

**Scott Bates Statement to the Transportation Committee Informational Forum
December 4, 2019**

Thank you Co-Chairs Leone and Lemar, and Members of the committee,

My name is Scott Bates. I grew up in southeastern Connecticut near the banks of the Mystic River and the shores of Long Island Sound. I'm the son of a U.S. Coast Guard officer. My mother and her family made their home in New London. I've always believed that it is an honor to serve one's country and community. That's why, a few years ago when approached to accept an appointment to the Board of the newly formed Connecticut Port Authority, I was happy to accept that part-time volunteer post.

The Connecticut Port Authority was charged by the Legislature with a big mission, to advance the maritime economy of the State of Connecticut. Our volunteer Board of Directors faced the daunting task of starting a new quasi-governmental agency from scratch. We were given \$400,000 and two DOT employees on temporary assignment. The Authority's sole asset was State Pier, which had received no significant investment in decades, and needed over \$100 million in repair.

In February 2016 I was elected Chairman by colleagues on the Board of the Connecticut Port Authority. Former DECD Commissioner Catherine Smith served as Vice-Chair. Members of the Board volunteered to serve on subcommittees which helped conduct a search for an Executive Director, select a legal services firm, and begin the process of developing a request for proposals to find the highest and best use for State Pier, as the long term lease for the Pier was set to expire.

As Chairman, I took it as my responsibility to visit every coastal community in the state of Connecticut and initiate meetings with the chief elected official and members of the Harbor Management Commissions of those communities. I wanted to make sure that we heard their views, learned about their needs, and allowed them to inform the Port Authority's strategic plan. I did this in our first year of operation, at a time when I was working full-time in the private sector. Every member of our Board served without compensation, and agreed not to accept mileage reimbursement when traveling the state on Port Authority business or to attend Board meetings. We viewed our work as a public service.

We all did the best we could to meet the responsibilities of the mission within the limitations of a small staff and budget, operating without a starter kit. There were issues in organization. Those have been well chronicled by the Connecticut Auditor of Public Accounts. This audit, one of three within a five month period, was so comprehensive, even reviewing the snack food budget, that I believe it serves as an excellent road map on how to address whatever CPA's

shortcomings may have been, and to fix them. While I understand the importance of not always meeting the standard expected of us, the issues identified in the audit should not overshadow our achievements.

Moving forward, it is important to look at the whole picture, to know the rest of the story.

Over the course of three years, this small agency was able to accomplish some great things. We developed a strategic plan, dredged the Connecticut and Housatonic rivers to allow for more consistent use, and forged partnerships with 17 municipalities to jump start maritime construction plans and projects – providing job creation and economic development opportunities for communities by supporting local initiatives to improve their waterfronts for reasons of safety or commerce.

The Connecticut Port Authority took action to find the highest and best use for the long neglected asset of State Pier. We conducted a global search to find qualified and interested partners and took State Pier out to bid for a long-term concession agreement through an RFP process consistent with the laws and regulations of Connecticut. A dozen firms expressed interest, and the Board determined that the best offer was made by Connecticut-based Gateway Terminals. Gateway offered \$30 million in investment for capital improvements and equipment. They committed to more than double the previous payments for use of the Port.

The agreement with Gateway also opened the door to Governor Lamont's announcement on May 2nd of a partnership and commitment with the largest wind power company in the world, for a \$93 million public-private partnership to transform State Pier into a hub for the wind power industry. The Connecticut Port Authority also proposed and signed an innovative revenue sharing agreement so that, for the first time, the City of New London will profit from expansion at State Pier.

It is because of the work of the Connecticut Port Authority at State Pier that New London is poised to become a major hub for the wind power industry. It is because of the work of the Port Authority that this major investment by a new industry is coming first to the shores of this state – not New York, New Jersey or Virginia. Due to this effort, hundreds of new jobs in the emerging green energy sector will be created in Connecticut, the City of New London and the State of Connecticut will benefit from new revenue, and maritime traffic to the Port of New London will increase dramatically, yielding additional and much needed economic benefits for that long distressed city.

While working to stand up an entirely new agency with only a tiny staff to shoulder the burden, we were at the same time in intense competition with our neighboring states to seize this once-in-a-generation opportunity of transforming State Pier into a 21st century port and becoming a hub for the wind power industry.

Wind power is a new industry – a disrupter in the energy field. In the future, we will be able to look back and understand that – by acting boldly to be a first mover, acting quickly to realize the time-sensitive opportunity before us – Connecticut was able to position our state as a leader in green energy. In that race against time, Connecticut won.

I would like to thank the Connecticut Auditors of Public Accounts for their hard work and for providing a road map for setting the CPA, and Connecticut, up for future success.

I look forward to answering to the best of my ability, your questions about the work of the Authority during my time on the Board.

Mr. Chairman, thank you.

