

**Finance, Revenue, and Bonding Subcommittee**

**Department of Administrative Services**

**March 27, 2023**

**NEW PROGRAMS / NEW BOND REQUESTS**

**Capitol Area Systems “CAS” Plant**

**1. What is the goal of the program?**

The goal of the program is to modernize and decarbonize the Capitol Area System “CAS” thermal plant and system loop located in Hartford, Connecticut.

**2. What stage of the project does the proposed authorization fund? For example, is this design funding only, with a future authorization expected for construction costs, or is this the annual amount of an ongoing program?**

The program will fund ongoing and necessary modernization efforts of the plant as well allow for the study of decarbonization opportunities.

**3. Discuss any discrepancy between agency requested amount and Governor proposed, if applicable.**

N/A

**Electric Vehicles “EV’s”**

**1. What is the goal of the program?**

The goal of this program is to achieve a 50% replacement of state fleet internal combustion engine (ICE) vehicles with electric vehicles (EVs) by January 1, 2026, to comply with Public Act No. 22-25 – Section 1 4a-67d (c) of the CT General Statutes, which mandates that 50% of light-duty cars and trucks in the states light-duty fleet must be zero emission vehicles by January 1, 2026. The focus of this program is two-fold: (1) infrastructure installations to support the electric vehicles, and (2) replacement of internal combustion engine (ICE) vehicles with electric vehicles (EVs).

**2. What stage of the project does the proposed authorization fund? For example, is this design funding only, with a future authorization expected for construction costs, or is this the annual amount of an ongoing program?**

While DAS is awaiting the authorization of funds, a program management scope is being developed with the intent of hiring a consultant to evaluate and advise on the most cost-effective deployment of electric vehicle charging locations for the state fleet. This initial program management contract will be funded from the proposed authorization. An allocation will be requested as soon as the funds are authorized.

The recommendations of that consultant will inform a series of design and construction projects for the installation of the charging infrastructure. One or more allocations from this proposed authorization will be requested for those projects.

The intention is for some of the released funding to be reimbursed through current available grant and incentive opportunities – this would allow for potentially capturing additional charging locations and/or vehicles.

Once the installation of Electric Vehicle Charging Supply Equipment at state buildings is completed, disbursements of the allocated funding will be made upon the arrival and readiness of the new electric vehicles entering service by client agencies.

**3. Discuss any discrepancy between agency requested amount and Governor proposed, if applicable.**

Current projections were based on October / November 2022 available data. Discrepancies may arise due to differences in manufacturer offerings for electric vehicle supply equipment and electric vehicles, contracted pricing for the next three annual periods, component and vehicle availability, and any alterations to regulations.

**EXISTING PROGRAMS / UNALLOCATED BOND REQUESTS**

**ADA Compliance**

1. **Do you need the unallocated balance?** Yes, we have \$2.9 million in design and construction projects in process.
  - a. If so, for what purpose? To make ADA improvements or improved accessibility to state facilities.
  - b. Within what time frame? This is continuous program.
2. **Are the unallocated funds obligated, designated, or otherwise attached to projects, or are funds available for future needs as they arise?** Yes, see DAS Pipeline report for list of projects.
  - c. If attached to projects, please provide information on the projects. See DAS Pipeline Report.
3. **Allocation of Funds**
  - d. When was the last time funds for the program were allocated, if ever? December 2021
  - e. Have the funds been requested for allocation by the bond commission? If so, how much and when? Yes, December 2021 for \$250,000
4. **What impediments, if any, have there been in accessing and using the unallocated bond funds?** None.
5. **If new or increased bond authorizations have been proposed for FY 24 or FY 25, what expansion or increase of projects is expected and how quickly are the new funds anticipated to be needed?** N/A

**Alterations to CT Building at Eastern States Exposition in Springfield, MA**

1. **Do you need the unallocated balance?**

- f. If so, for what purpose? Yes, we currently have a project to upgrade the exterior of the building including roof replacement, brick repointing, window repairs and replacement and an upgrade to the electrical system.
  - g. Within what time frame? Project has started, we have selected an architectural firm and the contract is in process, design will hopefully take place this spring/summer, bidding in the summer with goal of starting this project at the conclusion of the Fall 2023 Big E exposition.
- 2. **Are the unallocated funds obligated, designated, or otherwise attached to projects, or are funds available for future needs as they arise?** This specific project is estimated at \$2.3 million, \$1 million has been allocated to date out of DAS general infrastructure funds.
  - a. If attached to projects, please provide information on the projects. See DAS Pipeline Report
- 3. **Allocation of Funds**
  - a. When was the last time funds for the program were allocated, if ever? December 21, 2022
  - b. Have the funds been requested for allocation by the bond commission? If so, how much and when? Yes, \$1,000,000 on December 21, 2022.
- 4. **What impediments, if any, have there been in accessing and using the unallocated bond funds?** None.
- 6. **If new or increased bond authorizations have been proposed for FY 24 or FY 25, what expansion or increase of projects is expected and how quickly are the new funds anticipated to be needed?** None.

#### **Asbestos Removal Program**

- 7. **Do you need the unallocated balance?**
  - a. If so, for what purpose? We continue to address hazardous materials in state buildings, we get numerous requests directly from agencies as they come upon suspected materials in their regular course of building maintenance along with larger abatement projects often associated with surplusings of state facilities
  - b. Within what time frame? We have an immediate bonding need of \$5M to replenish our current allocations which are earmarked for specific work
- 8. **Are the unallocated funds obligated, designated, or otherwise attached to projects, or are funds available for future needs as they arise?** Both
  - c. If attached to projects, please provide information on the projects. \$2M-\$5M for various projects routinely addressed during facility maintenance as well as larger potential surpluses state facilities including an estimated \$5M for the DMV Headquarters in Wethersfield; \$7.5M for 61 Woodland Street in Hartford; \$2.5M to complete abatement at the former Cedarcrest Hospital in Newington; \$2M to complete abatement at the former Bergin Correctional Institute; funding for consolidation/closure at other correctional facilities.
- 9. **Allocation of Funds**
  - d. When was the last time funds for the program were allocated, if ever? July 23, 2021

- e. Have the funds been requested for allocation by the bond commission? If so, how much and when? We have requested but the request did not make it onto the recent bond agendas

**10. What impediments, if any, have there been in accessing and using the unallocated bond funds?** None

**11. If new or increased bond authorizations have been proposed for FY 24 or FY 25, what expansion or increase of projects is expected and how quickly are the new funds anticipated to be needed?**

There are potential large projects which would require abatement including 61 Woodland and the DMV HQ should the administration determine to consolidate office space as is currently being studied. In addition, we anticipate continued use of abatement funds for “emergency projects” discovered by our agencies in the normal course of work. Additional bonding from new authorizations would be anticipated in the 2<sup>nd</sup> or 3<sup>rd</sup> quarter of FY 24 and similar for FY 25

#### **Capital construction, improvements, repairs, renovations, Fire Training School and installation of electric charging**

**12. Do you need the unallocated balance?** Yes

- f. If so, for what purpose? There are two remaining fire schools to be built from the original program.
- g. Within what time frame? To Be Determined

The Fire Schools fall under Dept. of Emergency Services and Public Protection (DESPP). DAS Construction Services administers a majority of their [larger] projects.

DAS Construction Services would need the unallocated balance to hopefully complete one school, but the determination/need of which school isn’t our decision. That would have to be the request of the Fire Schools / DESPP. There are also committees that follow these schools and the process, primarily the Connecticut State Firefighters Association Education Committee. These training schools have been under review and discussed for several years. The planning and programming to support these training schools go back over 20 years now. A survey of existing conditions and recommendations was prepared back in June of 2002. There is a lot of history here.

The Waterbury Area Regional Fire School (BI-FP-17 DB) in Cheshire WAS released for a Design Build Solicitation delivery and advertised for qualifications and proposals due on February 5, 2016. The Valley Fire Chiefs Regional Fire School (BI-FP-16 DB) in Beacon Falls was re-released also for a Design Build Solicitation delivery and advertised for qualifications and proposals due on May 7, 2019. Neither project was funded to move forward.

DAS Construction Services does not have timeframe needs. The needs are that of the Fire Schools / DESPP

**13. Are the unallocated funds obligated, designated, or otherwise attached to projects, or are funds available for future needs as they arise?**

- h. DAS Construction Services has limited information on the unallocated funds supporting other projects. The Public Act for the additional \$5,000,000 appears to be for a school in Middlesex County, which is outside the scope for Waterbury and Cheshire, and may not be available to support these schools. DAS Construction Services is not administering a Middlesex County Fire School project.

**14. Allocation of Funds**

- i. When was the last time funds for the program were allocated, if ever? The last allocation was on 6/26/19 for the Eastern CT Fire School in Willimantic in the amount of \$1,500,000
- 5. Have the funds been requested for allocation by the bond commission? If so, how much and when?** A total of \$69,977,672.00 has been authorized for this program through several funding bills. Of these authorizations approximately \$ 29,947,599.00 remains unallocated.
- 6. What impediments, if any, have there been in accessing and using the unallocated bond funds?** There are sufficient funding balances for one fire school. The only impediment would be a decision on which project to fund within the current resources. Due to the length of time that has elapsed, the plans and costs should be updated and escalated to 2024. DAS Construction Services has a role in requesting the funding to support the schools. Impediments were outside of our office.
- 7. If new or increased bond authorizations have been proposed for FY 24 or FY 25, what expansion or increase of projects is expected and how quickly are the new funds anticipated to be needed?** There are sufficient funding balances for one fire school. Additional resources would be needed should the State decide to implement both projects. Due to the length of time that has elapsed, the plans and costs should be updated and escalated to 2024.

**Indoor Air Quality / HVAC Grants**

**15. Do you need the unallocated balance?**

Yes.

- a. If so, for what purpose?

The currently unallocated \$75M bond funding is for the fulfillment of the Heating, Ventilation and Air Conditioning (HVAC) System grant program, 130 applications for which were submitted by December 1, 2022. The program allowed until February 28, 2023, for the submission of missing key supporting documents. Those applications are currently being reviewed.

- b. Within what time frame?

Decisions on the HVAC grant applications are expected to be issued by March 31, 2023, and allocations requested throughout the remainder of 2023.

**16. Are the unallocated funds obligated, designated, or otherwise attached to projects, or are funds available for future needs as they arise?**

The funds were designated for the HVAC system grant program and as awards are made the funds will be attached to specific municipal school HVAC improvement projects.

- c. If attached to projects, please provide information on the projects.

**17. Allocation of Funds**

- d. When was the last time funds for the program were allocated, if ever?  
No previous allocations have been made. This program is new for 2022/23.
  - e. Have the funds been requested for allocation by the bond commission? If so, how much and when?  
No allocation requests have been submitted. It is anticipated that requests will be made after April 1, 2023, once contingent award letters are sent and school districts respond.
- 18. What impediments, if any, have there been in accessing and using the unallocated bond funds?**  
None
- 19. If new or increased bond authorizations have been proposed for FY 24 or FY 25, what expansion or increase of projects is expected and how quickly are the new funds anticipated to be needed?**  
New authorizations of \$150M (FY24) and \$150M (FY25) have been proposed to enable the HVAC systems grants program to continue and support those schools that were unable to meet the FY23 deadlines.

#### Alliance Districts

- 20. Do you need the unallocated balance?**  
Unknown. Pursuant to PA 17-2, DAS administers grant applications when received, but has not received any new requests from school districts since 2020. DAS has no way of knowing if school districts will apply in the future.
- f. If so, for what purpose?
  - g. Within what time frame?
- 21. Are the unallocated funds obligated, designated, or otherwise attached to projects, or are funds available for future needs as they arise?**  
Available for future needs as they arise. Not currently attached to specific projects. Pursuant to Public Act 17-2 Sec. 389, (1) Grants-in-aid to alliance districts to assist in paying for general improvements to school buildings, not exceeding \$30,000,000
- h. If attached to projects, please provide information on the projects.
- 22. Allocation of Funds**
- i. When was the last time funds for the program were allocated, if ever? September 2020.
  - j. Have the funds been requested for allocation by the bond commission? If so, how much and when? Yes. Jan 2016, May 2016, Nov 2017, Sep 2020.
- 23. What impediments, if any, have there been in accessing and using the unallocated bond funds?** None
- 24. If new or increased bond authorizations have been proposed for FY 24 or FY 25, what expansion or increase of projects is expected and how quickly are the new funds anticipated to be needed?** None

#### Regional School Districts

**25. Do you need the unallocated balance?**

Unknown. Pursuant to PA 17-2, DAS would administer grant applications when received. DAS has no way of knowing if school districts will apply in the future.

k. If so, for what purpose?

The program was not defined when introduced in legislation and has therefore not been developed.

l. Within what time frame?

Unknown

**26. Are the unallocated funds obligated, designated, or otherwise attached to projects, or are funds available for future needs as they arise?**

Available for future needs as they arise. Not currently attached to specific projects.

m. If attached to projects, please provide information on the projects.

**27. Allocation of Funds**

n. When was the last time funds for the program were allocated, if ever?

Never

o. Have the funds been requested for allocation by the bond commission? If so, how much and when?

No

**28. What impediments, if any, have there been in accessing and using the unallocated bond funds?**

The purpose of the program was not defined. Pursuant to PA 170-2 Sec. 389, (2) Grants-in-aid to municipalities for the purpose of a regional school district incentive grant, not exceeding \$5,000,000

**29. If new or increased bond authorizations have been proposed for FY 24 or FY 25, what expansion or increase of projects is expected and how quickly are the new funds anticipated to be needed? NA**

**Priority School Districts**

**30. Do you need the unallocated balance?**

This is a State Department of Education grant program, pursuant to 10-266p, for which DAS has no responsibility. The DAS administered priority-list and non-priority list school project grants are covered under "School Building Projects" below.

p. If so, for what purpose?

q. Within what time frame?

**31. Are the unallocated funds obligated, designated, or otherwise attached to projects, or are funds available for future needs as they arise?**

r. If attached to projects, please provide information on the projects.

**32. Allocation of Funds**

s. When was the last time funds for the program were allocated, if ever?

t. Have the funds been requested for allocation by the bond commission? If so, how much and when?

No

33. What impediments, if any, have there been in accessing and using the unallocated bond funds? NA
34. If new or increased bond authorizations have been proposed for FY 24 or FY 25, what expansion or increase of projects is expected and how quickly are the new funds anticipated to be needed?

#### **State Occupied Facilities, Infrastructure Repairs and Improvements**

35. Do you need the unallocated balance? Yes,
- u. If so, for what purpose? Continuous upgrades and improvements to the DAS building portfolio.
  - v. Within what time frame? Continuous program.
36. Are the unallocated funds obligated, designated, or otherwise attached to projects, or are funds available for future needs as they arise? The DAS 5-year improvement plan identifies almost \$200 million in capital repairs and improvements.
- w. If attached to projects, please provide information on the projects.
  - x. See 5-year DAS Capital Improvement Plan
37. Allocation of Funds
- y. When was the last time funds for the program were allocated, if ever? December 8, 2022
  - z. Have the funds been requested for allocation by the bond commission? If so, how much and when? \$1,922,447 and \$1,303,929 on December 8, 2022.
38. What impediments, if any, have there been in accessing and using the unallocated bond funds? None
39. If new or increased bond authorizations have been proposed for FY 24 or FY 25, what expansion or increase of projects is expected and how quickly are the new funds anticipated to be needed? This is a continuous program to improve our state-owned facilities. Please refer to our 5-year capital improvement plan.

#### **School Building Projects**

40. Do you need the unallocated balance?
- Yes.
- a. If so, for what purpose?  
(See Chapter 173.) This allocation funds grants for priority list and non-priority list school construction projects, and payments to vendors on CTECS and previous CREC projects managed by DAS.
  - b. Within what time frame?  
The program is continuous, and the timing of grant applications is at districts' discretion, and cash flow needs in the program depend heavily on when districts apply for reimbursement.
41. Are the unallocated funds obligated, designated, or otherwise attached to projects, or are funds available for future needs as they arise?

Some of the remaining \$836 million of authorized funds are attached to projects; some are available for future needs. (see answer to question 44 below)

- c. If attached to projects, please provide information on the projects.

[See current and previous Priority Lists]

**42. Allocation of Funds**

- d. When was the last time funds for the program were allocated, if ever?

May 2022

- e. Have the funds been requested for allocation by the bond commission? If so, how much and when?

Yes. \$250 million in March 2023.

**43. What impediments, if any, have there been in accessing and using the unallocated bond funds?** None

- 44. If new or increased bond authorizations have been proposed for FY 24 or FY 25, what expansion or increase of projects is expected and how quickly are the new funds anticipated to be needed?** DAS routinely monitors the cash flow of the School Construction Grant program relative to currently allocated funds to advise of further Bond Commission allocations. The School Construction Grant program is structured so that the statutory bond authorization and Bonding Commission allocations cover current cash flow of progress payments to school districts and vendor payments on state-administered projects. The amount of cash flow needed depends on when the much larger quantity of authorized projects that are in construction and, in particular, when local school districts seek reimbursement.