

Analysis of State Bond Commission Agenda Items

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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 \$
April Agenda	108,921,641	53,794,735
Prior Allocations	<u>1,224,448,478</u>	<u>1,175,796,117</u>
Year to Date Total	1,333,370,119	1,229,590,852

¹ The figures do not include reallocations.

FY 13 Transportation Fund Bonds

Allocations	FY 13 \$	FY 12 \$
April Agenda	12,096,500	50,000,000
Prior Allocations	<u>673,994,000</u>	<u>625,081,592</u>
Year to Date Total	686,090,500	675,081,592

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 (\$11,529,988 in new General Obligation bonds)

This funding will be used to develop and implement information technology enhancements for the State Comptroller, the Department of Administrative (DAS) Services, Department of Social Services (DSS), and the Division of Public Defender Services (DPDS). The table below shows the breakdown of the allocation by agency and what will be purchased.

Information Technology Capital Investment Program Purchases by Agency				
Description	Comptroller \$	DAS \$	DSS \$	DPDS \$
Consultant Services	2,000,000	240,000	7,701,464	476,750
Hardware		30,000	797,914	27,500
Software			10,360	246,000
Total	2,000,000	270,000	8,509,738	750,250

Comptroller – The funds will be used to replace the State Employee Retirement System with the PeopleSoft Pension Administration Module.

DAS – The funds will be used to upgrade the enterprise credential management system (eLicensing). DAS will review state and business needs concerning the current system, implement new online features, and expand the system’s document storage capabilities.

DSS – The funds will be used to replace the 24-year-old Eligibility Management System with the ConneCT system. The project will improve Internet-based client access, document scanning, work flow management, and call center services.

DPDS – The funds will be used to standardize information tools and the mobile access capabilities of the Dedicated Case Management System. This is part of the ongoing development of the Connecticut Information Sharing System, the state’s new criminal justice information system.

Item #2 Department of Emergency Services and Public Protection: State funds to match FEMA payments to homeowners and businesses related to storm damage (\$2,000,000 in new General Obligation bonds)

The funds will be used as matching funds for the Federal Emergency Management Agency’s Hazard Mitigation Assistance program. Federal funds generally cover 75 percent of program costs with the balance derived from non-federal sources. There are currently five types of assistance in the program designed to reduce the risk to individuals and property from natural hazards while simultaneously reducing reliance on Federal disaster funds.

DESPP has so far identified 22 candidate structures for participation in the programs, including 14 in Plainville, four in Bristol, two in Milford, one in Southbury, and one in Norwich. If funds permit, the potential exists to extend this program to additional structures.

Questions:

1. How are properties/structures included in the program identified?
2. Does DESPP know of additional properties that can be included in the program if this funding is approved?
3. How can property owners attempt to participate in the program if additional structures can be selected given current funding?

Item #3 Department of Administrative Services: Alterations and improvements to state-owned buildings (\$1,189,474 in new General Obligation bonds)

The funds will be used for the following projects:

Uncas on Thames, Norwich: Campus paving (\$70,000) - This is the 3rd phase of paving on the Campus, covering the top portion of the campus we have significant roadway deterioration. This project should be completed during the spring.

Capitol Avenue Complex, Hartford: Remove mercury containing devices (\$100,000) - There are a total of 59 Mercury containing devices throughout the complex. This work will replace the existing 30-year-old Mercury tilt tubes presently located in the Supply and Return Air ducts whose function is to shut down their associated Air Handling Unit fans, when the temperatures or smoke reach a certain level. The project should be completed in two months.

79 Elm Street, Hartford: Replace loading dock canopy (\$80,000) - The canopy at 79 Elm Street is a permanent steel structure covering the entire loading dock areas. It is a significant structure with glass panels and a gutter system that needs to be replaced as concrete repairs of the loading dock itself where this is significant spalling of concrete. The project should take several months to complete.

79 Elm Street, Hartford: Refurbish exterior doors (\$20,000) - The large main doors on the front of the building are starting to crack and need to be re-varnished. The project should be completed within a few weeks.

79 Elm Street, Hartford: Painting and resealing interior areas (\$300,000) - Many areas inside the building need to be re-sealed and painted to preserve the integrity of the building. The project will be on-going and take several months to complete.

110 Sherman Street, Hartford: Roof replacement (\$369,574) - The roof needs to be replaced because it is beyond its life expectancy. The project will take about four weeks to complete once the contract is approved.

Item #4 Department of Construction Services – Alteration and renovation projects at state-owned buildings (\$500,000 in new General Obligation bonds)

The funds will be used to replace the roofs on Buildings A and B of the Regional Market in Hartford. Both roofs, which are flat, are currently covered with built-up (multi-layer bitumen) with stone ballast. The new roof will be EPDM fully-adhered rubber roof over a ½” high-density insulation board with all new metal fascia. The replacement is necessary because the roofs were last replaced around 1985 and have reached the end of their normal life span (about 28 years).

The Regional Market is the largest perishable food distribution facility between Boston and New York. It covers 32 acres and contains 230,386 sq. ft. of warehouse space, an active railroad spur and 144 farmers’ market stalls. The facility provides a central location for farmers and wholesalers to sell and distribute food and other agricultural products. Building A was built in 1948 and Building B was built in 1952.

Item #5 Military Department: New entry control facility at Camp Hartell in Windsor Locks (\$1,474,800 in new General Obligation bonds)

These funds will be used to construct a new entry control facility at Camp Hartell in Windsor Locks. The project is part of a new \$32 million federally-funded combined support maintenance shop for the Connecticut National Guard. The entry gate facility is required by the State Traffic Commission. The combined support maintenance shop will replace an existing 25,000 sq. ft. maintenance building and several ancillary support structures at Camp Hartell. This is a design-build project and is anticipated to start construction in September 2013.

Item #6 Department of Energy and Environmental Protection: Improvements to Hammonasset Beach State Park and the Marine District Headquarters in Old Lyme (\$1,703,722 in General Obligation bonds)

The funds will be used to: (1) replace metal roofs on various structures at Hammonasset Beach State Park in Madison and (2) replace windows and doors at the Marine District headquarters building in Old Lyme.

Questions:

1. Are these improvements being done due to recent storm damage?
2. What is the anticipated time frame for completion of these projects?

Item #7 Department of Education: Repairs and Improvements at technical high schools (\$426,000 in new General Obligation bonds)

The funds will be used for several security improvements, mostly installation of buzz-in systems. The majority of the projects have already begun. Below is a list of the schools undergoing projects and the corresponding estimated cost, which totals \$91,000:

- Bullard Havens THS (Bridgeport) - \$8,300
- Henry Abbott THS (Danbury) - \$11,200
- A.I. Prince THS (A.I. Prince) - \$8,300
- Howell Cheney THS (Manchester) - \$8,300
- Vinal THS (Middletown) - \$8,300
- Emmett O'Brien THS (Ansonia) - \$30,000 est. (includes security cameras)
- Stratford School for Aviation (Stratford) - \$8,300
- CT Aero (Hartford) - \$8,300

The remainder of the funds (\$335,000) will be used for various infrastructure repairs throughout the district. Having the funds available on an "as needed" basis will enable the district to conduct summer repairs when the schools are vacant.

Item #8 Judicial Department: Plaza rehabilitation at Stamford Superior Court (\$1,283,900 in new General Obligation bonds)

The funds will be used to rehabilitate the plaza and entry ramp at the 11-year-old Stamford Superior Court. The project will: (1) seal the plaza ramp leading from the garage to the front door of the courthouse and (2) repair the damage that the leaking has caused. Water infiltration has been a chronic problem on the lower level of the courthouse and near the after-hours entrance. Leaking from the ramp is also present in the garage and elevator pit in the garage. Fixing the ramp will prevent further damage and allow repair work to the damaged areas.

Questions:

1. What is the project timeline?
2. The courthouse is only 11 years old. Were the leakage problems due to poor construction of faulty design? Is there any possibility that the state could recover repair costs from the original contractor?

Item #9 Military Department: Design of a ground support equipment building at the Groton/New London airport (\$300,000 in new General Obligation bonds)

These funds will be used to design: (1) a ground support equipment building and (2) an addition and alterations to the noise suppression system building supporting the Theater Aviation Support Maintenance Group at the Groton/New London Airport.

1. Design of the ground support equipment building: This will provide the required size, location, and construction cost of the unheated structure to enable requests for Federal funds for the construction. The size of the building is estimated at 5,000 square

feet. Equipment and materials are currently stored outside. The estimated total cost of construction is \$1.5 to \$2.0 million which will be Federal funded.

2. Design of an addition and alteration of the existing noise suppression system building: This is required due to increased noise levels from equipment used to test run a new engine for the CH 47 helicopter and other engines. An acceptable noise climate is needed for workers and neighbors of the airport. These design funds are needed to ensure Federal funds are not lost. The department has received \$600,000 in Federal funds which must be used by September 30, 2013.

Item #10 Department of Developmental Services: Improvements at departmental facilities (\$1,800,000 in new General Obligation bonds)

The following table details the requested \$1.8 million for projects at various DDS facilities:

Project Title	Town(s)	Building Use/Clients Served	Funding \$	Justification
Emergency Generator Upgrades	North Haven, Waterford, Middletown, North Franklin, Hamden, Lebanon, Groton	9 Group Homes in 7 towns: 60 clients occupy these residences	100,000	These generators would provide 100% power in homes where evacuation would jeopardize the safety and well-being of the clients.
A/C Replacement	Danielson, Enfield, Simsbury, Rocky Hill, Newington, Putman	9 Group Homes in 6 towns: 66 clients occupy these residences	50,000	A/C units are beyond useful life.
Interior/Exterior Improvements	Middletown, Cromwell, additional as needed	3 Group Homes: 20 clients occupy these residences	150,000	Addresses code and licensing citations, accessibility and general upkeep.
Bathroom Renovation	Stratford, Norwalk, Torrington	Regional Centers: 153 clients occupy these residences and support spaces	250,000	The 5 bathrooms to be renovated require additional ADA improvements for accommodate aging population.
A/C Replacement	Southbury	Southbury Training School: 370 clients served	400,000	Various floors are worn beyond their useful life, have been cited by DPH and are in need of repair.
Kitchen Renovations	Stratford, Norwalk, Torrington, Cheshire	Regional Centers: 163 clients occupy these residences and support spaces	300,000	The kitchens at these locations are worn and deteriorated providing an unhealthy environment

Project Title	Town(s)	Building Use/Clients Served	Funding \$	Justification
				for food preparation. Cabinets, countertops and flooring are to be replaced.
Roof Repair and Replacement	Southbury	Southbury Training School: 370 clients served	200,000	Various roofs have exceeded useful life and are leaking. Some roofs need eave, valley, flashing and gutter repairs while others need full replacement.
Paving & Sidewalk Repairs	Stratford, Norwalk, Torrington, Cheshire	Regional Centers: 163 clients occupy these residences and support spaces	250,000	Some driveways, roadways and sidewalks are deteriorated and /or undersized. This creates safety concerns for both residents and staff.
Paving & Sidewalk Repairs	Southbury	Southbury Training School: 370 clients served	100,000	Some driveways, roadways and sidewalks are deteriorated and /or undersized. This creates safety concerns for both residents and staff.

Item #11 Department of Economic and Community Development: Grants-in-aid to housing authorities (\$7,789,679 in new General Obligation bonds)

These funds will support grants-in-aid to the housing authorities to finance revitalization of low- and moderate-income housing units. The projects are listed in the table below.

Authority	Properties	Projects	No. of Units	Funding \$
Naugatuck Valley Project - Waterbury	Brookside	Rehabilitation	102	3,292,300
Town of Orange	Silverbrook Estate	Exterior Improvements/ Interior Upgrades	45	3,300,000
Oxford Housing Authority	Crestview	Rehabilitation	34	1,197,379
Total			181	7,789,679

See Appendix A for more information on the state's public housing portfolio.

Item #12 Department of Economic and Community Development: Regional Brownfield Redevelopment Loan Fund (\$7,200,000 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.

Currently, the Department of Economic and Community Development along with other participatory agencies (DEEP, OPM, and Connecticut Innovations) are reviewing applications for this funding. As of January 22nd, 21 applications had been received requesting approximately \$24.0 million in funding. The deadline for finalizing application review and awards was February 28th.

Item #13 Office of Legislative Management: Infrastructure improvement projects (\$1,260,000 in new General Obligation bonds)

This allocation will be used to fund various projects at the Legislative Office Building/Garage and Capitol as seen in the table below:

Item	Description	Cost \$
Capitol Window Repair	Restore existing wood frames of uncertain age that have deteriorated with age and water damage. Windows themselves were replaced during the restoration of the Capitol during the 1970's and 1980's.	400,000
LOB Blast Mitigation	Installation of blast mitigation film on remaining windows of LOB (including atrium, and revolving doors and windows of the east and west entrances).	350,000
Capitol Boiler Replacement	Replacement of one of three boilers in Capitol that provide steam and hot water for heating and hot water that is no longer repairable at a reasonable price. New boiler will be energy efficient.	200,000
LOB Third Floor Ledge and LOG Stair Tower Roofs	Older than 25 year expected life-span and need replacement.	200,000
Public Address System	New wiring and amplification for system original to LOB and Capitol. Maintenance staff are experiencing amplifier problems in recent years.	110,000
Total Cost for Projects		1,260,000

Question: What is the time line for each of these projects?

Item #14 Department of Transportation: State bridge improvement projects (\$7,366,500 in new Special Tax Obligation bonds)

The funds will be used for the bridge improvement and rehabilitation projects listed in the table below. The projects are expected to start by January 2014.

Bridge Rehabilitation Projects	Cost \$
Bridge over Riversville Road-Greenwich	1,000,000
Bridge over Huzzle Guzzle Brook-Madison	1,501,500
Bridges over Fox Brook-Montville	2,665,000
Bridge on Waterbury road over Naugatuck River-Thomaston	2,200,000
Total	7,366,500

Item #15 Department of Transportation: Design and construction of replacement ferry offices in Rocky Hill and Chester (\$300,000 in new Special Tax Obligation bonds)

These funds will be used as follows:

1. The Rocky Hill Ferry project (\$197,181) will design and construct a replacement for the ferry office. It is expected to start construction in February 2014.
2. The Chester Ferry Project \$102,819 will design and renovate the ferry office and replacing the hull plating on the Chester Hadlyme Ferry.

Item #16 University of Connecticut: Purchase of scientific equipment for the Connecticut Technology Park in Storrs (\$20,000,000 in new General Obligation bonds)

The funds will be used to purchase equipment to support collaborative research and development (R&D) with industry partnerships at the UConn Tech Park. The \$154.5 million bond authorization for the UConn Tech Park includes \$40 million for equipment. The University has developed partnerships with industries including Pratt & Whitney, Cigna, Northeast Utilities, General Electric and the Fraunhofer, among others. The funds will be used to purchase specialized instrumentation, advanced manufacturing systems and high performance computing infrastructure that will be made available to industry partners (including small and medium-sized businesses) and entrepreneurs that require access to world-class R&D facilities. Smaller manufacturers will have access through consortia, and hourly rates to utilize the advanced manufacturing capabilities.

Industry partners have provided resources for the UConn Technology Park. To-date, gifts and commitments have been made by Pratt and Whitney, General Electric, Fraunhofer Institute for Energy Technologies (FIET), Northeast Utilities Center for Predictive Analysis and Storm Hardening, and the Center for Hardware Assurance & Security Engineering (CHASE). These private gifts and commitments represent more than \$24 million in private funding.

The detailed list of the equipment is provided in Appendix B. To ensure delivery and installation of the specialized equipment by 2015, the purchase orders and deposits on the equipment noted below, must be made by June. Much of the precision equipment is in high demand so this will ensure that the equipment is in the manufacturing queue for future delivery.

The balance of the equipment funds will be requested in the coming year to establish new partnerships with industries in systems integration, biomedical, pharmaceutical and electronics sectors. The equipment fund will also be used as cost-share for federal research grant opportunities such as the National Science Foundation Science & Technology Centers, National Institute of Science and Technology (NIST) Advanced Manufacturing Centers, Department of Energy Advanced Research Projects Agency-Energy (ARPA-E) and the National Institutes of Health Clinical and Translational Scientific Awards (CTSA) programs. The table below reflects the Equipment Costs and funding source.

See Appendix B for a list of equipment that will be purchased with these funds.

Item #17 Department of Energy and Environmental Protection: Waste treatment facility project at Southbury Training School (\$1,424,180 in General Obligation bonds)

The project is composed of the following:

- Construction of a pumping station and a force main¹ to connect Southbury Training School to the privately-owned Heritage Village Wastewater Treatment Facility (WTF) and closure of the Southbury facility. The remaining cost to complete the project is \$2.3 million (out of a \$3.3 million total).
- Upgrades to the Heritage Village WTF. The total estimated cost of \$9 million includes adding four tanks and two small buildings.

Southbury Training School currently has two full time staff positions operating its waste treatment facility that will be transferred to the new pumping station. The annual cost for electricity to operate the pumping station is \$70,000 per year. In addition, the state will pay Heritage Village WTF approximately \$230,000 per year to use its facility.

The Southbury Training School was built in the 1930's as a home for the developmentally disabled. The wastewater treatment facility was built in 1939 and upgraded in 1953. The current facility provides secondary treatment of wastewater effluent by trickling filter followed by secondary clarification, sand filtration and chlorination before discharge to Transylvania Brook. It is considered an outdated facility by today's standards for wastewater treatment. The estimated cost to upgrade the existing facility is \$4.4 million.

¹A force main is a pressurized main pipe which can carry water, sewage, and other materials. They are installed along with pumping stations based on the requirements imposed by the terrain and circumstances of the system.

Item #18 Office of Policy and Management: Web-based business intelligence software (\$1,500,000 in new General Obligation bonds)

The funding will be used to build a business intelligence data warehouse, which will improve the ability of CORE-CT users to extract financial, human resources (HR) and other information in the system in a more timely and effective manner. Users will also be able to incorporate data unrelated to CORE-CT into the data warehouse, allowing them to monitor performance indicators and to perform advanced trending analysis.

OPM will hire consultants build the technical infrastructure and to develop initial reports. The project is expected to take two to three years.

Question: What kind of information will be stored in the data warehouse, besides CORE-CT information?

Item #19 Department of Administrative Services: HIPAA compliance project (\$1,228,847 in new General Obligation bonds)

The funds will enable DAS BEST to continue with the state's federally-mandated HIPAA compliance efforts. Specifically, these funds will be used to: (1) conduct the mandated cyclical Risk Analysis on Covered Entities (these entities are a number of state agencies that create, receive, maintain or transmit electronic, protected health information); (2) continue federally-required HIPAA training and policy updates; and (3) make necessary improvements to the Enterprise Novell electronic directory environment to improve functionality for HIPAA customers. The Security Team at DAS BEST is overseeing this ongoing project. Those DAS BEST employees will be working with consultants to accomplish much of this work.

Items #20 & #22 Judicial Department: Technology Strategic Plan projects (a total of \$1,989,000 in new General Obligation bonds)

The funds will be used to purchase the following technology upgrades:

- Network storage expansion and link upgrade
- Server, network switch, and router replacements
- Network load balancing and VPN equipment replacement
- Network security and firewall upgrades
- Redundant master video conferencing system
- Telephone system replacements (Norwich & Meriden Adult Probation and Windham JD Courthouse)

The funds will also be used for a radio communications upgrade to provide access to the DESPP digital radio network for all vehicles that transport prisoners and detainees

throughout the state and between courthouses and juvenile detention or correctional facilities.

Item #21 Judicial Department: Improvements and renovations at departmental facilities (\$500,000 in new General Obligation bonds)

The funds will be used for two projects at the 210 Center Street courthouse in Manchester. The courthouse was built in 1978.

1. Parking lot improvements - Replacement of curbing and concrete sidewalks, in-place reclamation and repaving of the existing parking lot, drainage, site demolition to support reconstruction, and erosion control.
2. HVAC improvements - Boiler, cooling tower, compressor, and other HVAC replacements, elevator repairs, electrical/fire panel replacements and office modifications.

Item #23 Department of Children and Families: Grants-in-aid to nonprofit child care providers (\$85,405 in new General Obligation bonds)

The funds will be used to reimburse NAFI CT, Inc. for costs associated with:

- Two Triangle Tube Prestige 399 gas-fired high efficiency boilers,
- Two new system pumps,
- All necessary primary and secondary piping,
- All PVC intake and exhaust piping,
- Removal and disposal of old boiler system and
- Disconnecting and removal of the existing flue and inducer fan system.

NAFI CT, Inc.'s main building is approximately 10,954 sq. ft. Due to this large size it requires two boilers in the building in order to supply enough heat and hot water. NAFI CT, Inc.'s existing system was installed when NAFI purchased the building in 1999. A leak occurred when one of the boilers cracked, which damaged the second unit. The crack occurred due to a condition called "thermal shock" (hot cast iron cracks when it comes into contact with cold water). In order to prevent thermal shock from occurring in the future, a system bypass loop will be installed.

NAFI CT, Inc. provides programming, consultation and individualized support services to youth in a variety of settings.

Item #24 Department of Children and Families: Grants-in-aid to nonprofit child care providers (\$59,862 in new General Obligation bonds)

The funds will be used to reimburse Child Guidance Clinic for Central Connecticut for costs associated with:

- Replacing the existing boiler with a new Weil McClain 580 cast iron commercial gas boiler,
- A start and test unit and
- Removal and disposal of old boiler system.

The Child Guidance Clinic for Central Connecticut's building is 4,398 sq. ft. It provides specialized treatment with a team of clinicians including: initial triage, assessment and evaluation, individual, family and group therapy and sexual abuse evaluation and treatment. Its Family Enrichment Services Program provides home-based education, advocacy and case management services to families in Meriden and Wallingford. Adolescent substance abuse services assist youth in making the behavioral, psychological and lifestyle changes to become drug and alcohol free and avoid relapse. The Early Childhood Consultative Partnership offers families and early childhood educators mental health consultation to support the healthy social and emotional development of children ages birth to five. The Care Coordination program utilizes the wraparound process to improve the experience families have in seeking support and advocacy for their behavioral health needs.

Item #25 Department of Social Services: Grants-in-aid to social service providers (\$891,249 in new General Obligation bonds)

1. Christian Community Action, Inc. (\$146,000) - The funding will provide resources to fund safety renovations and ADA improvements at four of the agency's facilities in New Haven. The organization provides emergency shelter and transitional housing, food, advocacy and leadership education and training and other support to those who are poor, in particular families that are homeless or at risk of becoming homeless.
2. Safe Haven of Greater Waterbury, Inc. (\$182,499) - The funding will provide resources to fund ADA improvements and general renovations at the Waterbury Office. The agency provides emergency shelter and free comprehensive support services to victims and survivors of domestic violence and sexual assault.
3. BHCare, Inc. (\$190,000) - The funding will provide resources to fund renovations of a new domestic violence shelter and other improvements. The agency provides domestic violence and substance abuse counseling.
4. Pathfinders Association of Manchester (\$75,000) - The funding will provide resources to fund parking lot repairs. The agency provides support for current and recovering alcoholics.
5. Norwalk Senior Center, Inc. (\$47,750) - The funding will provide resources to install a new non-slip floor in the facility.

6. Statewide emergency grants-in-aid as needed (\$250,000).

Questions:

1. Do any of these agencies have matching funds for their projects?
2. How many clients are served by each of these organizations?

Items #26 & #28 Connecticut State University System: Southern Connecticut State University - Additions and renovations at Buley Library (a total of \$2,503,415 in new General Obligation bonds)

In August 2004, Southern Connecticut State University began renovation of the existing 109,461 sq. ft. facility and construction of a 135,430 sq. ft. addition to the Buley Library (constructed in 1968). The addition will provide space for collections, seating and technical services. The renovations include: (1) rearrangement of the lobby area to improve access to the building, reallocation of space to accommodate new and expanded library programs; (2) installation of a new cooling tower to improve the HVAC system; (3) replacement of the exterior masonry veneer and masonry walls with a new brick veneer; and (4) replacement of the existing windows with larger ones to supply more daylight and match the ones in the addition.

Total enrollment at Southern Connecticut State University is approximately 11,500 students including undergraduate and graduate students.

Item #27 Department of Education: American School for the Deaf (\$4,200,000 in new General Obligation bonds)

The funds will be used to demolish Gallaudet Hall, relocate the central heating facilities and reconstruction of the roadway at the American School for the Deaf campus in West Hartford.

The Gallaudet Building, a 170,000 sq. ft. building constructed in 1921, has been closed at the request of the West Hartford Fire Marshall, with the exception of the 6,000 sq. ft. cafeteria. This building's heating plant provides heating for the 34,815 sq. ft. Vocational Building and the 36,697 sq. ft. athletic complex.

The time line for the project will be phased as follows, taking into account the need to raze Gallaudet Hall during 2014:

- Phase 1 - Planning and design of utilities relocation and construction and design of the heating system for the athletic complex and the Vocational Building to include: Possibly saving the current heating plant and renovating part of the wing that houses it, separate heating systems for each building, and construction of a new heating plant.

- Phase 2 – Hazmat abatement of Gallaudet Hall (to be done concurrently with Phase 1).
- Phase 3 – Demolition of Gallaudet Hall. (Based upon prior discussions and conversations, the West Hartford Fire Marshall will permanently close the entire building once the new facility is operational.)
- Phase 4 – Campus site work, to include a quadrangle where Gallaudet Hall once stood, and road work and parking.

The American School for the Deaf serves approximately 175 students, including approximately 120 from Connecticut.

Item #29 Department of Transportation: Improvements to the Stamford Railroad Station (\$4,430,000 in new Special Tax Obligation bonds)

The funds will be used for the following improvements to the Stamford Railroad Station: (1) a pedestrian bridge that will extend public access across Washington Boulevard to the parking garage, (2) canopy extensions and shelter installations, (3) static information and routing signage upgrades to meet ADA regulations, and (4) a pedestrian overpass extension which includes stairs, an escalator and elevator. These improvements are expected to start construction in July 2013.

At its January 2013 meeting, the State Bond Commission allocated funding for two associated projects in Stamford:

1. Replacement of the Metro-North Railroad Bridge over Atlantic Street in Stamford (\$75 million)
2. Development of replacement parking at the Stamford Transportation Center (\$40 million)

Item #30 Department of Economic and Community Development: Manufacturing Assistance Act (\$16,500,000 in new General Obligation bonds)

The funds will support the business initiatives listed below. A portion of the funding will be used to provide financial assistance under the First Five Program (also referred to as "Next Five"). The First Five Program recipients are noted.

The State Bond Commission (SBC) allocated funding in December 2011, October 2012, and December 2012 for eight of the companies participating in First Five. Funding for Navigators Group, Inc. is being considered at the current SBC meeting.

First Five Program: Bond Funding

Company	Total Assistance	Previous Agendas \$ ¹	Current Agenda \$
CIGNA ²	71,000,000	21,000,000	-
NBC Sports	20,000,000	20,000,000	-

Company	Total Assistance	Previous Agendas \$ ¹	Current Agenda \$
ESPN ²	24,700,000	18,700,000	-
Sustainable Building Systems	19,100,000	19,100,000	-
CareCentrix	24,000,000	2,300,000	-
Alexion ²	51,000,000	26,000,000	-
Deloitte	14,500,000	9,000,000	-
Bridgewater Associates ²	115,000,000	-	-
Charter Communications	8,500,000	6,500,000	-
Navigators Group Inc.	11,500,000	-	11,500,000
Total	359,300,000	122,600,000	11,500,000

¹The State Bond Commission allocated \$5.95 million to TicketNetwork. TicketNetwork has since withdrawn from the program. Those funds will be reallocated for future use.

²A portion of these companies' assistance is eligibility for state tax credits in addition to bond funded loans and grants through First Five.

A. Fortress Risk Management LLC (\$750,000) - These funds will provide a loan to Fortress Risk Management LLC in Wethersfield to finance equipment purchases, operating expenses, administration, marketing, training, and other project expenses related to the business' expansion.

If the company creates 31 jobs within two years, the company may be eligible for loan principal forgiveness of \$187,500. An additional \$187,500 of loan principal will be forgiven if the company reaches a total of 56 new jobs within five years.

Fortress Risk Management provides enterprise risk management services to financial institutions.

B. PayVeris, LLC (\$1,250,000) - These funds will provide a loan to PayVeris, LLC in Wethersfield for purchase computer equipment and software, operating expenses, training and other project expenses related to the business' expansion.

The loan will be provided at 2.0% for ten years with principal deferred for three years. The company may be eligible for loan principal forgiveness of \$300,000 if it creates 11 jobs within two years and an additional \$325,000 of loan principal forgiveness if it reaches a total of 42 new jobs within five years.

PayVeris LLC provides payment services to community-based financial institutions.

C. Navigators Management Company, Inc. First Five Program (\$11,500,000) - These funds will finance (1) a loan of \$8.0 million and (2) a \$3.5 million grant to the Navigators Group, Inc. associated relocating from Rye Brook, New York to Stamford, Connecticut. These funds will support the purchase of equipment, facility upgrades, leasehold improvements, operational lease payments, the training of employees, relocation expenses, and other related projects. The total cost of the relocation project is \$25 million.

The company is expected to create 200 jobs within the next five years.

Loan proceeds and grant funds will be disbursed on the following schedule:

Navigators Funding Schedule

Phase	Jobs Created	Assistance \$
1	100 Jobs Created	7,500,000
2	Additional 50	1,500,000
3	Additional 25	900,000
4	Additional 25	1,600,000
200 Total Jobs Created		11,500,000

The loan will be provided at a 0% interest rate for ten years with principal deferred for five years. The Company will be eligible for loan forgiveness if it creates and maintains the jobs for each phase for one year.

The Navigators Group, Inc. is an international commercial property & casualty specialty insurance holding company with insurance company operations, underwriting management companies and operations at Lloyd's.

Questions:

1. Will the DECD first provide loan proceeds to the company before any grant funding is released?
2. When does DECD anticipate disbursing these funds? Is Navigators required to create 200 jobs within five years of the date of the first disbursement of funds?

D. Fusion Paperboard Connecticut, LLC (\$3,000,000) - These funds will provide a loan to Fusion Paperboard Connecticut, LLC in Sprague for business expansion.

The loan will be provided at 3.0% for ten years. The company may be eligible for loan principal forgiveness of \$500,000 if it (1) creates 20 jobs within three years and maintain them for twelve months thereafter, and (2) retains 147 jobs. The jobs must also have an average salary of \$55,700 to be eligible for forgiveness.

Fusion Paperboard an independent producer of high-performance coated recycled boxboard (CRB), folding cartons and packaging for major food and consumer product manufacturers in North America.

Item #31 Office of Policy and Management: Urban Action Program (\$14,318,120 in new General Obligation bonds)

I A. Waterbury: Grant-in-aid to match federal funding for construction of a section of the Naugatuck River Greenway (\$139,000) - The funds will be used to partially fund a

grant-in-aid to the City of Waterbury to match \$1.5 million in requested federal funds for construction of a 7.1 mile section of the Naugatuck River Greenway.

This urban greenway and alternative transportation corridor runs from Waterbury's northern to southern borders along the Naugatuck River. The greenway would become the largest component of a 45-mile long greenway system planned to run from Torrington in the north to Derby in the south. The project would serve as an alternative non-motorized transportation artery within Waterbury, connecting neighborhoods to transit, schools, workplaces, and urban open spaces.



Questions:

1. What is the time line for completion of this section of the trail?
2. How much state funding has been used for other sections of the trail?
3. Is any municipal funding being used?
4. Does this trail meet with the East Coast Greenways Trail?

II A. Grant-in-aid to TL76 Holdings LLC for improvements to the Bateman Way site in Stamford (\$9,000,000) - These funds will support a grant-in-aid for TL76 Holdings LLC to finance environmental remediation and bulkhead replacement 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 requested \$9.0 million is in addition to the \$115.0 million in assistance available through First Five. The State Bond Commission also approved \$7.0 million in the January 2013 meeting to TL76 Holdings for similar purposes.

II B. Grant-in-aid to Wethersfield for recreational improvements (\$500,000) - These funds will finance a grant-in-aid to the Town of Wethersfield for projects including (1) a new playground for Emerson Williams Elementary School, (2) drainage improvements to Montanaro soccer field, (3) a new picnic pavilion at Mill Woods Park, and (4) various intersection improvements.

In addition to this funding, Mill Woods Park received a Small Town Economic Assistance Program (STEAP) award of \$500,000 for various improvements pertaining to the 2002 Master Plan for Mill Woods Park in January 2012. The plan includes a new parking area for the little league field, park road reconstruction and beach drainage improvements.

II C. Grant-in-aid to the Connecticut Tennis Center in New Haven (\$258,000) - These funds will fund a grant-in-aid for the Connecticut Tennis Center to finance improvements such as renovation of the west concession stand, installation of flooring in various areas and other related improvements.

The Connecticut Tennis Center, also known as the Cullman-Heyman Tennis Center, is located on the campus of Yale University. The complex consists of 22 outdoor Deco Turf II courts and eight indoor courts and is the fourth largest tennis venue in the world by capacity. The Pilot Pen Tennis Tournament is played on the outdoor courts each August.

III A. Grant-in-aid to Community Health Resources for a new clinic in Manchester (\$3,000,000) - This organization provides services to individuals with mental health and substance abuse issues. The funding will provide resources to finance construction of a new 30,000 square foot outpatient mental health clinic which will eliminate the need for currently leased space.

III B. Grant-in-aid to Mount Pleasant Community Education and Training Center for a new workforce training facility in New Britain (\$1,000,000) - This organization provides adult education, job training and placement for residents at Mount Pleasant and Oval Grove public housing developments. In 2012, New Britain Housing Authority received a \$4 million grant from the US Department of Housing and Urban Development to build the center. The funding will provide resources to help with the construction of the center.

III C. Grant-in-aid to the Naugatuck YMCA for renovations (\$317,500) - the funding is provided to finance renovations to the facility's pool, gym and office areas.

IV A. Grant-in-aid to the Wheeler Clinic for relocation of a residential center for children in crisis to New Britain (\$103,620) - These funds are in addition to the \$75,000 that Wheeler Clinic received at the August 2012 meeting of the State Bond Commission to reimburse it for costs associated with the renovation of a leased house on Russell Avenue in New Britain. The funds will be used to provide short-term residential housing for youths in crisis, which is currently being provided at the University of Connecticut Health Center (UCHC) campus. However, it will be displaced when construction begins on the new UCHC Jackson Laboratory for Genomic Medicine facility.

The Russell Avenue location in New Britain is across the street from a home already owned by the Wheeler Clinic and is in proximity to other group residences and community support services. A set of renovation specifications have 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 \$317,500 in new General Obligation bonds requested 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 manage the cost of moving equipment and furniture from its operating budget. It is further anticipated that it will be capable of managing the relocation from the UCHC to the house on Russell Avenue 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.

Item #35 Approval of the State Treasurer's Certificate of State Indebtedness

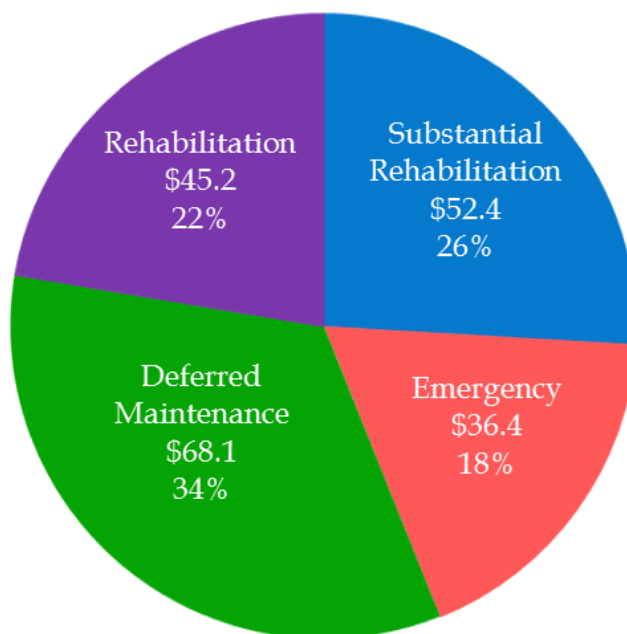
This resolution satisfies statutory requirements for approval of documents related to State Bond Commission meetings.

Appendix A

Background: State Housing Portfolio Initiative – The housing units in the State Housing Portfolio were financed by bonds from the state and are owned and operated by local housing authorities, non-profits, limited partnerships and municipal developers. There are approximately 350 properties in the portfolio with 14,000 housing units. The Connecticut Finance Housing Authority (CHFA) has administrative oversight over these housing units.

Estimated Needs of State Housing Portfolio – Based on DECD’s 2010-15 Consolidated Plan for Housing Development Report (henceforth the 5 Year Report), the total estimated cost to make all necessary improvements to the portfolio is \$202 million.²

Physical Needs of State Housing (in millions)³



According to the 5 Year Report, it is anticipated that about \$62 million of the physical needs in state housing can be funded either through reserves or through a loan. Therefore, there is an additional \$140 million of unfunded needs. It is anticipated that federal and private funding may be leveraged to assist in financing the needed improvements. In general, elderly units tend to need less rehabilitation and maintenance than family units. It is estimated that 60% are family units and 40% are elderly units.

²More recent analysis by DECD indicates that the total current cost could be in excess of \$300 million. The increase is a result of compounded deferred maintenance issues since 2010 as well as better information on the cost of redevelopment/revitalization. For illustrative purposes, this subsection includes estimates listed in the 5 Year Report; however, these costs are likely higher due to the increase in the current overall estimated cost.

³Source: CHFA (State of Connecticut 2010-15 Year Consolidated Plan for Housing and Community Development)

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.

In 2012, the Governor introduced a 10-year, \$300 million commitment to preserve and upgrade deteriorated and vacant units amount the state-sponsored public housing portfolio. PA 12-189 authorized the first \$30 million of the ten year commitment for FY 13. A total of \$11,546,000 of the first \$30 million of the \$300 million for public housing revitalization has been allocated by the State Bond Commission. The proposed \$30 million in FY 14 and FY 15 would be the second and third rounds of authorizations for the initiative.

Appendix B

UConn Technology Park Equipment (in millions)

	Initiative	Equipment List/Category	Industrial Partners	Industry Support \$	State Funds \$
1.	General Electric Partnership for Advanced Materials	Material Characterization Systems including electron microscopes, composites extrusion machines, plasma deposition equipment	General Electric	7.5	5.0
2.	Additive Manufacturing	Electron Beam Machine; Selective Laser Melting; 3D Electronic Printer; Hybrid Laser Deposition; Cold-Spray Deposition; Router System; Infrared and High-Speed Cameras; Sonic Bath Unit; Scanning Electron Microscope; Serial Sectioning System; X-Ray Microtomography; 3D Atom Probe; Powder Size Distribution; Particle Characterization; Fatigue & Creep; Extensometers; Thermomechanical; Nanoindenter; Digital Image Correlation; Differential Thermal Analysis; Differential Scanning Calorimetry; Trace Element Analysis; Coordinate Measuring Machine; Surface Profilometer; Vacuum furnace; Grinding & Polishing	Pratt & Whitney	8.0	5.0
3.	Fraunhofer Institute for Energy Technologies (FIET)	Potentiostat (2); Atmosphere Control; High Temp Furnace; Bomb Calorimeter; Confocal Laser Microscope; Dilatometer; UV/Vis Spectrometer; ICP-MS	Fraunhofer-USA	2.4 2.4 (from DEEP)	2.0
4.	Northeast Utilities Center for Predictive Analysis and Storm Hardening	HPC equipment listed in 6 below.	NU	1.7	1.5 towards high-performance computing (see item #6)
5.	Center for Hardware Assurance & Security Engineering (CHASE)	Physical Analysis; Security; Decapsulation; Long-wave Infrared; X-Ray Fluorescence; X-Ray Imaging; Electrical Bench; Low/High Power Microscopy; Scanning Electron Microscopy; Scanning Acoustic Microscopy	Numerous consortium members including Honeywell, Comcast, Cisco, etc.	1.0	1.0
6.	High Performance Computing Center	System containing a single BG/Q rack (200 TF, 16K CPU's) with Service Nodes, Front End Nodes, Switch, Network and Storage; Security; Red Hat Linux; ESSL and GPFS installed; IBM System x platform (x86 based) ; POD system; Back Up systems	IBM	4.0	5.5
			Total	27.0	20.0