtotal	30,000
Torrington	Oliver Wolcott	Repair Brick Work (retaining wall)	35,000
		Bathroom repairs/upgrades	40,000
		Replace Lockers	50,000
		Replace Fencing	40,000
		Flooring Repairs	30,000
		Repair/Replace Chairs in Amphitheater	8,000
		Subtotal	203,000
Waterbury	W.F. Kaynor	Installation of Security Cameras	15,000
Willimantic	Windham	Fire Alarm Repairs	25,000
Other	District Wide	Emergency/Minor Capital Projects	457,000
		Total	1,500,000

Item #15 Department of Education: Handicapped accessibility improvements at Vinal Technical High School in Middletown (\$450,000 in new General Obligation bonds)

This project will bring Vinal Technical High School into compliance with handicapped accessibility codes, which were identified in a civil rights compliance review. The project will take 18-24 months to design and bid, and 24 months to construct. The building was constructed in 1962. The current enrollment is 634 students.

A civil rights compliance review is a review of programs and facilities conducted by representatives from the State Department of Education to ensure compliance with all programs and facility federal civil rights regulations.

Item #16 Department of Education: Roof replacement and mechanical improvements at Windham Technical High School in Willimantic (\$604,130 in new General Obligation bonds)

These funds will replace flat roofs installed in 1984 and 1989, which have been leaking. The existing built-up bituminous roofs will be replaced with single-ply Ethylene Propylene Diene Monomer (EPDM) membrane. The building was originally constructed in 1956 and has had several additions and renovations, the last being in 1989. The current enrollment is 556 students.

Item #17 Department of Economic and Community Development – Loan to Rockview I Associates, LLC for a new housing project (\$2,350,000 in new General Obligation bonds)

These funds will support a loan to Rockview I Associates, LLC to develop new housing on the site of the former Rockview public housing complex in New Haven. The project consists of construction of 777 new units of affordable housing for families at or below 80% of area mean income. At least 20 units will be income-restricted for 15 years. The deferred loan will be provided at a rate of 3% for forty years.

Construction is anticipated to occur between January and November 2013, with housing units ready for delivery by December 2013. Full occupancy of the units is anticipated by June 2014.

Item #18 Department of Children and Families – Grants-in-aid to fifteen nonprofit child care providers (\$1,724,738 in new General Obligation bonds)

The funds will be used for grants-in-aid to fifteen non-profit child care providers for the alterations, repairs and improvements listed below.

Provider	Project	Amount \$
Adelbrook, The Children’s Home	Roof replacement in Cromwell	448,000
The Children’s Center of Hamden	Generator replacement	87,025
Connecticut Junior Republic	Radiator replacement in East Hartford	7,500
GBAPP, Inc.	Roof replacement in Bridgeport	30,416
Gilead Community Services	Roof replacement in Portland	21,800
	Window replacement in Old Saybrook	15,800
Klingberg Family Centers	Generator replacements in New Britain and Wethersfield	60,810
Living In Safe Alternatives, Inc.	Roof replacement in Wolcott	20,180
	Generator replacement in Plainville	20,580
NAFI CT, Inc.	Air handler and new boiler in Thomaston	15,207
	Generator replacements in Bristol and New Britain	39,163

Provider	Project	Amount \$
	Bathroom renovations in Waterbury	66,105
	HVAC improvements in Litchfield	19,649
Rushford Center Inc.	Fire pump and pressure tank replacement in Durham	25,448
Saint Agnes Home	Fire alarm upgrades and plumbing repairs in West Hartford	15,820
Village for Families and Children	Bathroom renovations - ADA upgrades in Hartford	138,430
Waterford Country School, Inc.	Roof and generator replacements	92,159
Wellspring	Bathroom renovations, roof and gutter replacements in Bethlehem	16,800
Wheeler Clinic	Generator replacements in Plainville and Newington	144,416
Youth Continuum	Demolish and replace two group homes with 2,100 sq. ft. modular homes in Hamden	439,430
TOTAL		1,724,738

Item #20 Office of Policy and Management: Criminal Justice Information System - CJIS (\$4,720,000 in new General Obligation bonds)

The funds will be used to continue development of the Connecticut Information Sharing System (CISS), including: 1) \$3 million for software, 2) \$500,000 for implementation of support services, 3) \$500,000 for connections with local police computer applications, 4) \$720,000 for contingency.

CISS allows rapid information sharing between all law enforcement and criminal justice agencies in the state in compliance with PA 08-01. The criminal justice community in Connecticut consists of 11 agencies that use 52 information systems.

Questions:

1. What is the estimated date of completion for the CISS system?
2. How many municipal police departments are currently connected to CISS?

Item #21 Military Department - State matching funds for federal-reimbursable departmental projects (\$1,023,000 in new General Obligation bonds)

The Enfield Armory is 40 years old and is not ADA compliant. These funds are for design of the project, which includes ADA and building safety improvements, expansion of computer resources and enlarging the parking lot by 4,000 sq. yards.

Camp Niantic infrastructure upgrades consist of designing plans for burying utilities and road relocation to improve safety to troop living quarters.

Question: What is the estimated total construction cost of the Enfield Armory project? What is the state's share of that cost?

Item #22 Military Department - Design of non-reimbursable departmental projects (\$200,000 in new General Obligation bonds)

The New Britain Armory project will consist of force protection upgrades to the building, ADA compliance improvements, roof repairs and parking lot resurfacing.

The New London Armory upgrades will consist of repairs to the 9,216 sq. ft. Drill Hall floor, which is 52 years old.

Question: What is the estimated construction cost for each project?

Item #23 Department of Economic and Community Development - Grants-in-aid to housing authorities for improvements at two housing projects (\$7,546,000 in new General Obligation bonds)

The Bristol Housing Authority will use the funds to renovate housing units in Dutton Heights. The authority is planning to relocate residents affected by the project.

The Sprague Housing Authority will use the funds to renovate seven units at Shetucket Village under Phase II of the overall revitalization plan. The residents currently residing in these units will be relocated to the units that were renovated under Phase I, which are currently vacant for the duration of the construction. Phase I consisted the renovation of six units under the Small Cities program. Phase III will involve the renovation of six additional units.

Please see Appendix A for additional background on this item.

Item #24 Department of Economic and Community Development - Regional Brownfield Redevelopment Loan Fund (\$3,000,000 in new General Obligation bonds)

The Regional Brownfield Redevelopment Loan Fund provides applicants with low-interest loans to remediate property for economic development projects or to construct housing for first-time home buyers. The loans can be made for manufacturing, retail, residential or mixed-use developments, expansions or reuses.

DECD, DEEP, OPM, and Connecticut Innovations are currently reviewing applications for funding under this program. As of January 22, 2013, 21 applications for a total of

about \$24 million have been received but no applications have been approved. The deadline for finalizing application review and awards is February 28, 2013.

Item #25 Department of Transportation: Vendor-in-place highway resurfacing program (\$57,000,000 in new Special Tax Obligation bonds)

The \$57 million allocation will fund the Vendor-In-Place (VIP) portion of the Capital Resurfacing Program. VIP refers to a contract where the vendor supplies all materials, labor and equipment to perform a complete work function in place. The most common example is DOT’s VIP paving contract, where the vendor supplies the asphalt, paving equipment, trucking and labor and the State pays for the services by the ton.

Items #26, 29 & 38 Department of Transportation: Replacement of the Metro-North Railroad Bridge over Atlantic Street in Stamford (\$75,000,000 in new Special Tax Obligation bonds)

These funds will finance the replacement of the Metro-North Railroad Bridge over Atlantic Street in Stamford, which consists of: (1) expanding the travel lanes from two to six, (2) increasing the vertical clearance from 12'-7" to 14'-6" and (3) relocating the I-95 northbound highway off-ramp to Atlantic Street. The project will improve safety to pedestrians and relieve congestion in the vicinity of the Stamford Transportation Center which is the Metro North railroad Station.

Question: Is Stamford contributing any funds to this project?

Item #27 Department of Transportation: State bridge improvement projects (\$16,750,000 in new Special Tax Obligation bonds)

The projects shown in the table below are expected to begin between June and August 2013.

Project Location	Estimated Cost \$
Rehabilitation of Bridge 471 over the Pequabuck River - Plymouth	700,000
Rehabilitation of Bridge 1061 over the Little River - Seymour	2,500,000
Rehabilitation of Bridge 947 over the Naugatuck River - Derby	11,000,000
Rehabilitation of Bridge 3290-Route 9 over Nedobity Road - Haddam	2,550,000
Total	16,750,000

Items #28 & 36 Department of Transportation: Fix-It-First Program for Railroad Crossings (\$1,500,000 in new Special Tax Obligation bonds and \$7,500,000 in new General Obligation bonds)

The Rail Freight Infrastructure Program will provide competitive grants for commercial freight lines to finance improvements, repairs and modernization of rail freight lines. This program will also incorporate safety improvements at state and town railroad grade crossings statewide. The work will be performed by Railroad Forces and is expected to begin in May 2013.

Question: What are the locations of the rail crossings that will be improved?

Item #30 Community College System – Fire code improvements at the Lowe Building at Manchester Community College (\$958,759 in new General Obligation bonds)

The funds will be used to provide fire sprinkler coverage to the 80,000 GSF (Gross Square Foot) West Half of the Lowe Building at Manchester Community College, which will bring the building into compliance with state codes. The project will be done while the building remains occupied, so much of the work will be done during third shift to minimize disruption to daily operations. It is expected to take a at least five months. College enrollment is 4,088 full-time equivalent students.

The Lowe Building was built circa 1983. The Great Path Academy, which is a magnet school, is attached to the Lowe Building.

Item #31 Department of Energy and Environmental Protection: Grant-in-aid to Montville for sewage treatment plant improvements (\$5,000,000 in new General Obligation bonds)

The funds will be used to finance the state's portion of a new \$6.5 million facility in Montville on the grounds of Rand-Whitney Containerboard. The paper and packaging company, which has been at the Montville location since October 1994, is expected to cover the remaining \$1.5 million in construction costs in addition to the estimated \$362,000 in annual operation and maintenance costs. The system is an anaerobic digestion system that will be used to process the plant's chemical wastewater. The facility will be owned by the town's Water Pollution Control Authority (WPCA).

The new system will free up to one-third of the capacity at the town's current wastewater treatment plant, which will allow the plant to save on electricity. Without the plant, the town would have to spend approximately \$32 million by 2029 to upgrade its wastewater treatment operations to remain compliant with state and federal regulations. The town also intends to raise revenue from the new system by becoming a regional destination for other towns' sludge, which is associated with anticipated development along the Route 32 corridor.

Item #32 Department of Mental Health and Addiction Services: Improvements at departmental facilities (\$447,340 in new General Obligation bonds)

The funds will be used to replace a generator (\$197,340) at the Capitol Region Mental Health Center and cover minor projects that require immediate attention (\$250,000) at departmental facilities. The generator is being replaced because the Center's current one does not have sufficient capacity. The funding for emergency projects includes the repair of leaking pipes, roofs, and window replacement.

Item #33 Community College System – Replacement of rooftop unit platform at Capital Community College in Hartford (\$267,100 in new General Obligation bonds)

The funds will be used to replace the existing platform and guard rails for the Roof Top Unit (RTU, a roof-mounted HVAC unit) at Capital Community College. The platform is severely rusted in a number of locations and the guard rails do not comply with safety code requirements. The rusted-out platform is approximately twenty feet above the roof below and poses extremely serious hazards for workmen servicing the RTU. Construction project is expected to take several months

Capital Community College (CCC) is located in the turn-of-the-century G. Fox building in downtown Hartford. Current enrollment is 2,333 full-time equivalents.

Item #34 Department of Correction: Improvements at departmental facilities (\$4,972,000 in new General Obligation bonds)

The funds will be used for the facility and security upgrades listed in the chart below.

Facility	# Inmates	Project Description	Cost \$
Brooklyn CI	500	Upgrade Video Monitoring System	450,000
Cheshire CI	1,349	Repair Galley Roofs	350,000
		Monitoring System Improvements	175,000
		HVAC Improvements	425,000
		Security Upgrades	465,000
		Subtotal	1,415,000
Corrigan-Radgowski CI	1,581	Upgrade Camera	120,000
Enfield CI	809	Upgrade Camera Systems	500,000
		Security Camera Upgrades	350,000
Facility Subtotal		Subtotal	850,000
Hartford CC	1,069	Renovate Dorms 1 & 2	200,000
MacDougall-Walker CI	2,074	Upgrade Camera and Recording System	208,000
New Haven CI	761	Replace Chiller	309,000
Northern CI	227	Replace Touch Screens	250,000
Osborn CI	1,942	Repair Fencing	220,000
Robinson CI	1,462	Renovate Bathrooms	450,000
York CI	1,030	Upgrade Door Controls and Intercoms	500,000
		Total	4,972,000

Item #35 Judicial Department: Renovations to a hearing room at the courthouse in Norwich (\$475,000 in new General Obligation bonds)

The funds will be used to convert the library at the Norwich Courthouse into a new hearing room. The Courthouse, which was built in 1983, does not have enough hearing rooms to meet its needs. The work includes demolition, construction of a new judge's bench, witness box, court reporters station, pew seating, painting, flooring, and electrical and telecommunications work.

Items #37 & 39 Department of Transportation: Development of replacement parking for the Stamford Transportation Center (a total of \$40,000,000 in new Special Tax Obligation bonds)

These funds will be used to develop replacement parking at the Stamford Transportation Center. The project includes: (1) demolition of the current garage, which was built in 1980, and the connecting pedestrian walkway and (2) construction of one or more garages located within one quarter mile of the current garage. The new garage(s) will contain 1,000 or more parking spaces. The current garage has a capacity of 727 parking spaces, which is not sufficient to accommodate the needs of the Stamford Transportation Center.

Questions:

1. What is time frame for this project?
2. Is Stamford providing any funding for this project?

Item #40 Department of Transportation: Reallocation of funds for pavement resurfacing of a portion of I-395 (\$14,000,000 in previously allocated Special Tax Obligation bonds)

These funds will be used for pavement preservation, which is uses cost-effective treatments to extend the service life of existing pavements. The project will be done on the surface of I-395 in the towns of Montville, Lisbon and Norwich.

Item #41 Department of Economic and Community Development - Housing Trust Fund (\$4,000,000 in new General Obligation bonds)

These funds will provide financing to the Competitive Housing Assistance for Multifamily Properties (CHAMP) initiative through the Housing Trust Fund.

The following project will receive funding from this allocation. Approximately 32 units of the 158 units will be developed for affordable housing.

Project	Town/City	# of Units	Type of Construction
Winchester Lofts	New Haven	158	Conversion of a vacant industrial building

Background for the Housing Trust Program:

The Housing Trust Fund Program provides loans and/or grants to developers for affordable housing projects. Eligible uses are: acquisition, rehabilitation, new construction, demolition, homeownership, multi-family rental housing, adaptive re-use of historic structures, special needs housing, redevelopment of vacant properties, infrastructure improvements, and housing for individuals or families with incomes up to 120% of Area Median Income. The funding may be combined with financial assistance from the Connecticut Housing Finance Authority, including 4.0% low-income housing tax credits and taxable and/or tax exempt bond financing.

Item #42 Department of Mental Health and Addiction Services: Improvements at departmental facilities (\$1,424,463 in new General Obligation bonds)

Funds are requested to support improvements at community-based mental health and addiction treatment providers, as outlined below.

- Chemical Abuse Services Agency (\$190,150) - roof repairs at two facilities
- Chrysalis, Inc. (\$86,769) - elevator repair and air conditioning installation at Hudson View Commons
- Connecticut Renaissance, Inc. (\$61,500) - purchase of a gas powered generator, replacement windows and the expansion of counseling space at the McAuliffe Center in Waterbury
- Continuum of Care, Inc. (\$57,300) - (1) replacement of roof, gutters, windows, and boiler at two multi-family style properties in New Haven and (2) purchase of a gas power generator at the Sylvan Supported Living Program in Meriden
- InterCommunity, Inc. (\$11,287) - roof replacement at East Hartford building
- Marrakech Day Services, Inc. (\$13,776) - installation of a drain in the parking area behind the Sherman Avenue building in New Haven
- Perception Programs, Inc. (\$82,181) - (1) roof replacement at 54 North Street in Willimantic, (2) upgrades to the heating system and installation of air conditioning at Perception House, and (3) installation of an energy efficient boiler in the Carriage House
- Southeastern CT Council on Alcohol and Drug Dependence, Inc. (\$800,000) - renovation of the detoxification center, installation of an emergency generator, and roof replacement in New London

- DMHAS (\$100,000) - grants-in-aid to DMHAS-funded, private non-profit community providers for emergency projects such as replacement of furnaces in group homes during the winter season and roof repairs due to snow damage

Item #43 Department of Construction Services: School construction grants-in-aid (\$280,000,000 in new General Obligation bonds)

The state assists local school districts in financing the cost of elementary and secondary school construction projects by providing grants-in-aid for a portion of qualifying construction costs.

Item #44 Department of Economic and Community Development - Manufacturing Assistance Act grants-in-aid (\$9,500,000 in new General Obligation bonds)

A. APS Technology, Inc. (\$5,000,000)

These funds will support a loan for APS Technology, Inc. of Wallingford for the purchase of machinery and equipment, product engineering, environmental upgrades and facility expansion for expanded product lines. The loan terms are 4.0% for ten years. The company may be eligible for up to \$2.0 million in loan principal forgiveness if its workforce reaches 278 by 2015. The company currently employs 155 people.

APS Technology, Inc. provides off-the-shelf and custom drilling performance and vibration management products for oil and gas drilling, including Measurement While Drilling/Logging While Drilling (MWD/LWD). The company's provides services to major integrated multinational oilfield service companies, independent directional drilling companies, MWD service companies and oilfield companies engaged in non-drilling related services. APS Technology's corporate headquarters are in Wallingford, Connecticut with five other offices across the world.

B. Hedgeye Risk Management, LLC (\$2,500,000)

These funds will support a loan to Hedgeye Risk Management, LLC for expansion and relocation of its business in Stamford. The loan terms are 2.0% for ten years. The company currently employs 27 people in New Haven and 25 people in New York City. The company may be eligible for up to \$1.25 million in loan principal forgiveness if it creates 120 new jobs.

Hedgeye Risk Management, LLC provides fundamental and industry-specific investment research services to individual and institutional investors. The firm focuses its research on strategy, macro, gaming, lodging, leisure, restaurants, food, beverage, retail, healthcare, financials and energy sectors. Hedgeye, formerly known as Research Edge, LLC, was founded in 2008 and is based in New Haven, Connecticut.

C. Express Countertops, Kitchens and Flooring, LLC (\$2,000,000)

These funds will support a loan to Express Countertops, Kitchens and Flooring, LLC of Hartford for purchase of machinery, equipment and inventory and for leasehold improvements. The loan terms are 3.0% for 12 years. The company currently employs 38 people. The company may be eligible for up to \$750,000 in loan principal forgiveness if it creates 50 new jobs and retains existing jobs by 2016.

Express Countertops, Kitchens and Flooring, LLC makes and assembles kitchen cabinetry and countertops for homeowners, wholesalers and contractors. The company operates six retail locations and a manufacturing and warehouse facility in Hartford.

The company also was chosen to receive a \$100,000 Small Business Express matching grant in March 2012. The grant supports the purchase of inventory needed to expand its manufacturing capabilities and fulfill a backlog of customer orders.

Question: The Small Business Express grant requires the company to match the state grant award dollar for dollar. Can the loan for Express Countertops, Kitchen, and Flooring, LLC be used in part to finance the company's portion of the matching grant?

Item #45 Office of Policy and Management: Capital Equipment Purchase Fund - CEPF (\$23,500,000 in new General Obligation bonds)

The funds will be used to purchase capital equipment for state agencies.

Item #46 Office of Policy and Management: Urban Action Program (\$10,000,000 in new General Obligation bonds and \$1,400,000 in previously allocated General Obligation bonds)

I. Department of Economic and Community Development

A. Grant-in-aid to TL76 Holdings LLC (\$7,000,000)

These funds will support a grant-in-aid for TL76 Holdings LLC to finance environmental remediation, bulkhead replacement, and site preparation associated with the construction of a new corporate headquarters for Bridgewater Associates. This construction is part of Bridgewater Associates' participation in the First Five Program.

First Five Program: Bridgewater Associates

Bridgewater Associates is eligible for up to \$115.0 million in a loan, grants and tax credits through the First Five program. The company is currently based in Westport but plans to build a new corporate headquarters in the Harbor Point development in Stamford through the program. The new facility will be approximately 750,000 square feet and is expected to be completed by 2017. Additionally, Bridgewater will create up to 1,000 jobs within ten years and retain its current workforce of 1,225 employees.

This allocation of \$7.0 million is in addition to the \$115.0 million in assistance available to the company through First Five.

B. Reallocation of Grant-in-aid to the Town of Bloomfield (\$900,000)

This funding will allow Bloomfield to provide financing to a developer to: (1) remediate and (2) purchase a brownfield site on Cottage Grove Road. The remediation will allow for redevelopment of the site as a medical office building.

The original allocation, which was approved at the August 2012 meeting of the State Bond Commission, only provided financing for site remediation.

Question: Has the remediation project commenced? Have any of bond funds been expended yet?

C. Grant-in-aid to Wadsworth Museum of Art (\$3,000,000)

This funding will support Phase II, which includes renovation and restoration of more than 40 galleries and 15 public spaces across all five of the museum's buildings. The renovations will result in the addition of 8,000 sq ft of reclaimed gallery space, a 14% increase, and the complete reinstallation of the museum's permanent collection.

The State Bond Commission approved a total of \$15.0 million in Urban Act grants between 1999 and 2002 to support Phase I renovations. The total cost of Phase I was approximately \$16.0 million.

The total estimated cost of Phase II is \$11.8 million. A portion of the Phase II cost will be supported by: (1) the original \$2.0 million state bond allocation approved by the SBC in June 2012 and (2) this \$3.0 million allocation. In addition, the Museum received over \$2.5 million in non-state funds and donations and will continue its private fund-raising efforts.

Question: Will the Museum request additional state bond funds for Phase II?

II. Department of Social Services

Grant-in-aid to the Newtown Parent Connection, Inc. (\$500,000)

These funds will be used to renovate space at the former Fairfield Hills Hospital property for operations of the Newtown Parent Connection, Inc. The Newtown Parent Connection provides services that address substance abuse by young people in the Newtown Community and offers both weekly and monthly support groups.

Item #47 Office of the State Treasurer: Approval for the sale of up to \$600,000,000 in General Obligation bonds

State Bond Commission approval is required by statute before the Office of the State Treasurer can issue bonds.

Item #48 Resolution transferring ownership of Bradley International Airport from the Department of Transportation to the Connecticut Airport Authority

This resolution, which is the Fifth Supplemental Indenture, transfers ownership of Bradley International Airport General Airport Revenue Bonds to the Connecticut Airport Authority (CAA). As required under the Trust Indenture of the outstanding Bradley International Airport General Airport Bonds, a Supplemental Indenture is required to ensure the current Bradley bondholders that the CAA will “perform on a timely basis, on behalf of the State, all the obligations and agreements of the State contained in the Indenture”.

P.A. 11-84 formed the Connecticut Airport Authority (CAA) and anticipated the transfer of jurisdiction and control of Bradley International Airport and the State’s five General Aviation Airports from the Department of Transportation to the CAA. The Department of Transportation is currently in the process of transferring all control of Bradley to the CAA.

Item #49 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.

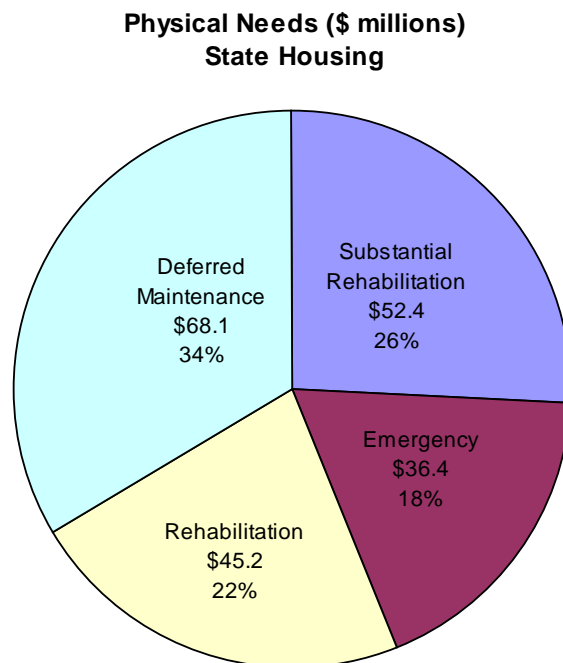
Appendix A

Background for Item #23

There are 348 properties in the state housing portfolio with a total of 14,147 units. They were originally financed with state General Obligation (GO) bonds and are now owned and operated by local housing authorities, non-profits, limited partnerships and municipal developers. The Connecticut Housing Finance Authority (CHFA) has administrative oversight over them.

Estimated Needs of State Housing Portfolio

The Department of Economic and Community Development's (DECD) "2010-15 Consolidated Plan for Housing Development Report" indicates that the total estimated cost to make all necessary improvements to the portfolio is \$202.0 million^{3,4} (see figure below). It is estimated that about \$62.0 million of this total can be funded through either reserves or a loan, which leaves about \$140.0 million in unfunded needs. It is anticipated that federal and private funding will be leveraged to assist in financing the needed improvements.



Source: CHFA (State of Connecticut 2010-15 Year Consolidated Plan for Housing and Community Development)

³ The improvements required include deferred maintenance, emergency repairs, and health and safety repairs. Some units require major redevelopment and revitalization. Specific issues such as lead paint and asbestos will only be addressed as other repairs are initiated. A number of units are currently vacant due to health, safety and building code issues.

⁴ DECD has subsequently re-estimated the cost at about \$300 million using updated information.