Working Group Name: TRANSPORTATION

List priorities of your working group in the appropriate areas below…

PRIORITY INITIATIVES: Things that should be addressed during the 2011 budget/legislative process

	Policy Initiative	Immediate Fiscal Impact
1.	Comprehensive Transportation Policy – Paper # 7	Yes
2.	Port Policy – Paper #'s 1,2,3,4	No
3.	Incident Management System – Paper # 23	No
4.	Airport Policy – Paper #'s 5, 37	No
5.	Infrastructure State of Good repair - Paper #'s 6, 10, 33	No
6.	Use of Existing Funding Sources – Paper #'s 8, 29	Yes
7.	Advocating for Existing Funding Sources – Paper #'s 9, 26	Yes
8.	Project Delivery Streamlining – Paper # 30	No

SHORT-TERM INITIATIVES: Things that should be addressed by 2012/2013 (sooner if possible)

	Policy Initiative	Short Term Fiscal Impact
1.	Alternative Funding Sources – Paper #'s 11, 12, 13, 31, 35	Yes
2.	Strategic Planning – Paper # 14	No
3.	Technology modernization of services – Paper # 15	Yes
4.	Commuter Rail Expansion – Paper # 17	Yes
5.	Freight Rail - Paper # 20	No
6.	Rail Station Parking – Paper # 22	No

7.	Transportation Oriented Development – Paper # 24	No
8.	Responsible Growth - Paper # 32	No
9.	Transit Operations – Paper #'s 19, 25, 28, 34	No

LONG-TERM INITIATIVES: Things that should be considered beyond 2013 (sooner if possible)

	Policy Initiative	**Long Term Fiscal Impact**
1.	Alternative Rail options (LRT, Streetcars) – Paper #'s 17, 18	Yes
2.	Bicyclist and Pedestrian Improvements – Paper #'s 21, 27, 36	No

On items in which there was not clear consensus, please append any dissenting opinions.
All of the Priority items with the exception of the airport and port policies had consensus. A minority had the airport and port policies as a priority, but since it was a signature Malloy/Wyman policy we made it a priority. Many of the short and long term initiatives did not have consensus which is an attribute of a large diverse working group. This diverse set of opinions necessitated the grouping of policy papers into topics and it also caused a large number to reside as short-term initiatives while only a few were considered long-term. Also, any review comments made in our submission should be considered as being included with the applicable topic or policy paper. In some cases, similar comments were grouped together.

Below are individual Working Group reviewer comments on this process that may be of assistance in understanding our above approach:

- My conclusion is that we should not assess these in isolation; but rather as an interdependent collection of policies that will improve transportation in Connecticut. Additionally, I am uncomfortable with the delay of any of the identified policies for up to three or four years. It is my belief that we need to move forward in a comprehensive and timely manner.
- I feel there may be too much stuff front-loaded but I also feel there is overlap among some of the top issues that at least some of the activity should be begin during 2011.
- Respectfully, I do not think that (some) of these proposals are either policy related and/or practical. (list not included due to length)
- I would echo comments that in some cases we're in the weeds and the write-ups are more administrative in nature. I would suggest rolling things up to five or 6 general transportation polices and some of the other items (project funding release, new

approach to transit governance, rail station parking, needs of non motorized users) are more like “to evaluate” items for the new administration but aren’t macro-policy goals.

- I think there is a bit of an apples and oranges problem in rating some of these ideas.
- I have grouped them to keep them all straight for my own sanity, and below is what I came up with. The four main ideas are listed in my priority order in terms of transportation/jobs impact.
- Generally, since we're dealing with a function whose projects take quite a bit time to execute, and whose job impacts take even longer, the priority column is a bit unworkable.
- Policies should be pursued that will have significant results with 2 years.
- I just want to submit priorities, efficient use of state funds, transportation investment and economic growth, and state of good repair/fix it first. Everything else has its merits, people make excellent points, but I'm in no position to rate them at this point. I'll defer to the experts on rating those items.
- Some policies represent Legislature initiatives that have not received Executive Branch support in the previous 8 years. They will almost certainly be raised in the 2011, 2012 Sessions.
- The Working Group should only consider “Policy” rather than “Project” issues such as transit benefits of the Htfd-NB Busway Project as that was not our charge. We all have our pet projects that we’d love to offer up for consideration but that does not help address the overarching problems facing the new Administration, especially concerning the looming $3.5B deficit.
- Since most of the items have some level of financial impact, they all essentially need further review so that should be an overall assumption.
- One stakeholder wrote the following “A clear and measureable strategy for the future is our best course for success. The status-quo is fragmented and often contradictory -- which is not our best way to grow.” That sums up my feelings and those of many others who seem to feel it is time to simply re-examine all aspects of our Transportation Policy, fix what is broken, add new innovative policies that streamline government.
- I encourage honest discussion but fiscal responsibility must be considered for any new or existing Policy initiatives.

Note: As expected, due to the wide range of transportation disciplines and varying interests, there was no true consensus of opinions either among the full Working Group, or when the additional comments submitted through the transition team website and other communications means were considered. Some of the Policy Papers are complex and portions were therefore listed in one or more timeframe categories.

Malloy – Wyman Transition Team
Transportation Policy Working Group

DATE:	**December 30, 2010**
TO:	**Jason Jakubowski**
FROM:	**Al Goff, co-Chair** **Brian Mercure, co-Chair**
TRANSMITTAL:	**Revised Final Report - Transportation Policy Papers and Comments 123 pages**

Attached please find the Final Report (123 Pages) from the Transportation Policy Working Group consisting of 37 Policy Papers and a group of 16 general comments pertaining to various Transportation Policy recommendations submitted in response to the Transition Team's recent extensive public outreach efforts.

Our 3-page Prioritized List is being transmitted separately as it is a high-level prioritized Summary of the full 123-page Report.

The Transportation Working Group Report reflects significant effort and input from a wide cross section of Connecticut residents, business owners, public agencies, and other stakeholders interested in improving Connecticut's transportation infrastructure.

For consistency, the Report documents have been divided into two groups. The first group includes 37 Policy Papers related to the 76-page Malloy-Wyman campaign policy workbook and additional Transportation Policy issues. In some cases, multiple similar policy submissions were conformed into one or more Policy Paper. They have been grouped together whenever possible for consistency.

The second group includes 16 additional comments and recommendations covering various Transportation Policy subject areas. Some general comments and various differing opinions were conformed into the Policy Papers.

The 16 additional comments include suggestions for generating new revenue, changes in specific Administrative procedures and agency operations, plus suggestions for innovative project delivery and creative financing. Some provide additional information about one or more Policy Papers. The last comment (#16) is a compendium of CSEA and various additional opinions regarding suggested changes to current DOT administrative and other practices.

All Policies and additional comments contained in the 123-page Report have been identified and numbered within an Index to facilitate easy identification, future discussion, or update. Many of the Policy numbers are also listed on the 3-page Prioritized List for consistency.

Please contact Al or Brian by email or phone with questions or comments. We will do our best to respond as soon as possible.

TRANSPORTATION POLICY WORKING GROUP
Final Report - Index

Policy Paper #1

I. Statement of Issue: Support Port Infrastructure Development and the creation of jobs.

II. Proposed Action

1. **Immediate:** The former CILCO Terminal in Bridgeport owned by Coastline is in default, thus could be purchased by the state for approximately $10M, what is owed to the bank, if acted upon immediately. Rumor has it that the Bridgeport-Port Jefferson Steamship Company is trying to buy part of the terminal to move the Bridgeport Ferry Terminal from its current location (part of the intermodal Bridgeport Transportation Hub) across the harbor to the CILCO property. The Coastline/CILCO property is critical to maintaining Bridgeport as a deep draft port. It was to be the site of the NY-CT feeder barge service that would have removed truck container traffic off of the I-95 corridor. Once owned by the state, an RFP soliciting port developers similar to the article below could be pursued. The state already owns the State Pier Facility in New London. An RFP will be out in the May-June time frame soliciting for entities that would like to do business with the state at the State Pier Facility after the present lease expire on 31 Jan 2013.

2. Fiscal Impacts: The estimated cost to procure the Coastline/CILCO property is $10M. Estimated cost to restore/upgrade two refrigerated warehouses is $3M. The initial outlay of funds could be recouped through leases to port developers/operators. High paying jobs created would improve the tax revenue as well as increases to local businesses in an economically distressed area.

3. Tie-in to the Malloy- Wyman Campaign Policy (Infrastructure investments to create short and long term economic stimulus and #8 Elevate port development to a status of strategic transportation/ economic development.) During the campaign, Governor-elect Malloy toured the state's three deep draft ports and released a port development plan that called for making port development a strategic transportation priority.

III. Long-term Needs/Vision

The last remaining general cargo shipping interest left the Port of Bridgeport for Philadelphia in part due the restricted channel depth caused by a lack of maintenance dredging. Local politicians were more interested in changing the zoning for the property to mixed use which would squeeze industrial use out. The same product formerly delivered to Bridgeport for Connecticut markets is now transported over the congested I-95 corridor. The expansion of the Panama Canal will allow larger ships to bring products from Asian markets directly to east coast ports. The existing deep draft mega –ports such as New York are at or near capacity. Thus, smaller reliever ports such as Bridgeport, New Haven and New London will become a necessity.

IV. Jobs Impact & Other Benefits

Having dedicated port property to serve the new market demands will create jobs in each of the ports. Connecticut Maritime Coalition recently sponsored a maritime industry Economic Impact Study. The study documented that for every dollar spent on port infrastructure improvements including dredging, as much as $9-$12 of economic activity would be generated through resultant increases in business. The report further estimated that an investment of approximately $80M could lead to a return of as much as $1B in total economic benefit and the creation of 6,100 jobs.

V. Dissenting Opinions & Other Relevant Items

Current City political leaders are pursuing a path to "gentrify" the waterfront in Bridgeport. Re-zoning the deep draft properties to mixed use will allow strip malls and housing units to be built as a means of improving the grand list. The gentrification of the waterfront is not in the best long term interest of the region or the state.

Policy Paper #2

I. Statement of Issues - Elevate Port Developments and Create a State Port Authority

- Elevate port development to the status of a strategic transportation/economic development priority and designate up to $50 million in previously authorized Special Tax Obligation bonds, Urban Act and Manufacturing Assistance Act funds for such purposes.
- Create a State Port Authority comprised of unpaid gubernatorial appointees, representatives of DECD, DOT and representatives of Connecticut's three deepwater port authorities.

II. Proposed Action:

The State Port Authority (Authority) is administered in the Connecticut Office of Policy and Management. To maximize ports development, the Authority must operate in a setting where it is not competing with the CDOT for funding or boxed in by decision processes that are driven exclusively by job creation.

The Authority must have statutory powers to deal with port issues and to implement the waterside transportation strategy of the state.

The activities of the Authority are managed by a seasoned maritime professional with a broad range of deepwater port operations experience.

A major portion of the Port of New Haven and Bridgeport is privately held. Industry's ex-officio non-voting representation on the Authority is a positive attribute to the success of the Authority.

The Authority is adequately funded from specific appropriation(s).

The creation of a State Port Authority with the attributes previously described above will elevate and enhance the strategic development of the deepwater ports and contributes to the overall transportation strategy of the state.

1. Immediate action

Immediate implementation via legislation

2. Fiscal Impacts

One maritime professional with deepwater port experience working as the Executive Director of the Authority and housed in OPM.

3. Tie-in to Malloy-Wyman Campaign Policy

See Statement of Issue

III. Long Term Needs / Vision

Investment in infrastructure and dredging resulting in the modernization and improvement of the State's deepwater ports and channels is likely to attract new businesses, as newly maintained ports and waterways will once again accentuate the natural advantages of geography and water access that made the State a national leader in Maritime commerce originally. An increase in shipping alternatives for the transport of goods through and around Connecticut (such as the inclusion of the Short Sea Shipping concept) will result in reduction in traffic and congestion on the State's major highways, asserting that the Ports play a key role in the State's strategy for sustainability and environmentally sound growth.

In terms of economic potential, Connecticut is one of just 12 states with 3 or more of the 105 largest deepwater ports in the country, each with $100 million or more in annual foreign trade. This resource represents a potential competitive advantage for Connecticut to connect with the global economy. Ninety-five percent of the volume of all overseas trade enters or leaves the United States through a deepwater port by ship. Nationwide, this represents nearly $1 trillion in commerce and creates employment for more than 13 million people1. It is forecast that between 2010 and 2020 the volume of waterborne freight will increase by 43 percent domestically and 67 percent internationally.

Clearly, as more freight and fuels are delivered by ship to Connecticut's ports, a proportional decrease in trucks traffic on the already severely constricted Interstate 95 will occur. This is because one medium size tanker (300,000 bbls) represents 1,600 tanker trucks.

IV. Jobs Impact & Other Benefits

Connecticut's maritime-dependent industries, their suppliers and related economic activity (total direct, indirect, and induced effects) accounted for over $5 billion in business output within the State of Connecticut; more than 30,000 jobs; approximately $1.7 billion in household income; and $2.7 billion in State GDP.

As a consequence of these direct, indirect, and induced economic effects within the statewide economy, maritime industries annually account for over $56 million in taxes paid to local communities, $54 million in State tax revenues, and over $224 million in Federal tax revenues.

Connecticut's deepwater ports are underutilized. Any utilization increase will have immediate benefits to the economic activity described above.

V. Dissenting Opinions & Other Relevant Items

Connecticut's maritime-dependent industries, their suppliers and related economic activity (total direct, indirect, and induced effects) accounted for over $5 billion in business output within the State of Connecticut; more than 30,000 jobs; approximately $1.7 billion in household income; and $2.7 billion in State GDP.

As a consequence of these direct, indirect, and induced economic effects within the statewide economy, maritime industries annually account for over $56 million in taxes paid to local communities, $54 million in State tax revenues, and over $224 million in Federal tax revenues.

Delays in port infrastructure improvements, including dredging, will decrease the economic vitality of our ports and add to Connecticut's transportation dilemmas. By 2037, lack of dredging could cost the Connecticut economy over $1.5 billion in business output, over 10,000 jobs, and $550 million in household income annually.

Corresponding fiscal losses would include over $15 million in local tax revenues, $14 million in State tax revenues, and over $72 million in lost Federal tax revenues.

A cross section of businesses, trade groups, public sector officials, and others with knowledge and expertise within the maritime industries of Connecticut believe that dredging and infrastructure improvement are required to maintain and preserve their businesses and the maritime industry as a whole. Further, and very importantly, dredging and infrastructure improvement are considered critical to the growth of their specific businesses and also for attracting new maritime related industries to Connecticut resulting in a stronger Connecticut economy.

Connecticut's ports have limited land for cargo storage space and, consequently, continue to miss opportunities for sea transportation business. As such, Connecticut's ports need capital investment to expand storage capacity and to increase intermodal connections between water, highway and rails.

The lack of dredging and infrastructure improvements severely limits Connecticut's competitive position in attracting new maritime industries to the State. New maritime initiatives, such as the promising new transportation business elements of the Short Sea Shipping strategy known as "Americas Deep Blue Highway", are likely to bypass the State entirely.

The Authority since its inception has been a small yearly allotment of about $10,000 per fiscal year provided by the Department of Transportation out of its appropriation for the Bureau of Aviation and Ports.

Its organizational link to the DOT has been a longstanding concern. It is viewed to have hindered its authority to pursue alternative revenue sources in advancing the maritime "deep blue highway" addressing the need of substantial resources to make infrastructure and harbor improvements. Specifically, these include addressing the need of substantial resources to make infrastructure and harbor improvements; maximizing the use of private and public funding, including the aggressive pursuit of Federal funds and, enhancing the potential for the ports to work with each other, in competition with the ports of neighboring States.

The recommendations reference a reallocation of up to $50 million in previously authorized funding (Urban Act and Manufacturing Assistance Act funds). I assume this funding is outside of the DOT's appropriation. They can be transferred to the Harbor Improvement Account (HIA)

Supporting Documents: Lessons Learned - Connecticut Coastline Port Authority

Auditors of Public Accounts

PROGRAM EVALUATION:

Section 2-90 of the General Statutes authorizes the Auditors of Public Accounts to perform evaluations of agency operations. We conducted a review of the operations of the Connecticut Coastline Port Authority. The objective of our program evaluation was to review the six-year plus history of the Authority to determine if the Authority's organization and operations have been effective or if changes appear warranted. We reviewed the minutes of the Authority, reviewed financial information, conducted interviews with individuals with the Department of Transportation and Connecticut Coastline Port Authority, and reviewed other pertinent documents.

The Connecticut Coastline Port Authority was established in 1993 to promote the economic development of the port areas of Bridgeport, New Haven and New London through, among other objectives, planning, coordinating and marketing in support of the local port entities. The Authority does not own or operate any port resources; its primary legislative purpose is to promote economic activity at the ports. At the time of the Authority’s establishment, the economy of the State was not robust and the general consensus was that the Authority was needed to help bring additional business to the ports. Another objective of the Authority was to ensure that the ports operated, in essence, as a single port by improving their competitive position through unified marketing strategies. Under this concept each of the three ports concentrates on certain activities that reflect their unique strengths.

For example, the Port of Bridgeport specializes in the handling of fruit, the Port of New Haven in petroleum and steel, and the Port of New London in wood products. Given these objectives, the first few years of the Authority appear to have been productive ones. Board members toured port authorities in the region, participated in maritime shows and conferences and made recommendations for infrastructure improvements. In addition, a brochure, promoting the “Port of Connecticut” (the collective term used to describe the three major ports of the State), was produced and distributed and a promotional display was created for exhibit at trade shows. After these initial successes, however, problems began to appear. One of the problems concerns the issue of funding.

The authorizing legislation of the Authority does not provide for a separate appropriation for the Authority, but does permit it to solicit funds from any source, including any department or agency of the State or Federal Government. For various reasons, the Authority has not done so. The only resource available to the Authority since its inception has been a small yearly allotment of about $10,000 per fiscal year provided by the Department of Transportation out of its appropriation for the Bureau of Aviation and Ports.

The amount of this allotment has been a source of continual debate within the Board. Some Board members have stated that more resources are needed to properly carry out the Authority’s responsibilities, with estimates of the required amount ranging from $30,000 to $200,000 per fiscal year. Some Board members have expressed an interest in hiring an executive director; one of whose jobs would be to increase the resources available to the Authority by soliciting funds from permitted sources. Without adequate funding, the Authority may be limited in its effectiveness.

The issue of the Authority’s relationship to the Department of Transportation also has been discussed at numerous Board meetings. Some Board members would like to see the Authority’s chairperson to be independent of the Department of Transportation. The Authority would then function as a clearinghouse of port related projects. It is felt the Authority can then more freely pursue shipping-based alternatives to land-based transportation of goods, such as feeder port service that is an alternative to highways, as well as other projects that have the Coal of revitalizing water transportation.

Another impediment to the effective functioning of the Authority concerns poor attendance at Board meetings. The Board meets ten times per year. We found that on a number of occasions during the audited period there were not enough voting board members attending to permit a quorum to be obtained. Even more important, the attendance at meetings by board members averaged just 56 percent of the total membership during the fiscal years reviewed. In addition, at the time of our review (January 2000), two positions on the board were vacant. Various reasons have been cited for the lack of participation, but whatever the reasons, the effectiveness of the Authority suffers when it does not have full input by its Board members. The last major issue concerns the current statutory powers granted the Authority, which are inadequate if the Authority is to deal with potentially major port issues.

These major issues include addressing the need of substantial resources to make infrastructure and harbor improvements; maximizing the use of private and public funding, including the aggressive pursuit of Federal funds and, enhancing the potential for the ports to work with each other, in competition with the ports of neighboring States, rather than against each other. Lastly, there is the question of the Connecticut Coastline Port Authority's somewhat undefined relationship to the many local port entities. In addition to the State Pier in New London, there exists the Bridgeport Port Authority, the New London Port Authority, the New Haven Harbor Cooperative and other local and private entities, all having port-related responsibilities. Our review of the Board minutes found that there is no great desire within the Board to see the Authority continue in its present state.

The last several years of the Authority appear to have been frustrating ones. In recent editions of the Auditors of Public Accounts - Annual Report to the Connecticut General Assembly our office noted that "In practice, the Authority is little more than an advisory board. Its proper function should be examined by the General Assembly."

Accordingly, we make the following recommendation:

Criteria: The Connecticut Coastline Port Authority was established in 1993 by Public Act 93-413 to promote the economic development of the port areas of Bridgeport, New Haven and New London through, among other objectives, planning, coordinating and marketing in support of the entities operating the ports.

Condition: Our review found that while the Authority has attempted to carry out its responsibilities, it is restrained by the legislative intent of operating only in a marketing or promotional capacity, which has been limited in its effectiveness due to a low level of resources and to the Authority's lack of true organizational independence from the Department of Transportation. Board members' attendance at meetings has been poor. In addition, the Authority's limited powers have left it unable to deal effectively with pending major port issues and with the numerous local port entities.

Effect: The effectiveness of the Connecticut Coastline Port Authority has been limited. After several years of existence there is still continual debate as to what the proper function, role, and activities of the Connecticut Coastline Port Authority should be.

Cause: Many causes have contributed to this condition. The most prominent causes appear to be the lack of adequate resources for the Authority, the Authority's lack of true organizational independence from the Department of Transportation, Board members' poor attendance at the Authority's meetings, and the Authority's limited statutory powers to deal with major pending port issues and with the local port entities.

Recommendation: The Connecticut Coastline Port Authority should request that the General Assembly examine the role and function of the Authority and make changes to the legislation that created it.

Policy Paper #3

I. Statement of Issue: Create A State Port Authority

Also supports Policies regarding Fix it first (State-of-Good-Repair) ,Strategies to reduce congestion, Infrastructure investments to create short and long term economic stimulus and Elevate port development to a status of strategic transportation/ economic development.

II. Proposed Action: As detailed in Connecticut Economic Strategic Plan (Plan), four main components of the maritime industry in the state are identified:

- Maritime Transportation – These activities include “the movement of freight and passengers through Connecticut’s ports and involve ports, ships, ferries, and inland transportation linkages.”
- • Maritime Manufacturing and Services – These activities include “the construction, engineering and servicing of waterborne vessels including nuclear submarines, powerboats and sailboats, and the manufacturing of supporting marine components.”
- • Maritime Recreation – These activities include “boating and sport fishing and involve marinas, boat dealerships and marine retailers.”
- • Commercial Fishing – These activities include “the production, harvesting, processing and retail of finfish, shellfish and lobster.

For over a decade, the Maritime Transportation components, also known as the deep draft commercial ports, have been described as “niche” ports due to being cargo-specific (bulk, liquid bulk, break bulk and neo-bulk operations). The deep draft commercial ports serve their customers through public and private terminals via pipelines, highways, rail, and warehousing and distribution facilities. Bridgeport has handled primarily coal, gasoline, fuel oil, sand and gravel, paper/ paperboard and until recently fresh fruit. Primary cargos handled at New Haven include coal, gasoline, fuel oil, naphtha and solvents, asphalt products, sand and gravel, zinc, glass and glass products, steel, copper, cement and concrete, and fabricated metal products. New London’s chief cargo has traditionally been gasoline and in more recent times, lumber, copper, steel and cruise ships.

The ports of Bridgeport and New London also host ferry system facilities that accommodate public cross Long Island Sound transportation needs. Each port is conveniently located adjacent the Interstate highway system. New London has rail access to the various port facilities located on either side of the Thames River. The freight rail line connecting the Port of New Haven to the rail system was in the process of being re-established until curtailed due to finding shortages. The freight rail line to marine cargo facility in Bridgeport was removed years ago. Re-establishing the line would be a major undertaking physically, financially and politically.

The recently state’s Economic Strategic Plan released in September 2009 contained several “Key Findings” and some recommendations related to maritime transportation. One finding was that Connecticut’s commercial ports have limited land for cargo storage space (also referred to as lay down area) that results in missed opportunities for expanding sea transportation business. The recommendation was that the seaports need capital investment to expand storage capacity, and to increase intermodal connections between water, highway and rails. Another finding was that the state's maritime advantage is literally eroding as silt collects in the deepwater ports. Without maintenance dredging, port channels grow shallower and larger ships will not be able to safely enter ports to offload goods. If allowed to continue unchecked, cargo will need to be transported by alternative methods, most likely over highways, thus increasing congestion, road maintenance, and pollution. Without channel deepening or improvement dredging, the industry wide move to larger, deeper draft ships will eliminate Connecticut's ports as viable options. The recommendation within the Plan was for the state to invest in our ports by creating a Maritime Investment Fund for port infrastructure presumably including maintenance and improvement dredging.

The strategic vision within the Connecticut Economic Strategic Plan is for developing and integrating pedestrian, bicycle, bus, rail, aviation, and maritime infrastructure so that citizens and businesses can maximize their economic and recreational productivity. The Plan would have Connecticut leveraging its strategic location and deepwater ports, linking New England to New York and destinations beyond. In order to make the vision a reality, the Plan recommends the creation a statewide Connecticut Port Authority consisting of the Ports of Bridgeport, New Haven and New London, and Bradley International Airport, New Haven Tweed Airport and Sikorsky Memorial Airport.

Discussion

Neither the proposed Connecticut Port Authority nor the Responsible Growth Cabinet directly addresses the governance of the state's three deep draft ports. Each of the Connecticut deep draft commercial ports operates independently of and at times in competition with the other. All three of the ports (Bridgeport, New Haven and New London) have active port authorities. The local port authorities are chartered by the cognizant municipality as authorized by state statute. The City of New London created a port authority (NLPA) by City ordinance many years ago. It had been dormant for over 5 years until recently due to inattention by the then City Manager. Recently the Bridgeport Port Authority (BPA) has been diminished. The Executive Director was fired and part of the BPA property was re-zoned for non-maritime development. The NLPA does not own any property. The BPA and New Haven Port Authorities (NHPA) own some but not all of the commercial waterfront properties within their respective port districts. Most of the commercial activities take place within privately owned facilities and do not answer to or financially support the local port authority. There is no central (state) authority responsible to facilitate, coordinate or to economically protect the local port authorities from the political vagaries of their respect municipal leaders.

As recently shown in Bridgeport, Connecticut's port properties are vulnerable to ever changing municipal government development plans. Short term plans to increase the grand list by converting commercial port property into wholesale, retail and/or residential property results in the loss of properties for long term strategic transportation needs for the local region, state or New England region. The Marine Highway system being sponsored by the Maritime Administration will establish maritime corridors along the Atlantic seaboard to move freight from larger hub ports to smaller distribution ports and is also called short sea shipping. The Marine Highway system has the potential to mitigate congestion on the interstate highway system like along the I-95 corridor and in particular Connecticut's "southwest distress-way". The Connecticut Maritime Coalition estimates 80,000 truck trips per year on I-95 could be eliminated between New York City and Connecticut if cargo was transported from hub ports through Connecticut's ports. A key to the Marine Highway marine corridor system will be a network of ports such as the deep draft ports of Connecticut to serve as the receiver ports. Independently, Connecticut's three deep draft ports will be at a disadvantage when competing for participation along the maritime corridor between New York City and Boston unless central coordination is provided, improvements are made to the port infrastructure and channels are restored to their authorized project depth.

Given the strategic vision of integrating all modes of transportation to maximize economic productivity, the creation of a single entity to coordinate the development of the maritime mode has merit. The predecessor to the statutorily created Connecticut Maritime Commission (CTMC) was called the Connecticut Port Authority (CPA). Like the CTMC, the CPA was an advisory group without a budget or authority to govern the activities of the state's ports. Expanding the responsibility of a new Connecticut port authority (CPORT perhaps) to include aviation appears to be modeled after authorities already in existence. MASSPORT and the Port Authority of New York and New Jersey (PANYNJ) consist of variations of marine port facilities, airports and transit assets (bus, rail and light rail). Creating such an all encompassing multimodal port authority in Connecticut would basically be re-creating the Department of Transportation.

Recommendations

There are many questions related to establishing a Connecticut Port Authority. One question to be answered is where would a Connecticut Port Authority organizationally fit within state government? Would it be an independent agency? Would it be a sub unit to the Connecticut Department of Transportation? Would it be a sub unit to another state agency? Another question is what authority would the Connecticut Port Authority have over the local port authorities? Would the CPA be advisory only? Would the CPA be resourced to be able to provide monetary incentives to the local port authorities? There may be some clues within the Connecticut Economic Strategic Plan and other documents.

The Connecticut Economic Strategic Plan recommends that the state invest in its ports by creating a Maritime Investment Fund for port infrastructure improvements. However, the Plan does not address how such investments would be administered. Such a fund, known as the Harbor Improvement Account, already exists. It was created by the State Legislature in 2008 (CGS 13-55b).

1. Prioritization Schedule CPORT can be established almost immediately through legislative changes. The existing Connecticut Maritime Commission would not be needed if CPORT is established. The least complex legislative changed would be to administratively attach CPORT to the Connecticut Department of Transportation. Program management of the three deep draft maritime ports could be placed within the Maritime Office in the Bureau of Aviation and Ports and immediately accomplished as a simple change to existing legislation. The concept would be for the CPORT to serve as umbrella governing body for the local port authorities to coordinate strategic plans, assist with obtaining funding, assist with property acquisition, and assist with marketing the Port of Connecticut.

2. Fiscal Impacts The Harbor Improvement Account (HIA) is administered by the Commissioner of the Connecticut Department of Transportation. State statutes allow for any and all types of funds (federal grants, state bonded money, state operating funds, etc) to be transferred into the HIA and used by the Department's Commissioner for maritime related infrastructure projects. An idea has been made to make $50M of already bonded but unused funds available to improve the state's port infrastructure. The funds could be transferred to the HIA. The Department is already staffed with support functions such as finance, personnel, engineering support and legal review. The Maritime Office located within the Department's Bureau of Aviation and Ports provides coordinated oversight over the state owned port facility in New London, provides administrative support to the CTMC and the Connecticut Pilot Commission (CPC), coordinates dredging projects and serves as a state liaison to the local port authorities. Placing the CPORT within the Department of Transportation and using the existing personnel resources minimizes the administrative cost of running CPORT. Capital costs for projects would need to be addressed in a manner similar to the current transportation infrastructure projects. Consideration could be given to collect all of the fuel tax revenue derived from the sale of fuels at marinas and other maritime facilities and deposit them into the HIA or the operating budget for the CPORT.

3. How does it tie-in to Malloy/Wyman campaign policy? During the campaign, Governor-elect Malloy toured the state's three deep draft ports and released a port development plan that called for making port development a strategic transportation priority. The plan called for allocating $50M in previously authorized Special Tax Obligation bonds, Urban Act and Manufacturing Assistance funds toward port development, including dredging to protect the integrity of the deepwater channels. The plan also called for the creation of a State Port Authority administratively attached to the Office of Policy and Management (OPM) to market the ports, coordinate capital projects and jointly pursue federal funds. The Transition Team is working under the premise that a newly created state port authority be comprised of unpaid gubernatorial appointees, representatives of the Department of Economic and Community Development (DECD), the Department of Transportation (DOT) and representatives of Connecticut's three deepwater port authorities. The number and background of the gubernatorial appointees was not clearly defined. However, the appointees need to be limited in number and defined by expertise.

The outline of a state port authority contained presented during the campaign needs some adjustments. The adjustments will obtain the same goals but at a reduced cost. It is recommended that the Governor limit his appointments to the State Port Authority Board of Directors to three (03): a representative from the Connecticut Maritime Coalition (CMC), a representative from the Connecticut Marine Trades Association (CMTA) and a representative from the Connecticut Harbor Management Association (CHMA). The three organizations literally cover the waterfront. Their respective members represent large commercial maritime companies, marinas and recreational marine businesses and the municipal harbor management groups including harbor masters. Due to permitting issues related to development, the Department of

Environmental Protection (DEP) should also be a member of the new CPORT. The CPORT Board of Directors (BOD) would then consist of nine (09) members: three (03) from state agencies, three (03) from maritime organizations and three (03) from municipal port authorities. It is recommended that the CPORT be administratively attached to the Department of Transportation vs. OPM. The Connecticut General Statues already provide the authority to administer the HIA and execute maritime infrastructure projects to the Commissioner of the Department of Transportation. It is recommended that the CPORT be chaired by the Lieutenant Governor to provide fiscal oversight and alignment among other strategic state transportation and economic development projects. Alternatively, the chairman of the CPORT BOD could be the Secretary of OPM.

III. Long-term Needs/Vision There are over $140M worth of federal maintenance dredging projects in Connecticut. The New England District of the Army Corps of Engineers is responsible for conducting dredging projects in all federally authorized channels in Connecticut but can only do so if properly funded by Congress. Many of the dredging projects have a local (non-federal) cost share usually associated with the disposal of the dredged material. The last remaining general cargo shipping interest left the Port of Bridgeport for Philadelphia in part due in large part to the restricted channel depth caused by a lack of maintenance dredging. The same product formerly delivered to Bridgeport for Connecticut markets is now transported over the congested I-95 corridor. The expansion of the Panama Canal will allow larger ships to bring products from Asian markets directly to east coast ports. The existing deep draft mega –ports such as New York are at or near capacity. Thus, smaller reliever ports such as Bridgeport, New Haven and New London will become a necessity.

IV. Jobs Impact & Other Benefits Connecticut Maritime Coalition recently sponsored a maritime industry Economic Impact Study. The study documented that for every dollar spent on port infrastructure improvements including dredging, as much as $9-$12 of economic activity would be generated through resultant increases in maritime business. The report further estimated that an investment of approximately $80M could lead to a return of as much as $1B in total economic benefit and the creation of 6,100 jobs.

V. Dissenting Opinions & Other Relevant Items The local port authorities and municipal leaders are concerned about losing their autonomy to a state port authority. Local marine facilities located in the three deep draft ports are concerned about the potential loss of influence they might suffer if a state port authority is established. Smaller ports in Connecticut are concerned that they might be forgotten about if a state port authority's focus is on the development of the three deep draft ports. All of these concerns and other can be mitigated through inclusion on the CPORT BOD. As previously recommended, the CPORT Board of Directors (BOD) should consist of nine (09) members: three (03) from state agencies, three (03) from maritime organizations and three (03) from municipal port authorities. It is recommended that the CPORT be chaired by the Lieutenant Governor to provide fiscal oversight and alignment among other strategic state transportation projects.

CDOT does provide administrative support to the Commission through the Bureau of aviation and Ports. It is proposed to consider collecting all of the fuel tax revenue derived from the sale of fuels at marinas and other maritime facilities and deposit them into the HIA or the operating budget. This is essentially a mechanism to transfer STF revenues to this proposed body. There are over $140M worth of federal maintenance dredging projects in Connecticut. The New England District of the Army Corps of Engineers is responsible for conducting dredging projects in all federally authorized channels in Connecticut but can only do so if properly funded by Congress. Essentially, the state and federal government are staring at each other waiting for the other to blink.

Policy Paper #4

I. Statement of Issue: Create a Port Authority Comprised of Unpaid Gubernatorial Appointees

Create a State Port Authority comprised of unpaid gubernatorial appointees, representatives of DECD, DOT and representatives of Connecticut's three deepwater port authorities.

Connecticut's three deep water ports (Bridgeport, New Haven, and New London) have the potential for economic benefit (local and State), increased jobs, improved environmental conditions, urban renewal, and highway congestion mitigation. That potential cannot be realized with the current structure of port governance and strategic thinking. This is a particularly critical time with the pending (2014) opening of the Panama Canal improvements which will greatly increase maritime traffic -- for those that are prepared. Ports in New Jersey, New York, Massachusetts, and Rhode Island are each aggressively acting to be able to capitalize on the expansion of the canal.

Currently, "Independent, locally-created port authorities oversee Bridgeport's, New Haven's, and New London's port. No state or regional agency oversees their operation, but they operate under state statutes granting them broad powers to plan, finance, develop, and operate facilities in the locally designated port district (CGS § 7-329c to 329u). The current districts include privately owned and operated facilities, including docks and shipping terminals. New London's district includes the state-owned and managed State Pier. Consequently, the port authorities' roles vary."1 The three ports are independent and at times competitive -- not cooperative or collaborative.

The result of the status quo is an accelerating loss of opportunity to capitalize on the State's three deep-water ports. Most notably there is no strategic vision for our ports. What the studies demonstrate is potential and to some extent the need for investment in dredging, facility upgrades and connectivity (road and rail). However, as a State we do not appear to have an understanding of the what, why and how.

The primary role of the State Port Authority will be:

- Coordination of port development focusing on private and public investment including marketing funds
- Aggressive pursuit of federal funds for dredging and infrastructure development as well as for marketing purposes
- Aggressive marketing of the advantages of using Connecticut ports to the domestic and international shipping industry
- Coordination in the planning and funding of capital projects promoting the development of each port
- Coordination of marketing efforts promoting the capabilities and capacities of each port city

[1] "Connecticut Ports," Office of Legislative Research, Report 2010-R-0284

- Assessment of appropriate strategic and entrepreneurial initiatives that may be available to the state of Connecticut

This concept would provide the appropriate framework for putting in place a State Port Authority. Additionally, it is recommended that the proposed five member board be expanded to include:

- The addition of representatives from the Freight Railroads and Trucking industries that serve the Ports in Connecticut. They are key stakeholders and linked to the success of our ports.
- The Metropolitan Planning Organization (MPO) for each port (Greater Bridgeport, South Central, and Southeastern) as a means of engaging the region's municipalities. The MPO's are charged with transportation planning.

The new Port Authority should be housed at the Department of Transportation for administrative purposes and for economies of scale since DOT has the infrastructure, knowledge and experience to make this initiative as seamless and least costly as possible.

II. Proposed Action: focusing on immediate action areas

Prioritization Schedule - Legislation should be proposed to the 2011 General Assembly establishing a Connecticut Port Authority.

Fiscal Impacts - Establishment of the Authority would have nominal fiscal impacts -- if placed in the Department of Transportation. Actions to develop a comprehensive strategy and implement such a strategy are another matter and must be evaluated as they develop.

How does it tie-in to Malloy/Wyman campaign policy? –

This proposal is fully consistent with the Malloy-Wyman campaign policies.

III. Long-term Needs/Vision

The logic of a developing a Connecticut Strategy for our three ports and then proceeding with the appropriate investments is clear. We are fortunate to have three such resources and the opportunity to assist in their redevelopment in the context of our state, region, nation and world. Currently, it is not clear what function Connecticut's ports will have going forward. Will it be more of the same or a new dynamic? Doug K. Fleming, professor emeritus of maritime geography at the University of Washington in Seattle in a brief article titled "10 Arguments for more Cooperation Between the Public Ports of Seattle and Tacoma" provides insight into what we in Connecticut should be pursuing with our ports. The following is adapted to fit the Connecticut situation:

Joint planning for the financing, construction and leasing of new container facilities would reduce costly and unnecessary duplications.

Joint marketing efforts would result in cost-saving simplifications. Micro-geographic competition between [Bridgeport, New Haven and New London] tends to be a "someone must lose" proposition versus elevating the competitive emphasis to a regional level.

Joint planning would encourage logical port specialization that makes the most of each port's comparative advantages -- and there certainly are some.

1. The [three] ports share much the same ... physical environment [and] share approximately the same global location and rely on many of the same overland transport systems. Freight mobility should be a joint concern, calling for joint remedial action.
2. Joint efforts to finance and, in fact, allocate space for huge new container facilities are likely to have more chance of success than would a divided approach.
3. Joint efforts by the [three ports] would give the [three] more clout in dealing with the two major railroad systems providing [inter and intrastate] freight service for the [three] ... ports.

The need to build a realistic framework and infrastructure for the future growth of [Connecticut maritime] commerce, creating jobs and incomes for the region, suggests a reasonable objective for ... [the three] ports. The key is more cooperation. ... Within each of the many categories of port-, ship- and cargo-related private-sector services, competition between firms in the same line of business is the name of the game. However, as indicated above, the most logical competitive level for the container ports is regional, not local. Furthermore it is the big container lines and the big shippers constructing their supply chains who shape the choice of ports. Public ports, building, sometimes operating but usually leasing out their container terminals are the great enablers.

IV. Jobs Impact & Other Benefits

It appears that there are significant gains that could be gained from putting in place a strategic vision for our ports and then acting on that vision. Studies indicate that the current configuration/operation of our ports contributes significantly to our state.

In 2001, the former Connecticut Coastline Port Authority commissioned a detailed economic impact study of Connecticut's deepwater ports. The Connecticut Center for Economic Analysis at the University of Connecticut completed this study and issued this final report. This study focused primarily on the State's three major ports, Bridgeport, New Haven, and New London, and on only two of the maritime industry sectors, transportation and manufacturing and services. It employed both dynamic and static economic models (REMI and IMPLAN) and estimated the total (direct, indirect, and induced) economic impact of the three ports on the State's economy over a 35-year period into the future. Overall, the study found that in 1997Connecticut's ports accounted for almost 2 percent of the State's total employment, 2.6 percent of the State's total output (GSP), and 2.5 percent of the State's total taxes, including municipal taxes.2

NOTE: The reference above to a 2001 study is a bit dated. The CT Maritime Coalition (CMC) commissioned a more recent economic impact study of the marine industry on

[2] Economic Impact Study of Maritime Industries in Connecticut February 16, 2010Connecticut Maritime Coalition, Inc., "Organizational Center for the Connecticut Maritime Cluster," page 33 (emphasis added)

CT dated Feb 2010
(http://www.ctmaritime.com/final_conn_maritime_report_051810.pdf). The question not answered is one that looks at what our ports may become and what their roles may be in the future. A dynamic port authority would be in the prime position to address that future.

V. Dissenting Opinions & Other Relevant Items

Local port authorities, municipalities may be concerned with a diminishment of authority or a lack of focus for their port and related projects.

Attachments - Additional Port Development Review Comments

1. The argument is that we need a state port authority and we need to dredge the three ports. Nothing wrong with either point, but those two actions will not in and of themselves create any jobs, other than for the port authority director and the dredging companies.
2. Ports only create jobs if they are used. What gets them to be used is not just dredging and state coordination, but other specialized infrastructure, a targeted strategy for each port, and aggressive marketing of the ports by the port operators and the state.
3. Our ports are currently used primarily for bulk cargo. Bridgeport was until recently used primarily for bananas and has specialized cold storage to enable that. New Haven is used primarily for petroleum products and scrap metals and has specialized storage facilities for those. New London has always seemed to be in search of a function. There was talk at one point of a focus on paper and wood. Don't know if the facilities were developed to support that or not. One cannot just snap one's fingers and change the function of a port without an investment in the specialized infrastructure to support it.
4. The majority of the dollar volume use to define the port opportunity is from container cargo, most of which goes through large "load centers" like Port Elizabeth in NJ, which have billions of dollars of specialized infrastructure to handle the containers. Because of congestion getting containers into and out of Port Elizabeth via truck, there has been discussion for some time about putting some of the containers on barges, or some of the truck chases on RO/RO vessels, and using the coastal waterways (e.g. Long Island Sound) to leapfrog bottlenecks on the highway system. So containers coming into NJ and bound for New England could be transferred to barges or put onto chases and then put on RO/RO vessels and shipped to one of our ports and then trucked north into New England. This could also be done with more distant load centers, such as Halifax or Norfolk or Savannah or even ports in FL. It is even possible to divert domestic truck traffic to the water for a segment of the journey using what would in essence be a truck ferry. This would be an easy fit with Bridgeport as it is already set up to handle ferries. Both of these concepts (load center to feeder port and feeder port to feeder port) are referred to in the industry as "short sea shipping" and I believe that the I-95 Corridor Coalition is doing a feasibility study of it now. I believe that Quonset Point port in RI and the ports of Fall River and

New Bedford are chasing this opportunity aggressively. Of those three, RI probably has the edge because it already has the infrastructure in place to support RO/RO vessels, currently used by Audi and VW to import all of their cars into the US.

5. What function we intend to use a port for determines how deep the channel needs to be. A load center port serving the big container ships needs as much as 65 feet. Oil tankers require different depths depending on size and oil can be lightered onto smaller ship where the depth is too shallow to get in and/or a pipe can extended from the shore to the deeper water, neither of which is ideal. RO/RO vessels need around forty feet and barges around 20 feet. Dredging is expensive so you don't want to dredge any more than you have to.
6. The various port pieces require further discussion about the intended function/market for the port. Whatever function is intended, it should be reality-checked with the market of port operators and shippers to determine that the intended function has a chance of success.

Policy Paper #5

I. Statement of Issue: Establish a Connecticut Aviation Authority (Bradley Airport Authority)

Bradley International Airport currently operates as a governmental enterprise. However, perhaps more than any other aspect of state government, it is truly a business. It is, therefore, sensitive in real time to changes in market conditions and consumer demand. Over the course of time, state policies and bureaucratic controls have had the unintended impact of hindering the airport and its potential as a catalyst for economic development. Among the airport's constraints are the following:

- Unduly complex personnel recruiting and compensation issues
- Cumbersome and time-consuming procurement policies and bid practices
- Fragmented oversight and decision-making
- Duplicative project and contract reviews
- Micromanagement of financial and administrative functions

The oversight of Bradley's activities is currently dispersed among several entities with varying mandates. These include: the Legislature, the State Treasurer, OPM, the Bradley Board of Directors and the DOT. The Governor's oversight is limited mainly to the ability to make certain appointments to the Board of Directors. The TSB has no direct oversight although it is afforded input through the existence of the airport's Board of Directors. The 1999 Schipol Report noted several inconsistencies, certain of which have been addressed since then, but none the less offered that, with multiple entities involved in directing DOT and airport management, it is difficult to have clear, effective and accountable comprehensive oversight. In addition, some entities with oversight responsibilities do not have extensive knowledge about the business of airport management, nor what it will take to make Bradley, along with the states five other owned airports, a truly competitive and more successful enterprise in the 21st century. These deficiencies persist and offer compelling reasons to restructure the governance and management approach to Bradley and the other airports. Connecticut's airports must be allowed to compete more effectively with airports that are better organized and operate within true entrepreneurial models.

Background

Of more than 20,000 airports in the United States, approximately 4,000 are publicly owned with most being owned by government. A survey conducted by the Airports Council International of North America (ACI-NA) revealed that city-owned airports are the most common form of ownership in the United States (38 percent) followed by regional/airport authorities (25 percent), single counties (17 percent), and multiple-jurisdictions at 9 percent. State ownership (not to be confused with governance) accounts for 5 percent and includes Alaska, Arizona, Connecticut, Hawaii, Maryland, Minnesota, New Hampshire, and Rhode Island. Unified port authorities account for another 3 percent. A 2006 Transportation Research Board (TRB) study reached a similar ownership distribution though the classifications were slightly different. It is important to note that, while characterized by their ownership, it is the governance structure that determines how an airport is managed, operated, and ultimately developed.

There is no single path by which publicly owned airports in the United States came to their present form of governance. It was quite common during the 1920s and 1930s for local governments to purchase airports that were previously in private ownership and to acquire vacant property to construct public airports. The U.S. Government constructed several airports during World War II and transferred the airfields to local governments after the war. This was essentially the case in Connecticut when the Connecticut Aeronautics Department acquired Bradley (Field) International Airport (BDL) from the military. This separate department within state government was later merged into the Connecticut Department of Transportation (CDOT) and became known as the Department of Transportation, Bureau of Aviation and Ports.

There are no obvious correlations between airport governance structure and other airport attributes. Similarly situated airports, such as airports with high passenger volumes, airline hubs, or airports primarily serving low cost carriers, are governed by all types of public entities. One of the fundamental problems in attempting to categorize airport governance in a meaningful way is that governance is a multifaceted concept. There are many dimensions to governing an airport that together constitute an airport's governance structure. Aside from the important differences related to financing, most airport operators, regardless of governance structure, will have similar legal authority to pay for airport operations and development through traditional means: bond indebtedness, federal grant funding from the Federal Aviation Administration (FAA) through the Airport Improvement Program (AIP), FAA discretionary funding, funding from the Transportation Security Administration (TSA) for security projects, local fees on enplaning passengers known as Passenger Facility Charges (PFC), revenues from nonaeronautical activities such as concessions and rates and charges imposed on airport users. Of significance, airport revenue, grant funds, and PFC revenue can be used only for airport purposes. In other words, regardless of the nature of the airport governance structure, the diversion of airport revenue for nonairport purposes is strictly prohibited.

In the 1980s, the Bradley Enterprise Fund was created. The fund established an environment that requires the airport (i.e. Bradley, exclusive of the state's other owned airports) to be financially self-sufficient without benefit of money received from the general fund or transportation fund. Bradley derives its revenue from the sources listed above including "aeronautical" revenue that comes primarily from its agreements with commercial air carriers. While the establishment of this environment essentially required financial independence from the state, nothing was legislatively incorporated at the time to allow the airport to operate administratively outside of the usual limitations placed upon more "typical" state agencies and departments. Nothing recognized the needs of the airport to operate in a more business-like manner. Despite these limitations Bradley has been able to maintain its financial self-sufficiency although, in doing so, it has quite possibly foregone certain opportunities common to other commercial airports. And had the other state airports been included in the establishment of the Enterprise Fund, there would have been greater flexibility and the ability to transfer funds internal to the "Airport" Fund from one airport to another as deemed necessary.

Even if airports shared the same or similar structural characteristics, the political, economic, and other contexts in which they operate could lead to substantially different outcomes in terms of the optimal form of governance. All we need to do to see this is consider the states that surround Connecticut. These states vary in the forms of governance applied at each of their airports. The Port Authority of New York and New Jersey governs the airports in the Greater New York City area and remain tied to their respective state governments. Massachusetts has established MassPort, the Massachusetts Port Authority, and coordinates initiatives with the Massachusetts Department of Transportation, Massachusetts Aeronautics Commission. Rhode Island created RIAC, the Rhode Island Airport Corporation as its form of governance. Rhode Island's airports were formerly run by the RI DOT Aeronautics.

In another case we should note the State of Maryland which faced many similarities to Connecticut. It is an excellent example of a State that established an operating environment capable of fostering entrepreneurial opportunities while retaining a strong state government relationship to its airport system. Through the creation of the Maryland Aviation Administration (MAA), an entity that is statutorily independent of, yet beneficially connected to the Maryland Department of Transportation, both Baltimore-Washington Thurgood Marshall Airport (BWI) and Martin State Airport have flourished. MAA also sets policy for all other airports in the State of Maryland.

In Connecticut models already exist within state statutes offering the basic framework for the means to accomplish this type of aviation environment. Specifically, the statutes that define the Connecticut Lottery Corporation preserve the Lottery's nature as a state owned institution while allowing specific authority within which to conduct business absent the restraints commonly applicable to the State's other agencies and departments that are more akin to the traditional roles of government. Proposed Bills that capture this concept have come close to passing both chambers of Connecticut's legislature in recent years. Modeling of legislation to create a Connecticut Aviation Authority (or Administration) would be a reasonable step in taking Bradley and the states five owned general aviation airports to a level in which they could operate in a true business environment. Short of accomplishing that, other changes must be made.

II. Proposed Action

1. Prioritization Schedule

Adopt legislation in the 2011 Legislative session making the statutory changes required to formulate a structure for a new Connecticut Aviation Authority/Administration. The legislation will create an entity composed of unpaid appointees and have jurisdiction over the operation and management of Bradley International Airport and the five other state owned airports (Hartford, Brainard, Danielson, Waterbury-Oxford, Windham, New London-Groton).

The legislation must:

- Define the duties and powers of the entity. The new body should have broad authority for management, marketing, financial planning and bonding, development, operations, communications, concessions and quality assurance, security, fire and rescue, planning, property management, procurement, human resources and personnel management, environmental operations and community relations. Such authority, while subject to transparency, FOI, financial disclosure, accountability both to the Governor and Legislature, as well as all appropriate audit policies, must be broad enough so as to be able to transcend onerous processes currently hindering full development of the state's airports.

- Due to the extensive transition and coordination of contracts with entities such as the FAA, the airlines, concession operators, the military (Army and Air National Guard), various service providers including fixed base operators, taxi, livery and parking operators (as examples), it is anticipated that full implementation of an Authority will probably require 18 to (but no more than) 36 months.
- As an interim step, one that would facilitate improvement in the state's airport system in the long run even if, for some reason, legislation is not readily adopted to create an Authority, there must be an interagency agreement established immediately among DOT, OPM and DEP. Such agreement would address the importance of facilitating the operation and development of the state's airports and require that matters such as requests for proposals, awards of contracts, execution of contracts, etc. be subject to resolution among these offices within an established time (Ex: 30, 60, 90 days) and that, should such agreement not be attained within the defined time period, DOT, airport administration and the Bradley Board of Directors will be empowered to proceed with the matter in what they perceive to be the best interest of the State. This condition should apply to Bradley and the state's five other airports.

Future long term development of operational and economic opportunities beyond the passage of legislation authorizing an authority would become the responsibility of the Board of Directors in accord with their authority.

2. Fiscal Impact

No negative impact is currently projected on the state budget. All funding of Bradley is currently handled through the self-sustaining Bradley Enterprise Fund. Conversely, by combining all of the state's owned airports into a single entity and, since the five state owned general aviation airports' operating budgets are not currently part of the Bradley Enterprise Fund, the opportunity for positive impact on the State's budget exists through the reduction of direct state expenses via a single unified "Airport System Enterprise Fund".

However, there will be a negative impact on the Bradley Enterprise Fund if it is expanded or recreated as an "Airport System Enterprise Fund" inclusive of Bradley and the other five state owned airports. There are no provisions in the current Bradley Enterprise Fund to cover operating costs beyond those incurred by Bradley. A transitional transfer of money from the state into the new fund will be necessary, perhaps for several years, in a process of weaning these airports off of the state's budget.

Another negative impact on the Bradley Enterprise Fund will simply occur with the creation of an Authority whether or not the state's other five airports are combined with Bradley. This impact will come as the result of Bradley's continuing need for services that have historically been provided to it by the Department of Transportation. These include, but are not limited to, Human Resource functions, legal services, construction planning and oversight, appraisal services, multimodal transportation coordination, etc.

Creation of a new form of governance in and of itself will have an impact on fiscal matters and it is recommended that consideration be given to retaining some level of relationship with the DOT. Historically, while Bradley's ability to meet its bond obligations has always been able to stand on its own, the bond rating companies have viewed Bradley's ties to the state in a very positive light. A governance structure that completely severs the relationship with the DOT would likely negatively impact the airport's bond ratings.

3. How does it tie-in to Malloy/Wyman campaign policy?

The proposal fully supports the stated Malloy/Wyman policy goals and objectives.

III. Long-term Needs/Vision:

It will be important for the new entity to actively participate in solicitation of future FAA funding reauthorizations in Congress, tracking available money for Connecticut, and to pursue all applicable grant opportunities made available to it. The Board will also need to recognize and support the airports' needs to engage in industry initiatives such as marketing conferences, management conferences and a strong involvement with New England regional aviation initiatives.

Of equal importance is gaining the support and participation of both local and regional businesses in soliciting new airline routes and the possible return of commercial air service to Groton-New London Airport.

The aviation industry is constantly reinventing itself. The appropriate needs and vision to keep one step ahead of this will be the charge of the Authority's Board and management team.

IV. Jobs Impact & Other Benefits:

A more competitive Airport System in our state means a more prosperous Connecticut. Every significant increase in the number of passengers or cargo carriers utilizing BDL means more jobs, more economic growth, a greater role in national and international trade and greater tax revenues. One estimate is that for every additional one million passengers gained at Bradley, ten thousand jobs can be created. This means that if we can return to the passenger levels of 2006, we would improve the likelihood of creating another 10,000 to 15,000 jobs.

In terms of current state employees, it is anticipated that bargaining unit positions will be retained and employees afforded the same protections as provided for in the 1996 Connecticut Lottery Corporation Bill.

Upon full and final implementation of the new governance structure in the 18 to 36 month timeframe, existing management positions should be reviewed by the Board and determinations made as to extending employment through term contracts or, as necessary, pursuing alternatives.

V. Dissenting Opinions & Other Relevant Items

Some might suggest that all or some of the state's five general aviation airports be sold or closed. However, it is important to note that they are part of the Federal Government's National Plan of Integrated Airport Systems (NPIAS). As such they are factored into being an important part of the broader national airport system. As with Bradley, having received federal money for projects, studies and improvements throughout the years, the grant assurances tied to this money would require that certain amounts received over that last 20 years be returned before any sale or closure of an airport could even be considered.

Conversely, by including all of the state's airports in a single Connecticut Aviation Authority/Administration the state's general aviation airports can be structured as a single "airport system" that would be more friendly to the internal transfer of aviation funds from one airport to another without placing federal funds in jeopardy or being construed as possible revenue diversion. Similar to Bradley, this would require the state's five other airports to be financially self-sufficient or, at most, receive limited subsidy from some other source internal to the Aviation Administration's fund.

All funding of Bradley is currently handled through the self sustaining Bradley Enterprise Fund. Conversely, by combining all of the state's owned airports into a single entity and, since the five states owned general aviation airports' operating budgets are not currently part of the Bradley Enterprise Fund, the opportunity for positive impact on the State's budget exists through the reduction of direct state expenses via a single unified "Airport System Enterprise Fund".

Transitional transfer of operating funds will be required if the other five state airports are included in an "Airport System Enterprise Fund". Long term it should result in a savings to the state. Some relationship should be maintained to keep for bond companies perspective and the many support services provided by the DOT.

(Note: Various statements and sections contained in this document were obtained from publications of the Airport Cooperative Research Program (ACRP). The Airport Cooperative Research Program (ACRP) is an industry-driven, applied research program that develops near-term, practical solutions to problems faced by airport operators. ACRP is managed by the Transportation Research Board (TRB) of the National Academies and sponsored by the Federal Aviation Administration (FAA). Certain other text was obtained from the publication titled: Policy Project - Malloy for Governor).

Note: Please also see similar Policy #37, "Create an Independent Airport Authority with Jurisdiction over the six State-owned Airports", Pages 116-123.

Policy Paper #6

I. Statement of Issue: State of Good Repair should be the underlying strategy behind all of CDOT's Transportation Policy and Investment Decisions

State of Good Repair (SGR) should be the underlying strategy behind all of CDOT's transportation policy and investment decisions, not just a separately funded program. A true SGR program will fix-it-first as a way to seek to address the state's crumbling infrastructure by targeting dollars to maintenance, repair and restore.

Prioritizing a Fix-it-First approach is the first step to creating sustainable transportation policy that will effectively serve the current and future citizens of Connecticut.

Develop a Fix-it-First approach to project selection and prioritization. Continue the 2005 and 2006 state funded Fix-it-First Highway and Bridge Programs.

II. Proposed Action:

1. Develop a list of proposed projects currently ready to utilize state only Fix it First funding. In support of a Fix-it-First approach, dedicate funding to annual preventative maintenance activities (see separate preventative maintenance policy recommendation).
2. Develop Fix- it-First criteria based policy addressing infrastructure needs as an objective, condition based, analysis of our facilities. Develop an approach formalizing its application within the project selection and funds management processes within the Department.
3. Develop a list of the major bridge structures requiring rehabilitation within the next ten years and their anticipated cost.

Background:

A Fix it First program has two components. A dedicated state funding source should be continued as was provided in the 2005 and 2006 transportation initiatives for road and bridge. A process through which the department evaluates and selects capital improvements should established through the development of fix it first criteria.

The discussion below reflects the need to focus our existing resources on capital improvements that provide the greatest benefit.

In 2008, CDOT conducted an assessment of the level of resources needed to maintain, restore, and reconstruct or replace our infrastructure. The assessment included: (1) maintenance needs, (2) restoration needs, and (3) reconstruction or replacement needs.

The total cost of maintaining, restoring, and reconstructing or replacing the state's transportation infrastructure was estimated and projected over the next 10 years. The 10-year cost projection was then compared to the estimate of available federal and state funds over the 10-year period. This provided a rough estimate of our level of need versus our financial capacity to meet that need.

The conclusion of 2008 assessment is that the cost of the projected 10-year program greatly exceeds anticipated revenues. Projected revenues are expected to decrease in the next few years as bonding capacity in the STF diminishes and as we wind down the 10-year special funding programs authorized by the Legislature in 2005 and 2006.

Those two special programs provided an infusion of bonding capacity ($1.3 billion in 2005 and $1.0 billion in 2006) that helped reduced some of the backlog of the major capital projects in Connecticut. Maintenance and preservation needs are increasing. The combination of increasing needs and decreasing revenues creates a gap of $300 – $500 million per year that does not diminish.

The cumulative effect of this state of good repair funding gap is about $2 billion, but it grows to over $4.5 billion in 2017.

Our Interstate highway system poses special problem by virtue of the fact that most of our Interstate system was built in the 1950s and 1960s. Bridges and other structures built in that time period are 40-60 years old and nearing or at the end of their design life. With so many expensive structures reaching the end of their expected life span at the same time, we face a major financial challenge.

The challenge is complicated by the need to rebuild or replace some major bridge facilities. For example, replacing major structures like the I-84 viaduct in Hartford and the I-84/Route 8 interchange in Waterbury will cost in excess of $1 billion each.

Connecticut built 657 bridges in the 1950s and 1047 bridges in the 1960s. The sum represents almost half of our highway bridge inventory. Many of the bridges built in these two decades were part of the Interstate highway building surge that began in the 1950s and peaked in the 1960s. The federal government financed much of the development of the Interstate system. However, it has shown less interest in financing its renewal, and states must now bear that cost.

In discussing a proposed Fix it First Programs (bridge and road) with Engineering design teams, the following perspectives were provided.

Bridge rehabilitation or replacement projects that qualify for federal participation under the HBP are matched with State Bridge Bonds. In the 1990’s the availability of State Bridge funds was such that Connecticut was able to match federal projects with sufficient reserve to fund non-federal qualifying bridge projects (100% state funded). However, over the last decade there has been a diminishing allotment of State Bridge Bonds. In the most constrained fiscal years, the State Funds were barely able to match federal dollars, leaving no funding source for the rehabilitation and replacement of non-federal qualifying bridges.

Connecticut’s infrastructure renewal was further impacted because the Department of Transportation has recently undertaken several major initiatives including but not limited to the I-95 corridor improvement projects, the reconstruction of the I-91/I-95 interchange, and most significantly the new Pearl Harbor Memorial Bridge over the Quinnipiac River in the City of New Haven. These major initiatives alone will account for almost 100% of Connecticut’s share of the Federal HBP funds for several years further stalling Connecticut’s Bridge Renewal Program. With the lack of bridge funds, both federal and state, Connecticut’s Bridge Renewal Program is severely impacted creating a backlog of deficient structures waiting for engineering and construction funds. Many bridges that were in the pipeline were transferred to other federal programs and advanced to construction, but this practice creates an artificial constraint in those programs which were not intended for bridge renewal purposes.

Even more daunting is the fact that Connecticut has several major structures in dire need of rehabilitation or replacement for which there is no federal or state funds programmed or targeted for use to address these needs.

These are major structures with high traffic demands that have been identified to be a priority concern for the Department by the Bridge Safety and Evaluation Office. Many of these bridges have recently or will soon require an interim "emergency" type repair to extend their serviceability and reliability. Programmed work suffers for the benefit of these short term interim repairs, at the cost of tens' of millions of dollars, further exacerbating the State's financial problems.

Prioritization Schedule: Annually

Fiscal Impacts:

Addressing our facilities in a Fix-it-First approach best addresses infrastructure condition issues within available funding constraints. In "cash flowing" major initiatives, the agency must aggressively employ available innovative federal financing techniques designed to release annual funding and address other structures throughout the state.

The biennial budget constraints will be a challenge in continuing a state funded Fix-it-First Program. Outside of increased reliance on bonding, additional dedicated revenues will need to be identified. To justify any revenue enhancements, a direct link to some measurable public benefit must be developed.

The costs of not producing a focused and comprehensive infrastructure program are far reaching, including lost economic development, jobs, tax base and quality of life.

How does it tie-in to Malloy/Wyman campaign policy?

The maximization and efficient use of funding is consistent job creation and economic vitality in CT. As the stewards of funding, Connecticut has a responsibility to fully and most efficiently use all available federal funding.

A Fix–it-First approach to project prioritization and funding allocation is a positive step in efficiently and effectively addressing infrastructure needs.

III. Long-term Needs/Vision

A meaningful Infrastructure Renewal Program requires a steady and predictable stream of programmed dollars that will allow for the systematic repair of deficient bridges and roadways. Fix-it-first will not resolve all the financial problems associated with the State's Bridge Renewal Program and roadway infrastructure. However, it should provide a dedicated funding program for the rehabilitation and replacement of State owned bridges that do not qualify for federal HBP funds and adequate funding to address indentified roadway conditions.

This measure will allow for the continued attention of the "small" bridge and roadway needs of the state, thereby dedicating the federal program for larger, qualifying bridges and road projects. In the absence of a Fix-it-First policy, efficient administration of federal formula funding and a vibrant state only program, bridges and roadways will wait in disrepair until funds are available, or until an emergency condition exists.

IV. Jobs Impact & Other Benefits.

CDOT's capital program annually approaches $1 billion. The efficient strategic management of these funds is the core mission of this agency. A vibrant capital program creates jobs in the short term and long term economic development opportunities that ultimately support state job growth and economic vitality.

V. Dissenting Opinions & Other Relevant Items – Includes Review Comments

- Obvious budgetary pressures will make any proposals to enhance revenue or increased bonding a political and fiscal challenge.
- In consulting with the Bureau of Engineering, the Bridge group identified 13 bridges yet to estimate but totaling in the tens of millions and the Highway group identified 15 projects totaling $55 million deemed "outside of available federal funding" and prime candidates for a Fix-it-First state only program. These projects have design completion dates between now and 2013.
- See email from Principal Bridge engineer (career employee) below. Names have been removed. It underscores the breadth of our bridge needs, requirements to manage large federal projects funding efficiently and the need for a dedicated state source for smaller bridge projects.

  "Bottom line, we have 100's of millions of dollars of bridge needs in Connecticut, Fix-It-First does not even make a dent in that need. But, if any one of those major structures gets traction as a major replacement project, it will suck up all the funds as did the Q bridge and but the rest of the State's bridges on stand-by. That's where Fix-it-First is a nice relief valve for all the culvert and short span bridges what I call the bread and butter projects"

  This is consistent with the direction the Department is currently moving in. Department's current emphasis is on fix-it-first or 'preservation'. The 5-year capital plan adopted about a year ago was an effort to rebalance the program of projects to fit within the limits of available funding. To achieve a fiscally constrained or balanced program, many projects were deferred or canceled. Priority was given to projects critical to keeping infrastructure in a good state of repair.
- 'Fix it first' is a means to optimize or prioritize the use of scarce resources. By itself, it is not sufficient to bring all of our transportation system into a state of good repair and keep it there. To achieve this, we need two things:
- More State Funding. We rely almost entirely on federal funds for our capital program – even small preservation projects like road repaving are often done with federal funds because we lack sufficient state funds do them exclusively with state monies. Doing smaller projects with federal funds greatly increases the cost. Federal regulations typically require that all roadway deficiencies be addressed as part of a project. These requirements often expand the scope of a

project from simple repaving to include improvements to roadway geometry, drainage, safety, and traffic flow.   Often these other deficiencies are minor, yet they can be expensive to correct. State funds are not subject to these requirements, so all the funds can be focused on just the primary need - repaving. As a result, 100% state projects are much less expensive. This means we can repave more miles of roadway. It also means that we do not require a lengthy design and permitting process, so project delivery times are greatly reduced.

- Cash vs Bonds. A higher proportion of the state funding needs to be in the form of cash rather than bonds. Virtually all of the state funding provided for the capital program is bond money (most is used to match federal funds). Using bond money for small projects means we add an interest expense that can often increase the ‘effective cost’ of a project by 50-100%. While the cost is not borne by the individual project, it does add a repayment burden to the State Transportation Program. To avoid this, we need to increase the state-funded ‘pay as you go’ program and fund it consistently in every budget cycle. While it might require a increase in funding in the short-term, over the long term it will reduce the cost of the state paving program.

Policy Paper #7

I. Statement of Issue: Connecticut must increase transportation user fees revenue and other transportation connected revenue to make investments that will bring the current the current systems up to a state of good repair and expand capacity across all modes of transportation to improve mobility, create jobs, drive economic growth and support a growing economy.

Connecticut lawmakers are going to have three choices in the near future: raise revenues, divert funding from other budget items, or accept the consequences of significantly scaled back transportation programs.

II. Proposed Action:

Raise user fees and other transportation connected revenue to increase transportation investments through reliable, stable and DEDICATED funding sources. To garner support for these revenue increases, it is important to enact measures that protect dedicated transportation funding from being diverted to other budget items.

Prioritization Schedule:

Short Term (6 Months)

1. Raise the state gas tax;
2. Dedicate the gross receipts tax revenue to transportation;
3. Consider increasing sales tax on automobiles, registration fees, and renewals;
4. Provide municipalities the ability to assess a $10 per vehicle surcharge on vehicle registrations;
5. Enact a Constitutional Amendment protecting transportation user fees; and
6. Capture and use all available federal funding.

Medium Term (2 Years)

1. Tolls;
2. Congestion mitigation, capacity management;
3. Transit Oriented Development;
4. Public Private Partnerships; and
5. Streamline permitting process on the state and local level.

Long Term (Beyond 2 Years)

1. Implement new technology as it becomes available, such as vehicle miles tax.
2. Consider establishing a State Infrastructure Bank

Fiscal Impacts:

The current funding streams are inadequate, diminishing, and must be supplemented. Investments in transportation infrastructure yield one of the highest returns over other government spending programs.

The funding streams that Connecticut has depended upon to meet its transportation needs are diminishing. Connecticut is over-dependent on federal transportation funding which is going to remain uncertain for at least the first year of the Malloy administration and there are indications that changes in federal transportation policy are going to present significant challenges for Connecticut. The State Special Transportation Fund is falling into deficit in 2012.

Connecticut’s transportation systems are falling into a state of disrepair, underperforming, and unable to meet the needs of the business community and the traveling public. Connecticut ranks 9th from the bottom, in the U.S. Chamber of Commerce Transportation Performance Index, released on September 23, 2010, that ranks each state on its transportation effectiveness. At the same time, Connecticut ranked in the bottom 5 of all of the states in the Better Bridges 2010 Bridge Inventory, with 37% of our bridges identified as structurally deficient or functionally obsolete under FHWA standards.

To reverse this downward trend, Connecticut must raise revenue for state and municipal transportation needs.

An Economic Analysis of Infrastructure Investment, published on October 11, 2010 by the Department of the Treasury and the Council of Economic Advisors (attached) states:

“Many studies have found evidence of large private sector productivity gains from public infrastructure investments, in many cases with higher returns than private capital investment. Research has shown that well designed infrastructure investments can raise economic growth, productivity, and land values, while also providing significant positive spillovers to areas such as economic development, energy efficiency, public health, and manufacturing.” The report concludes that: “[a]n analysis of the economic impact of transportation investment indicates that now is an optimal time to increase the nation’s investment in transportation infrastructure.”

How does this tie-in to Malloy-Wyman campaign policy

Transportation investments are vital to successful economic growth policy. It is proven that these investments have a multiplier effect that creates jobs and increases economic activity.

Beyond economic growth, investments in transportation improve mobility, enhance safe travel, cut emissions, protect the environment, reduce our dependence on foreign oil, and sustain our quality of life.

III. Long-term Needs/Vision

Connecticut needs a statewide vision linking transportation investments and land use. It must facilitate long-range integrated planning. Connecticut’s future is at stake and the right transportation investments yield the highest results in every category. The vision will not only drive public buy-in to increasing transportation investments, it ensures that our future communities are designed to improve mobility choices and provide a high quality of life in the most energy efficient, environmentally safe manner.

IV. Jobs Impact & Other Benefits

Transportation investments create jobs. The Federal Highway Administration calculates that every $1 billion invested in highway and bridge improvements creates or sustains 27,823 jobs. Approximately one-third (9,537) of these jobs are on-site construction jobs in the state of investment. Another one-sixth (4,324) are in industries that supply materials and services used in highway and bridge construction. About half (13,962) of the jobs would be induced jobs created when the construction and supplier workers and owners spend their additional incomes.

The construction industry workforce, which is a large economic engine, is idle, and placing a negative drag on state assistance programs. The construction industry workforce today is faced with its worst economic crisis since the Great Depression. Almost one-third of all the jobs lost in the United States during the 2007-2009 recession were construction jobs. There are millions of skilled trades-people across the state who are out of work and stand ready to return - many of whom could report back to work on one-day's notice.

Beyond the construction related job growth, transportation investments and increased mobility bring new business and commerce to the state – creating more job growth throughout every sector of the economy.

V. Dissenting Opinions & Other Relevant Items

There may be some concern regarding raising revenues at a time when the state is facing a $3.5 billion budget deficit and a struggling economy. However, these investments drive jobs and economic growth. Transportation investments have a multiplier effect. The consequences of failing to act are devastating.

This is one of the key propositions underpinning the new TSB report. The excerpt below is just one element of many in the report that support strategic transportation infrastructure investment.

Connection's economic future and its transportation future are inextricably linked. Without major improvements to important transportation linkages our economy will stagnate even as neighboring economic centers grow. With sufficient and strategically focused transportation improvements we can position the state to share in the economic growth that will eventually return to the nation, and we can realize the full benefit of being in such close proximity to the world's financial and economic center. Maintaining good access to New York is also important because it is at the center of national and global transportation networks – air (cargo and passenger), maritime (freight), and highways (including trucking). Strategic transportation investments will not guarantee economic growth, but they are necessary to support and sustain growth.

Policy Paper #8

I. Statement of Issue: The efficient use of all available federal and state transportation funding is fundamental in delivering a comprehensive transportation program.

II. Proposed Action: Explore alternative organizational structures better aligned with the functional realities and expertise required to deliver an efficient and comprehensive capital program. Two options include:

Move the capital group back into the individual modal bureaus where they can develop the specialized knowledge, relationships and project delivery experience necessary to deliver a vibrant capital plan that efficiently utilizes federal funding.

Have a multi modal group report directly to executive staff (Commissioners).

Background:

In 2008, as an OPM charge, the Capital Scheduling and Programming offices were moved from their respective modal operating bureaus to the Bureau of Finance and Administration. The intent was to centralize financial functions. The Capital Scheduling and programming function is not a fiscal function. It is much too broad based and critical to couch solely in a financial, accounting based, Bureau. The current organizational structure is by many accounts ineffective in maximizing the efficient use of available federal funds.

This substantial organizational change has, in large part, negatively impacted the agency's ability to deliver a comprehensive capital program. Specifically, it has divorced the capital scheduling and programming functions from project development. The tracking and prioritization of project designs and active management of construction contract financing is paramount to employing innovative financing techniques (advance construction and phase financing) in efficiently managing federal capital funds. Capital funds management must be closely tuned to project development issues.

For instance, as of August 2010, FHWA formula funds carried a balance of over $300 million of the 400 +/- in federal funding available to the department had not yet been obligated. By years end, 39 projects had been awarded with formula program funding. The construction season was, by any measure, sparse. Had it not been for ARRA, it would have been worse. Historically, the agency has annually advertised approximately 80-100 projects. By the end of FFY 10 funding was fully obligated (it otherwise would have lapsed), but was largely obligated on existing multi-year projects, regardless of anticipated projected expenditure rates. This resulted in many infrastructure needs going unaddressed, a contracting community lacking new work, fewer jobs being created, and an agency failing to fulfill its mission.

Outside engineering, construction, and political stakeholders have raised concerns about the anemic 2010 capital program.

Capital planning, strategic planning and project delivery functions are currently fragmented and out of step with each other. Organizational and functional alignment is critical. Design delivery is a key component to annual capital planning. Attrition rates of designs need to be tracked, reported and analyzed for capital program funding impacts.

Knowledge of both the design development processes and federal funds management is required to perform this function.

See NCHRP report 591 Factors that Support the Planning Programming Link which acknowledges that a stronger link and appropriate organizational alignment between capital planning and capital programming ensures the best results in the implementation of transportation plans.

Web link: http://onlinepubs.trb.org/onlinepubs/nchrp/nchrp_rpt_591.pdf

Prioritization Schedule: Next six months.

Immediately evaluate the current funding obligated in support of large phase financed initiatives. By all accounts they have been over funded and millions of dollars in capital funds are sitting idle on projects. These funds could be used to support numerous other capital initiatives. Over the past year, the Department has embarked on an effort to substantially constrain design efforts within anticipated fiscal constraints and in order to manage expectations. This was a main charge of the newly formed Capital Services unit within the Bureau of Finance and Administration. It appears that fiscal constraint efforts may have overshot their intent (to constrain planned designs) and negatively impacted the agencies capital highway program.

Fiscal Impacts:

The costs associated with a minor reorganization of staff are negligible. The “cost” of an inefficiently administered capital program is substantial. “Costs” include our ability to address infrastructure needs, create jobs, and support economic development within the state.

How does it tie-in to Malloy/Wyman campaign policy?

The maximization and efficient use of federal funds is consistent with a fix it first approach, job creation and economic vitality in CT. As the stewards of federal funding, Connecticut has a responsibility to fully and efficiently use all available federal funding.

III. Long-term Needs/Vision

The inefficient use of available federal funding has direct impacts on industry, infrastructure, job creation and the state’s general economic health. It is foundational to the Agency’s mission and remains one of its most critical functions. For this to have occurred during these difficult economic times is most disheartening

IV. Jobs Impact & Other Benefits.

The Department of Transportation’s capital program annually approaches $1 billion. The efficient strategic management of these funds is the core mission of this agency in addressing infrastructure needs. A vibrant capital program creates jobs in the short term and long term economic development opportunities that ultimately support state job growth.

V. Dissenting Opinions & Other Relevant Items

A consolidation of the agencies fiscal staff was completed in 2008. This OPM initiative was designed to gain greater control and consistency among financial operations within the department. Unfortunately, capital program management requires a multidiscipline approach. Staffed with engineers with business backgrounds, it is not a purely financially based function.

There may be dissention by recently hired managers charged with this effort.

Policy Paper #9

I. Statement of Issue: Connecticut must take a more proactive and focused approach in advocating for federal transportation funding.

CDOT relies primarily on federal funding to support its Capital Program. We must collaborate with the New England region, as neighboring states share common concerns, in advocating for Connecticut's transportation needs.

II. Proposed Action:

Designate a single agency contact to coordinate a multi disciplined team to develop, evaluate, and advocate for Connecticut as the federal reauthorization debate continues. Establish an office with the following charge.

Develop agency-wide principles for Connecticut to move forward on transportation issues.

Promoting statewide transportation needs.

Evaluate and respond to programmatic impacts of national reauthorization proposals.

Work with congressional delegations and outside industry associations (AASHTO/NASTO) in the advancement of Connecticut's transportation funding issues.

Follow a set of objectives outlined by the American Association of State Highway and Transportation Officials. Includes major focus areas of: Preservation; Freight/economic development; Safety; Congestion Relief and Connectivity (mobility and accessibility in both urban and rural areas); System Operations; Environment; Intercity Passenger Rail; Federal Lands; Research; and National Defense.

This single point of contact should be a direct executive report, coordinating efforts with the Operating Bureaus, Legislative Liaisons and key Capital staff.

No single issue weighs more heavily on the ability of the department to deliver a comprehensive capital program than the ongoing federal debate surrounding reauthorization. The Agency should develop principles for reauthorization consistent with its needs. Some could include, flexibility between modes, relaxing of eligibility restrictions, consistency between FTA, FAA and FHWA funding mechanisms (grant vs. reimbursable), regional partnerships, alternative financing options, incentives for private investment, etc.

The team should have active representation with AASHTO and other industry associations. Connecticut's input into these associations proposals can prove critical in advancing our strategic vision. For instance, as Connecticut has continually expressed a need to expand our Preventative Maintenance Program, AASHTO s proposals include relaxing federal funding eligibility restrictions for preventative maintenance activities. This is one small example how Reauthorization policy can impact our ability to achieve program goals.

Prioritization Schedule: 6 Months

Fiscal Impacts:

Connecticut's reliance on federal funding in advancing its capital programs is well documented. Recent studies have shown Ct in the top five states nationally for reliance on federal transportation dollars. This proposal can be accomplished with movement of existing experienced DOT staff at no cost.

The funding levels, terms and flexibility set under the next transportation bill will have a significant fiscal impact on Connecticut's ability to strategically advance its transportation priorities.

How does it tie-in to Malloy/Wyman campaign policy?

The advancement of a strategic, comprehensive multi-modal capital program for the state of Connecticut relies, in large part, on its ability to advocate and influence federal transportation policy decisions in Washington. The Agency needs to develop principles for reauthorization specific to Connecticut's needs, proactively advocate for them, and stand ready to evaluate alternative proposals presented in the ongoing reauthorization debate.

III. Long-term Needs/Vision

While the reauthorization debate may continue through the 2012 elections, Connecticut should be poised to not only advocate for its share of funding, but be ready to articulate the necessary program flexibility required to meet its unique transportation needs. A "successful" reauthorization bill for Connecticut sets the stage for the next reauthorization debate.

Final AASHTO Policy recommendations:
http://www.transportation.org/sites/SCOFA/docs/AASHTO%20Authorization%20Policy%20Recommendations%20FINAL%20-%202008-10-27.pdf

Department staff needs to seek out both regional and national counterparts in the area of transportation policy relative to the national debate on reauthorization. Regular attendance and participation transportation association committee groups is recommended.

IV. Jobs Impact & Other Benefits.

Economic vitality, transportation enhancements, mobility, job creation and regional linkages, etc. are all linked to a vibrant transportation capital program. The policies established in the next long term highway bill will set a strategic course for the state and region over the next decade.

V. Dissenting Opinions & Other Relevant Items, including review comments

- We need to be in step with our legislative, executive and congressional delegations as well as industry groups in the advancement of our transportation priorities and needs. We need to provide them with consistent information and speaking points necessary to advocate for the State. We, as transportation professionals, need to lead the charge. This is especially true for transportation. A recommendation regarding discretionary funding was included in the new TSB draft. The excerpt is below.

Possible Increase in Federal Discretionary Funds (yield: unknown) Future federal transportation programs are likely to include more discretionary or competitive funding. Connecticut could realize an increase in funding through discretionary programs under two conditions: (1) it aggressively pursuit of discretionary funding and development of the grant writing capabilities required, and (2) if the discretionary programs are focused on the type of infrastructure problems and transportations systems that Connecticut needs to address.

Policy Paper #10

I. Statement of Issue: Adequate resources are not available to support a dedicated Highway Preventative Maintenance Program. Preventative Maintenance is integral to a sound infrastructure.

II. Proposed Action:

Identify and dedicate annual funding sufficient to address highway preventative maintenance activities. These activities are eligible for federal participation.

As a starting point, set aside 10% of federal capital funds for this purpose.

Advocate for a state funded preventative maintenance program.

Prioritization Schedule: Annually.

Connecticut faces an enormous infrastructure preservation challenge. Our highways our highly used, but our infrastructure is among the oldest and subject to harsh weather conditions. Maintaining what we have under intense use and demanding conditions is a challenge. Over the last three decades we made progress toward improving the state of repair of our assets, but that progress has largely ceased, and in some cases begun to reverse.

Operating and maintaining a transportation infrastructure as large and complex as Connecticut's is a difficult and demanding task. The state owns approximately 3700 miles of highways, 3900 highway bridges. Many of our freeways serve 100,000 – 170,000 vehicles per day with truck volumes that typically comprise about 10-15 percent of that amount. Like many northeastern states, our infrastructure is old. The average age of our highway bridges is 50 years.

Harsh winters cause pavements, structures, and vehicles to deteriorate faster. Salt applications and freeze-thaw cycles, cause more rapid deterioration of pavements and structures.

In 2008, CDOT conducted an assessment of the level of resources needed to maintain our infrastructure. The maintenance needs analysis determined the types of treatment needed to maintain systems in a state of good repair and estimated the annual cost of the treatments. It identified the level of minor repair and preventive maintenance needed to keep the overall condition from worsening over time. It is estimated that we need $50 million/year to maintain our roads and about $25 million/year to maintain our highway bridges.

Current spending for preventative maintenance is unpredictable as it competes with funding prescribed for capital improvements. Relatively minor changes in the Department's capital programming priorities can have a dramatic impact on available federal highway preventative maintenance funding. Deferred maintenance puts the infrastructure at risk.

Fiscal Impacts:

10% of our federal highway program amounts to approximately $ 40 million annually.

A vibrant highway preventative maintenance program will delay capital expenditures. Deferring maintenance and repair work is appealing in the short term because annual budgets can be reduced for several years with no immediate or obvious effect on the condition of the infrastructure. However, in the long term such postponements can be very expensive. Preventative maintenance and regular scheduled preservation treatments are typically done to extend the useful life assets and increase the length of time between major repair and reconstruction. When these treatments are missed, a price will be paid due to shortened repair and replacement cycles. These costs are substantial.

If a dedicated state funded preventative maintenance program was developed, reliance on federal funding for this activity could be curtailed.

How does it tie-in to Malloy/Wyman campaign policy?

As preventative maintenance of roads and bridges prolongs infrastructure life and reduces the cost of capital repairs, it is a foundational step in initiating a fix-it-first approach to addressing our infrastructures deficiencies. If we are to set a policy to achieve a "state of good repair"; a consistent preventative maintenance program is foundational.

III. Long-term Needs/Vision

Preventative maintenance of roads and bridges prolongs infrastructure life and reduces the cost and of capital repairs. It also acts to deter emergency declarations due to infrastructure condition failures. It also enhances roadway safety for Connecticut’s motoring public.

Preventative maintenance of our aging infrastructure should become an integral part of CDOT's strategic capital plan.

IV. Jobs Impact & Other Benefits.

Preventative maintenance projects are relatively small contracting opportunities available to local state firms. They can be quickly developed, are not complex in scope and can be moved to construction in a relatively short period of time. Due to the nature of this work, smaller local firms would likely benefit and create local jobs.

V. Dissenting Opinions & Other Relevant Items

Dedicating a portion of federal funds to the highway preventative maintenance program will reduce funding available for other capital improvements. As previously stated, the development of dedicated state preventative highway maintenance program would curtail the use of capital highway funding for this purpose.

Policy Paper #11

I. Statement of Issue: Reduce Connecticut's reliance on federal funding as the sole source of capital revenue available for the advancement of its Capital Program by promoting state only funded transportation programs.

II. Proposed Action:

Develop dedicated state programs funded through specific revenue mechanisms to mitigate Connecticut's reliance on federal funding. Ct relies primarily on the use of federal funds for the advancement of its capital programs. State funded programs increase options in the selection, delivery and flexibility of capital programming. Federal requirements can be onerous, are eligibility restrictive, requiring significant bureaucratic detail. State funding can be tailored to the states individual needs, specific or flexible, as required.

The legislated transportation programs of 2005 and 2006 provided funding for fix it first initiatives and to advance public transportation initiatives. This may be a prudent starting point as we move forward. From an agency perspective, the use and administration of these funds must remain consistent with the legislative requirements and intent. They should be tied either to specific transportation initiatives, or condition criteria.

Background / History:

Our Interstate highway system poses special problem by virtue of the fact that most of our Interstate system was built in the 1950s and 1960s. Bridges and other structures built in that time period are 40-60 years old and nearing or at the end of their design life. With so many expensive structures reaching the end of their expected life span at the same time, we are facing a major financial challenge.

The challenge is complicated by the need to rebuild or replace some major bridge facilities. For example, replacing major structures like the I-84 viaduct in Hartford and the I-84/Route 8 interchange in Waterbury will cost in excess of $1 billion each.

Note that Connecticut built 657 bridges in the 1950s and 1047 bridges in the 1960s. The sum represents almost half of our highway bridge inventory. Many of the bridges built in these two decades were part of the Interstate highway building surge that began in the 1950s and peaked in the 1960s. The federal government financed much of the development of the Interstate system. However, it has shown little interest in financing its renewal, and states must now bear that cost.

A 2008 assessment of capital needs reflects that the cost of the projected 10-year program greatly exceeds anticipated revenues. Projected revenues are expected to decrease in the next few years as bonding capacity in the STF diminishes and as we wind down the 10-year special funding programs authorized by the Legislature in 2005 and 2006. Those two special programs provided an infusion of bonding capacity ($1.3 billion in 2005 and $1.0 billion in 2006) that helped reduced some of the backlog of the major capital projects in Connecticut. The maintenance and preservation needs are increasing over the near term. The combination of increasing needs and decreasing revenues creates a gap of $300 – $500 million per year that does not diminish significantly until 2013 or 2014.

Anticipated federal funding is uncertain as the federal reauthorization debate continues. The cumulative effect of this state of good repair funding gap is about $2 billion, but it grows to over $4.5 billion in 2017.

Prioritization Schedule: 2 Years.

Fiscal Impacts:

Connecticut relies heavily on the use of federal funds in to support its capital programs. When compared to other states, we rank in the top five for federal transportation fund reliance. To address projected funding gaps, a vibrant long term state financed capital program is required.

The biennial budget constraints will be a challenge in proposing an enhanced state program. Outside of increased reliance on bonding, additional dedicated revenues will need to be identified. To justify any revenue enhancements, a direct link to some measurable public benefit must be developed.

The costs of not investing in our infrastructure are far reaching, including lost economic development, jobs, tax base and quality of life.

How does it tie-in to Malloy/Wyman campaign policy?

The flexibility and expedited use of state funding can bolster a more efficient design and construction process, reduced escalation associated with delay, alleviate eligibility restrictions associated with federal funding and allow the flexibility to develop priorities based on the states strategic needs…such as advancing fix it first.

III. Long-term Needs/Vision

Connecticut's reliance on federal funds requires that the state follow federal stewardship requirements in the administration of design, row and construction activities. Also, eligibility restrictions associated with federal funding reduces flexibility both within and between transportation modes. In recent years, the level of federal funding available to the state has been unpredictable, making long term planning and capital program administration a greater challenge.

State funding generally has greater flexibility, less administrative requirements and can be more predictable.

At a minimum, consideration should be given to the use of Pay-as-You-Go state funding approach to funding for smaller preventative maintenance and capital improvements. This will reduce Connecticut's reliance on bonding and reduce long term costs.

IV. Jobs Impact & Other Benefits.

Economic vitality, transportation enhancements, mobility, job creation and regional linkages are all tied to a comprehensive transportation capital program. The additional state resources can be tailored to align with Connecticut's strategic needs.

V. Dissenting Opinions & Other Relevant Items

Obvious budgetary pressures will make any proposals to enhance revenue or increase bonding a political and fiscal challenge.

Policy Paper #12

I. Statement of Issue: Currently, the infrastructure modernization (either new construction or fix-it-first) in Connecticut is tied only to the ability to bond, the gas tax and the federal authorization bill.

We can no longer rely on our federal government to lead our plan. Nor can we rely upon tomorrow's money with little or no guarantee of the maintenance of our infrastructure long after the bond is fulfilled. As we watch the federal program continue to be depleted, we are only a short way from watching our state become uncompetitive as our infrastructure continues to fall behind standards. Connecticut, like all New England states has the oldest infrastructure in the nation, with some of the most congested areas compounding our inability to widen current interstates and finding it harder continue to operate and attract business under the "state of good repair" approach. 3Ps and other alternative delivery methods such as Design-Build and CMGC must be added to the tool box. 3Ps are the most financially strong alternative for the State of Connecticut. Public Private Partnerships (3P) is a proven strategy to develop alternative sources of funds and innovative delivery systems, thereby accelerating critical infrastructure projects.

Although there are many derivations of 3Ps, there are two general forms – availability payments and long-term toll concessions.

Availability payments typically do not entail tolling components. Contracts typically last for 30 years. They can include new construction but primarily the focus is on operation and maintenance of the system. The government retains some of the risk associated with project development, but many of the typical risk factors are transferred to the private sector. In lieu of tolling, the government will make payments to the concessionaire based on the "availability" of the facility. Although a source of funds is needed over the duration of the contract, these sorts of contracts allow the government to sculpt their cash flow over the term of the contract, thereby lessening the impact in any one year. Most of the Canadian 3P projects are being delivered through an availability payment model.

Long- term concessions typically involve tolling existing lanes, HOV lanes, or new capacity depending on the geographic location. The concessionaire will have the responsibility to fund the upfront capital costs as well as the long-term operation and maintenance costs. Duration of the contract can last for 50 years and longer. Toll revenue is the typical source of repayment to the concessionaire. Much of the risk associated with a toll project (including traffic and revenue risk) is transferred to the private sector. The governing contract documents are critical. They provide the key public protections (toll rate, toll escalation, length of contract, etc) for the duration of the contract.

In both models, private sector innovation and synergies accelerate project completion schedules and lowers costs. Within the Malloy/Wyman mission, the P3 (Alternative Delivery) approach would need legislative approval and therefore a 6-12 month start time. Once in place, however, the program is a quick job generator and provides immediate revenue for the State to capitalize on for other projects and further job creations. It must be recognized that P3 is a tool for the Connecticut Department of

Transportation to consider, but it is not a fix-all solution. Other alternative delivery options, as well as revenue resource collection options must be considered such as Design-Build, Tolling of Roadways (State run) and hot lanes where possible.

II. Proposed Action

Public dialogue should be had to explore the interest in Alternative Delivery legislation, including 3P legislation. As discussed above, this would probably include the use of tolling. Although 3Ps have been utilized primarily in the highway industry, there may be opportunities in the rail practice as well. 3P legislation would appear to fit well within the Governor's action plan for accelerated project delivery thereby reducing congestion and improving air quality. It will also fit well with the Governor's focus on alternative revenue sources and getting Connecticut residence back to work. Fiscal impacts would be comparatively minor, however with the 3P tolling consideration; the State would realize payment for the considered roadway and/or bridge. That money could be used to help develop, fix and improve infrastructure throughout other areas of the State. . Development of the requisite skill sets, either within or outside of the Agency, for implementing large infrastructure projects with the alternative delivery method will be an important initial investment. Strengthening our Transportation Industry in alternative delivery will introduce high level skill sets as contractors, financiers, and engineers all seek high level, motivated people within the state.

Once agreement is reached, implementing legislation must be issued to allow and even encourage the use of 3P for larger scale projects and corridors that would otherwise require multi-year or even decades to develop and construct. Where possible, consider the 3P availability payment approach for fix-it-now projects that again would require longer duration due to the design-bid-build methods. This method will allow for immediate corrective action, while enabling the State (DOT) to have fixed financial obligations that can be budgeted for throughout the life of the project and assures accountability in maintenance of the facility.

Beyond the 3P (alternative delivery) methodology, the State must also help encourage quick passage of environmental documentation. Key agency leads (DOT and DEP) must work together to streamline the process, which will enhance the use of all forms of project delivery to ensure expedient project development and construction, ultimately promoting job creation. Alternative Delivery can only work when environmental decisions have been reached.

III. Long-term Needs/Vision

Beyond legislative approval, the State will develop a cadre of employees with the mind-set and experience to develop and manage a robust 3P program. Hand in hand with this will be developing tools which will enable the State to ascertain and select those projects to be developed through a 3P or alternative delivery approach.

IV. Jobs Impact & Other Benefits

Generally, utilizing a 3P approach will create a surge of both short term design and construction related job as well as long-term jobs created through sustained economic improvement related to infrastructure investments. 3Ps are not the panacea of all transportation ills, but rather a tool to increase the size of a transportation program and accelerating the implementation of that program.

V. Dissenting Opinions & Other Relevant Items

There will be opposition to 3Ps as well as tolling. Early and on-going communication is critical. Including the various interests groups in the discussion will pay dividends over time. 3Ps will provide many additional jobs of varying degree of professionalism, engineering, financial, construction. Concessionaires have long experience working within union states and working closely with the various labor unions. Most areas of the country do not support raising taxes. From a revenue generation standpoint, tolls provide a direct nexus between users of the system and the cost to develop and maintain. The public has also at times criticized toll roads as inefficient due the historic need to stop and pay. Today's toll roads are increasingly electronic which allows for electronic payment thereby improving efficiency in the transportation system and improving customer service.

Policy Paper #13

I. Statement of Issue: Create Public Private Partnerships and Transportation Oriented Development to facilitate Economic Development

Economic Development and job creation are blocked by failing and inadequate transportation infrastructure. The Connecticut Department of Transportation (DOT) needs to be part of the solution. We need to closely review how DOT invests its funds for infrastructure improvement, with focus on how to prioritize projects and how to streamline the State Traffic Commission approval process for TOD projects. We also need to raise revenue for infrastructure investment through better efforts in Washington and through public private partnerships (P3s) to monetize state assets through sale, lease or sale/lease back transactions. Also, review whether DOT can outsource some of its functions such that the private sector could deliver infrastructure improvements better, faster and cheaper.

II. Proposed Action:

Create a process that requires DOT take into account economic development and how we leverage public investment in infrastructure to maximize private investment and create economic growth and revenue for the state. Economic development should be used as a criteria for prioritizing projects going forward and reprioritizing projects that are currently allocated funding.

Review current budgets to reallocate funds or determine where funds may be available.

Review state assets (train stations, parking garages, state office buildings etc) to determine what is an essential public asset and what could be sold, leased or monetized through sale/lease back arrangements or other P3 arrangements.

The STC approval process should be reviewed and revised to promote and prioritize Transportation Oriented Development. Outsource as much as possible from DOT to private sector, as appropriate, to expedite projects and reduces costs.

Schedule – reviews should start immediately. P3 policy first quarter 2011.

Fiscal Impacts

Very positive fiscal impacts through the attainment of private investment capital from private equity partners willing to share reasonable financial and project risk.

How does it tie-in to Malloy/Wyman campaign policy?

This proposed Policy is consistent with Malloy / Wyman policies to maintain and create jobs and to create innovative solutions to fund infrastructure improvements.

III. Long-term Needs/Vision

- Revise DOT/STC review process for investment and permitting
- Create a framework (legislation or regulation) to allow and promote P3.
- Promote TOD which will create jobs and revenue to the state and simultaneously work to reduce traffic congestion.
- Raise revenue to improve infrastructure through P3s

IV. Jobs Impact & Other Benefits

- Improve quality of life through TOD.
- Encourage businesses to grow and relocate to Connecticut creating jobs and revenue to the state
- Create construction jobs.

V. Dissenting Opinions & Other Relevant Items, including review comments

- PPP legislation has been considered in the past but was unsuccessful.
- It is time to adopt PPP legislation as many other states have done to facilitate large public projects, such as the very successful Hudson-Bergen Light Rail Systems in NJ.
- More than three years ago, a Transit Oriented Development (TOD) Pilot Program was approved for $5 million. TOD, in providing more compact development near transit centers, is a good investment in public funds since it is promoting a more economically sound investment. Unfortunately, since enactment more than three years ago, no funds have been allocated.
- U.S. HUD, U.S. DOT and EPA are sponsoring a Sustainable Community Initiatives program with funding available for the next three years starting in 2011. Two major grants were approved for the Capitol District Region and Coastal Corridor. In both cases, rail and TOD are the major themes. Since these two grants represent most of the state's regions and population, the program should finally distribute funds aimed at these two grants to augment resources promoting TOD. The Connecticut Department of Economic and Community Development has pledged $2 million for each of the areas, but this needs to be placed on the Bond Commission agenda and finally acted upon positively.

Policy Paper #14

I. Statement of Issue: Strategic planning efforts have been fragmented in recent years and must be fixed.

This compromises the various agencies ability to efficiently use state and federal funding, manage constituent expectations, and advocate for future transpiration funding. Connecticut's transportation planning and subsequent policy development is fragmented and must be fixed.

II. Proposed Action: Develop an Office of Strategic Planning.

Background:

The Department of Transportation produces a variety of plans and studies with Transportation program planning articulated in three primary agency produced documents, the Long range Plan (LRP), Master Transportation Plan (MTP) and Statewide Transportation improvement Program (STIP).

The Long Range Plan is the federally recognized transportation plan for the state of Connecticut. It addresses eight federally mandated factors and serves as the framework for the MTP and TIP/STIP. The MTP is a more project specific document looking over the next two and five year periods with recommendations for project priorities and initiatives within each mode of transportation. It also identifies anticipated federal and state funding levels. The STIP is a working document providing an ongoing process of identifying project priorities and is jointly developed by the Metropolitan Planning organizations and CDOT. It is required to access federal funds, is fiscally constrained and should reflect our current program priorities.

Recently, a constrained federal capital program has also been developed by the agency and posted on the CDOT website. These documents come from different sources, disciplines and perspectives and have become out of step with each other. The development of an agency office dedicated to the oversight of capital strategic planning issues (and documents) will assist in developing consistency of modal Bureau efforts. The goal is to link reporting requirements and visions articulated in the LRP in line with the MTP and STIP, then prioritize capital projects under design and construction, and efficiently align funding allocation. Consistency amongst the documents is critical to the agency's ability the clearly define its priorities to external stakeholders and internal staff. They should also serve as a map for incoming commissioners outlining department priorities. As executive staff turnover has been common over the past decade, the agency would be well served by a recognized "transferable" agency policy document.

Additionally, our state has planners with some relationship to transportation in DOT, DECD, DEP, OPM, UCONN, and other universities. We have an Office of Responsible Growth located at OPM. However, it is not close to being adequately staffed. We, unlike most other states, have <u>no</u> State Planning Office. Our state's GIS capacity is also scattered and inconsistent.

Initiate both legislatively and by Executive Order a restructuring of personnel involved in "smart growth" planning within DECD, DEP, and DOT to a new office of State Planning. This is not to be confused with project planning and project management -- that should stay with DOT. We should also engage the Connecticut Transportation Institute at UCONN as an active partner.

Prioritization Schedule: 2 Years.

Fiscal Impacts:

An analysis of the timing, purpose and breadth of these planning documents may result in less onerous reporting requirements and save resources. A review of the legislation intent and terms of such reporting may assist in focusing these efforts within existing resources as the staff is in service already. Identified overlapping reporting can be consolidated. Savings will be realized by a coordinated/integrated planning.

How does it tie-in to Malloy/Wyman campaign policy?

The delivery of a comprehensive capital program is in keeping with principles set forth in the agencies policy documents.

III. Long-term Needs/Vision

Federal and state statutory requirements may need to be revised to accommodate reporting changes. Advocacy through reauthorization may be an opportunity for change. Capital Programming currently conducted in the Bureau of Finance and Administration is out of step with transportation policies articulated in the LRP and MTP. A centralized office would assist in resolving that concern.

Connecticut needs a more unified policy development system. The current system has individual agencies developing policies (sometimes cooperatively -- sometimes not) and attempting to act on those independently in terms of legislative initiative and funding requests. The proposed approach is one that can be better understood by business, public and federal agencies/policy makers. That should benefit our state in terms of support and gaining additional funding opportunities and allow us to make intelligent use of scarce monetary resources. Moreover, an intelligent/integrated planning approach will allow us to make decisions that protect our environmental resources and enhance the quality of life for our residents.

IV. Jobs Impact & Other Benefits.

Economic vitality, transportation enhancements, mobility, job creation and regional linkages are all tied to a comprehensive transportation capital program. An agency with clear vision can better explain it priority setting in advocating for transportation resources. A clear and measureable strategy for the future is our best course for success. The status-quo is fragmented and often contradictory -- which is not our best way to grow.

V. Dissenting Opinions & Other Relevant Items

This policy recommendation requires strong leadership. The group will not only be charged with the development of an agency strategic vision but must be able to interact productively with outside stakeholders throughout the transportation community. Industry associations, engineering and contracting communities, special interest groups, legislative and congressional concerns, other state and federal agencies, etc. Like other initiatives, change is often seen as the enemy and there will be resistance.

Policy Paper #15

I. Statement of Issue: Embark on a comprehensive modernization of state services

This can be accomplished by maximizing the use of Technology, particularly in the area of Project Management, Customer Services and Intra Government Functions/Coordination. CDOT and other State Agencies need to make government and operations more efficient by embracing technology and making a strategic long-term investment.

II. Proposed action

Project Management

- Deployment of an enterprise wide integrated document <u>management</u> and document <u>control</u> system. In order to have the optimal total system, it is likely two separate systems will need to be integrated. This system will provide centralized storage and sharing of documents and establishment of workflow and the electronic processing of documents. This system will also aid in the streamlining of document retention storage and retrieval.
- Deployment of portable computers (toughbooks, tablets, etc.) to allow design and construction personnel to perform their job activities in the field. Real-time access to the data (via cellular data connections) allows engineers to respond to an issue or question posed by the public instantly. Portable computers allow personnel to be more efficient when they are evaluating or investigating an issue in the field.
- Deployment and development of an integrated Geographic Information System (GIS), Asset Management, Congestion Management, and Roadway Inventory system that allows for the identification of transportation needs and provides for alternatives analysis and investment decisions.
- Analyze the applicability of “cloud-based computing” rather than the standard central network server configuration. This option is desirable considering the dispersion of Department resources and as Department personnel switch to tablets and other smaller devices (referenced above) and provides access to project files without dealing with the security requirements of the State’s network.
- Utilize technology to streamline, automate, and enhance field data collection efforts and to better integrate with office systems, applications, and data. Examples include the collection of bridge inspection reports, asset management, and construction inspection.

Customer Services

- The Agency’s web site isn’t user friendly, lacks clarity, and needs to be significantly upgraded. A primary function of the Agency’s web site is outreach to the public regarding the status of transportation improvements throughout the State. Projects under design and construction should be displayed on an interactive State map and include information such as schedule, budget, general description, and contact information. It is recommended that a firm with specialized expertise – web development and marketing – be retained to bring the Agency's web site into the 21st century.

- All Agency transactions with the public should be evaluated for becoming fully electronic and to allow for the processing of electronic payments. There are over 30 forms on the Department's web site that the public fills in and then either mails or hand carries to the DOT; about 60% of them require some type of monetary processing fee. Making these electronic will streamline operations and provide the public with access to the Department outside of normal business hours.
- The CORE financial system is missing required interfaces to allow for full electronic processing of payments to Contractors. The construction payment is output from the Site Manager construction management system and then needs to be forwarded and input to the CORE system. This is a manual process that should be automated. All other financial transactions involving invoices and payments to outside vendors should also be evaluated for automation – submittal, review and approval, payment.
- A document management system will enhance customer service since project submittals can be done through the system by the Department's consultant designers as well as submittals by other outside entities. This issue is another justification for "cloud based computing". This will greatly streamline operations and allow for the expedited delivery of documents while also significantly reducing printing and copying costs.

Intra Government Functions / Coordination

- A comprehensive <u>statewide</u> data mapping of the various processes between all of the Agencies needs to be done. It is recommended that the Department of Information Technology be charged with this responsibility, recognizing that outside resources will be required to accomplish this in a timely manner. Once the processes are identified, they can be prioritized for greatest potential impact and systems can be developed to automate them.
- As part of Federal requirements, a Statewide Transportation Improvement Program (STIP) is required to be developed among the Department, Regional Planning Agencies, and the Federal Highway Administration. Development of this plan requires numerous transactions and exchange of information between these entities. Changing this process to an electronic system (ESTIP) would greatly streamline operations and reduce the potential for loss of data. An ESTIP system is currently utilized in New York State and is endorsed by the Connecticut FHWA.
- A number of financial transactions, such as allotment requests between the Department and OPM, are still done outside of the CORE system. An analysis of these transactions should be conducted and automation should be achieved.
- A document management system can greatly improve intra government coordination since access can be provided to other Agencies. Examples could

include permit submittals to DEP, Facility project submittals to the State Building Official, and Contract specification submittals to DAS.

Prioritization schedule – The Department's Technical Advisory Committee, which consists of technology reps from each of the Agency's Bureaus, should review and prioritize the recommended improvements. Outside resources will be required to develop and implement these systems. Fast tracking or waiving of the DOIT's System Development Methodology (SDM) which is currently required for all IT projects must also be reviewed.

Fiscal Impacts – In order to implement the technological advancements outlined above an initial investment will be required. However, the recommendations will result in significant future cost savings and provide the services and tools the Department's employees and customers expect.

The Federal Highway Administration allows States to recover costs associated with the management of the Federal aid program through the calculation of an Indirect Cost rate. Although the State would be required to front the cost, the initial outlay can be recovered through this methodology. The recommended strategy would be to implement a limited indirect cost policy, specific to technology advancements, since allocation of these indirect costs will result in a reduction of federal funds available to the Highway Capital Program. However, a $5 million <u>annual</u> investment in technology will have significant long-term benefit while having minimal impact within a $400 million federal program. Documentation on the Indirect Cost policy is included in the Other items section below.

How does it tie in to Malloy/Wyman campaign policy? – All of these recommendations are consistent with the Malloy campaign commitment to improve Government operations and to make government more efficient, responsive, and accountable. These technological improvements streamline operations and increase the transparency of government.

III. Long term needs/vision

These technological advancements will streamline operations and provide efficiencies for years to come. However, there needs to be an annual commitment to Technology enhancements and the identification of a constant funding stream through the Indirect Cost allocation will allow for this.

IV. Jobs Impact & Other Benefits

The implementation of these technological improvements will (a) provide enhanced business operations with the same number of employees; (b)long-term benefits to the State for years to come after the initial up-front investment; (c) functionality the citizens of the State expect. In many cases, Department employees strongly desire these improvements but have been stymied by the short-term outlook of the previous administration.

These technological improvements will provide numerous benefits to the State and the people it serves. They will begin to modernize our services to the level used in the private sector. They will save time, money, and duplication of effort as people interact with state government, saving dollars in our state budget as well as making our workforce more flexible and productive.

V. Dissenting opinions and other Relevant items

FHWA Indirect cost policy

http://www.fhwa.dot.gov/legsregs/directives/policy/indirectcost.htm

http://www.fhwa.dot.gov/tea21/indcosts.htm

http://rates.psc.gov/fms/dca/2%20cfr%20part%20225.pdf

http://rates.psc.gov/fms/dca/revisedslguide.pdf

The recommended strategy of implementing a limited indirect cost policy, specific to technology advancements has met past resistance because its allocation of these indirect costs will result in a reduction of federal funds available to the Highway Capital Program. The assertion that a $5 million annual investment in technology will have significant long term benefit while having minimal impact within a $400 million federal program is true. Of utmost importance is the application of an indirect cost rate on a limited, specific basis. As competition for state resource continues, it would be all too tempting to extend an indirect cost policy to any number of operating areas within the agency, thereby limiting capital funding required for capital investment.

Policy Paper #16

I. Statement of Issue: Transit Investment: New Britain – Hartford Busway

Connecticut must advance a clear, cohesive, statewide vision for investment in rapid transit and initiatives that support rapid transit, particularly the New Britain – Hartford Busway and related Transit-Oriented Development (TOD). The New Britain – Hartford Busway will be the first rapid transit project in the state (with 3 to 6 minute headways) and has been recognized by the Federal Transit Administration as a National Demonstration Project, showcasing the advantages of bus rapid transit for small and medium sized cities. A decision that threatens the construction of the New Britain – Hartford Busway will jeopardize future Federal Transit and Federal Highway funding for Connecticut.

II. Proposed Action: Collaborate as a State to prioritize and advance the Busway project which will immediately create jobs, reduce congestion and provide a flexible, frequent, attractive rapid transportation option for the State, as well as improve our quality of life.

Prioritization Schedule:

Short Term (6 months)

Relay a strong message to our federal partners that this National Demonstration Project in Hartford is a top priority for Connecticut. This project has been ten years in the planning and is now less than six-months from construction. It is also critical that we leverage existing funding. CRCOG's recent $4.2 million Regional Sustainable Communities Grant from the U.S. Department of Housing and Urban Development is one example of an opportunity to leverage the Busway project, and create more sustainable communities. The Busway can stimulate TOD and to this end CRCOG will be using the grant monies to continue working with the Busway towns in developing plans that capitalize on the rapid transit investment.

Medium Term (2 years)

Construct and market the Busway as the best way to travel in the State while working with municipalities on transit-oriented development. Work on complementary connections such as bus – rail transfers (i.e. New Haven – Hartford – Springfield Intercity Passenger Rail at busway stations), linkages to Bradley International Airport and improvements to the bus on-street transit system. Long Term –Construct other busways (i.e. Manchester Busway which would be located in the Interstate 84 High Occupancy Vehicle Lane) that serve outlying communities. A series of busway corridors were identified in CRCOG's Regional Transit Strategy (Feb 01).

Fiscal Impacts

Funding for the Busway consists of 80% federal monies ($454 million) and 20% state monies ($113 million) which were committed to the project in the prior years' budgets and in the current state transit capital plan. The project could realize a reduced cost if lower bidding trends continue. The federal DOT regards the Busway as a National Demonstration Project and as such, the failure to advance the Busway project will negatively impact Connecticut, jeopardizing our credibility as well as future federal monies that might come to Connecticut. This is especially critical since Connecticut is already overly dependent on federal transportation funding. In addition, we would likely be required to pay back millions in federal funds already advanced to the State for Busway planning and design.

How does it tie-in to Malloy/Wyman campaign policy?

The project will reduce congestion, provide attractive mass transportation options and immediately create jobs, all in keeping with the Malloy/Wyman campaign policies.

III. Long-term Needs/Vision: It is critical that we leverage existing funding and partner with others. To capitalize on the Busway project and other statewide investments such as the New Haven – Hartford – Springfield rail line, several groups are working with our bi-state consortium to implement a vision for a Sustainable Knowledge Corridor – building a foundation of opportunity in transportation, housing, education, development and community resources.

The long-term vision builds upon the Busway, establishing a system of 'spokes' emanating from the capitol City to reach thousands of suburban commuters and affording city residents a means of reverse commuting to jobs in those suburbs; blanketing the region with a rapid transit system. Our vision also includes a comprehensive transit system with the rail line providing for long distance and inter-regional travel coordinated with a system of bus rapid transit corridors.

IV. Jobs Impact & Other Benefits: The New Britain – Hartford Busway project, scheduled for construction early in 2011, has the potential to generate between 4,700 and 6,100 jobs (person years). These jobs will provide an important boost to the region's economy during difficult financial times when the construction industry is facing exceptionally high unemployment rates of 20-25%. Some of these jobs will begin as soon as construction projects are awarded.

In addition, according to statistics available from the Connecticut Construction Industry Association, for every $1 invested in transportation projects about $3 is realized in economic benefit. The potential benefit of this $570 million dollar investment ($113 million in State dollars), therefore, could be in excess of $1.5 billion dollars.

Dissenting Opinions & Other Relevant Items

First proposed in 1999, it is the most cost-effective solution to addressing congestion in the Interstate 84 corridor west of Hartford that makes up more than 55% of all freeway delay in the region. Comments in opposition to the Busway reflect frustration with how long the process has taken and an opinion that other options may be more appropriate. The Hartford West Major Investment Study advised that the Busway was deemed to be the best solution to address the congestion, better than expanding the highway, better than adding HOV lanes, and better than a variety of other transit alternatives. National and local research indicates that the Hartford region does not have sufficient population size or density to support light rail and that our best option for introducing rapid transit is bus rapid transit.

A rigorous marketing program needs to be undertaken to inform those citizens about the Busway. Planning for future passenger rail links with adjoining regions can be done at the same time that the Busway advances to construction in the next year. This service –

passenger rail – will serve a very different market (longer trip lengths, inter regional travel) than the busway and implementation of passenger rail in the New Britain – Bristol corridor would not negate the need for the New Britain Hartford busway.

- Although the costs of the New Britain - Hartford Busway have been reduced, remaining budgetary questions should be answered through new discussions among CDOT, the Legislature and new Administration. The overall project costs and revenue sources should be confirmed due to the $3.5B state deficit.
- Some of the main stakeholders in West Hartford, Hartford, and other surrounding municipalities have expressed concern as to whether the high capital investment in the Hartford – New Britain Busway is warranted. Although many in these communities initially supported the transit investment 10 years ago, there are other emerging factors that have changed the landscape of the investment strategy.
- At the very least, it would be prudent to seek a formal Legislative (Transportation Committee) or Executive Branch review of the financing strategy for this bus transit investment strategy in lieu of the looming $3.5B state deficit and likely reduction in available federal (FTA) funding after the recent mid-term elections.
- Similar bus-rapid-transit projects in Houston and Virginia (WMATA extension to Dulles Airport) were reconfigured from bus to rail projects for similar reasons after re-examining the most current aspects of transit investment options. With the recent options offered by the Central CT Chamber and others for combined freight and passenger rail service improvements from Waterbury to Hartford, continuing to Bradley Airport on the Griffin Line, it is time for new “thinkers” to reconsider how the State and Federal funding should be best spent.
- The ultimate value and rationale of such a high cost transit investment must be reconsidered by the present population leaders rather than continuing to blindly follow a project decision made in a very different economic and social time by decision makers who are no longer in decision making positions. A referendum vote would certainly be in order to let those affected advise the new Governor-elect what they want rather than others in outlying communities or a regional transit agency. This is commonly done in other states and should be done in Connecticut.

Policy Paper #17

I. Statement of Issue: Continue Support for Commuter Rail Expansion and Light Rail Transit (LRT)

CT must join many other states and actively increase planning for mass transit alternatives that foster TOD such as Commuter Rail expansion and Light Rail Transit (LRT) Policies resulting in adding rail service on existing rail lines throughout the state. Commuter Rail expansion, such as planned for the New Haven to Springfield corridor, could be introduced from Waterbury to Hartford, and continue to Bradley Field on an extension of the state-owned Griffin Line. Many other existing rail lines should be considered for Commuter Rail service to provide CT residents with alternatives to I-91, I-84, and I-95 traffic congestion while helping to improve CT's air quality.

Improved Commuter Rail service with interconnecting bus service would provide the transportation infrastructure for new job growth and economic development as CT continues to attract employers and highly-skilled employees.

II. Proposed Action:

Immediately explore new commuter rail and light rail transit (LRT) system initiatives similar to those adopted by other states that have made them more competitive by offering rail transit to attract employers and facilitate travel by highly-skilled CT residents. New rail system options need to be prioritized as part of newly invigorated inter-modal transportation planning by CDOT.

Innovative planning could result in fast-track rail projects on existing rail corridors at minimal cost. Project financing could be found through a Public-Private-Partnership (PPP) such as was done for the $1.6B Hudson-Bergen Light Rail System in New Jersey, which was built on-time and on-budget. This would require legislative action on new "3P" legislation which has been considered in the past, but never enacted.

Fiscal Impacts - Eligible Capital Funding

The transit capital investment program (49 U.S.C. 5309) provides capital assistance for three primary activities: new and replacement buses and facilities, modernization of existing rail systems, and ·new fixed guideway systems, including LRT systems (New Starts). Funds are allocated on a discretionary basis. The New Starts program provides funds for construction of new fixed guideway systems or extensions to existing fixed guideway systems.

- Below is an excerpt from Transit Fixed Guideway Modernization (Title 49 USC 5309) regarding eligibility for funding:

  Eligible Purposes: Light rail line, rapid rail (heavy rail), commuter rail, automated fixed guideway system (such as a "people mover"), or a busway/high occupancy vehicle (HOV) facility, or an extension of any of these. Also, new start projects can involve the development of transit corridors and markets to support the eventual construction of fixed guideway systems, including the construction of park-and-ride lots and the purchase of land to protect right-of-ways. Projects become candidates for funding under this program by successfully completing *the appropriate steps in the major capital investment planning and project development process.*

- *Allocation of Funding: Allocated at the discretion of the Secretary although Congress fully earmarks all available funding*

How does it tie-in to Malloy/Wyman campaign policy?

PPP and DB legislation would change the landscape in Connecticut for large infrastructure project funding as it has in other states. Exploring new avenues for innovative transportation project funding fits well with the Malloy/Wyman campaign policies for transportation improvements as part of the general economic recovery plan for the state. TOD and new project delivery methods have been a significant part of many recent successful railroad and LRT projects across the US.

III. Long-term Needs/Vision

Improved Commuter Rail and new LRT systems are already being planned in many states including those with similar population density and other metrics to Connecticut as they fully support economic development, TOD, and long term job growth as part of a sustainable transportation system for the future.

IV. Jobs Impact & Other Benefits

One of the primary economic benefits of improved Commuter Rail service would be to provide alternatives for CT residents to commute to work across the state from various regions. As an example, adding Commuter Rail service from Waterbury to Hartford would allow residents near Waterbury to ride to Bristol, New Britain, West Hartford, Hartford, and ultimately connect to Bradley Airport without changing trains. Efficient Commuter Rail Service could be provided by CT Transit or by a separate contract-operator as is done in other states. Service could be expanded east from Hartford through East Hartford and Manchester, north to South Windsor, Windsor, and Enfield. Service to Foxwoods and Mohegan Sun could be added, with connecting rail service to major Amtrak stations.

Job growth throughout CT will require improved rail transportation, not just on the New Haven Line to New York, and from New Haven to Boston, but from areas of the state previously served by rail in the 1950's that can be reconnected to larger cities without large expenditures if properly planned and executed.

V. Dissenting Opinions & Other Relevant Items, including review comments

Some people still believe that improving bus service is the alternative; however that is just not the answer for sustained economic growth and Transit Oriented Development, which has been successful across the country in other states with similar population density centers. A true "multi-modal" transportation system linking CT towns and cities will require inter-connecting bus and rail service to best serve CT residents in the future.

- The narrative cites that "Project financing could be found through a Public-Private-Partnership (PPP) such as was done for the $1.6B Hudson-Bergen Light Rail System in New Jersey, which was built on-time and on-budget." This would require legislative action on new "PPP" legislation which has been considered in the past, but never enacted." For PPP legislation to gain traction it will have to be project specific and address a well developed and championed transportation improvement.

- Promote Rail Branchline Funding as part of a dual strategy. DOT has not provided funding for upgrades to the New Canaan and Danbury Branchlines, however, the Connecticut Bond Commission has approved $250 million for high speed rail between Hartford and Springfield. The Bond Commission needs a dual funding strategy for rail: (1) State of good repair/normal replacement; and (2) Extensions and expansions. The branchlines fit the first category and "fix it first" should be the branding to move the rail service stuck in the middle of the 20th century into tomorrow land of the 21st century. In so doing, a rationale is also provided for the second category and funding for high speed rail. However, to fund one without the other is an imbalanced program that makes no sense.
- Operating Funds - In developing new facilities, funding focus is typically centered on securing capital funds sufficient to gain project momentum. The operating costs with new facilities, however, are sometimes an afterthought. Reflecting the constraints of available statewide operating funds the Connecticut Department of Transportation has experienced a significant down turn in funding available in support of it operations.
- Confirming, the available match for New Starts funding is 80 percent Federal, 20 percent local. However, FTA continues to encourage project sponsors to request a Federal New Starts funding share that is as low as possible. The Congressional Conference Report that accompanied the FY 2002 Department of Transportation Appropriations Act instructs "FTA not to sign any new full funding grant agreements after September 30, 2002 that have a maximum Federal share of higher than 60 percent."Funding Availability: Year appropriated plus two years (total of three years)
- The concept of extending the Griffin Line to Bradley Airport for rail passenger service from Bradley Airport to Hartford Union Station should be considered as part of the Bradley Airport Authority planning in lieu of the infrastructure improvements that have been completed subsequent to CDOT's Alternative Analysis performed more than 10 years ago.
- Addition of a bikeway along the Griffin Line portions from Bloomfield to Windsor should be considered and would further support TOD in Bloomfield's technology area near Dayhill Rd.

Policy Paper #18

I. Statement of Issue: Bring Back Streetcars in CT Cities

Several CT cities have been considering bringing electric Streetcars / trolleys back to their cities in a downtown circulator similar to many other cities across the country.

In 1908, Hartford had more than 125 miles of electric streetcar or "trolley" lines throughout the city that were part of the Connecticut Company's Hartford Division. A city resident could board a trolley and ride to dozens of cities and towns across the state since trolleys were the primary mode of public transportation.

By the 1930's, the shift to buses and cars began to erode streetcar line ridership. Hartford's last revenue trolley ran in July, 1941, and the Connecticut Company ceased streetcar operation throughout Connecticut in 1948.

While Mayor of Stamford, Dan Malloy commissioned a study for a Stamford streetcar circulator connecting several redevelopment areas with the office-retail core downtown. The 2.3-mile route would start near Washington Boulevard and Atlantic Street in the South End and serve the railroad station, Landmark Square, Ridgeway Shopping Center and Bulls Head. The streetcar circulator would stimulate transit oriented development both downtown and in surrounding areas, expand the customer base for existing downtown businesses and enhance the value of downtown office, retail and residential development.

New Haven is also actively pursuing the return of streetcars through a similar downtown streetcar circulator study as the type of project many cities are considering to provide an innovative "green" mass transit mode to attract younger professionals in the expanding workforce.

Portland, Oregon was among the first cities to reintroduce a modern streetcar system in Portland's downtown Pearl District. The streetcar circulator generated more than $2 billion of transit oriented development in five years within two blocks of the streetcar line. Ridership on the new streetcars was more than three times the planner's projections.

Little Rock, Arkansas opened its new 2.5-mile River Rail streetcar circulator in 2004 and is now considering extending it at least another mile to the Clinton Library. More than $200M in transit oriented development resulted, with much more planned.

Tampa, Florida opened a similar streetcar circulator in 2002 along a 2.5 mile line that connects downtown Tampa with the Channelside district and historic Ybor City. The project cost was $55 Million, but the new trolley circulator has been credited with more than $1 billion in private transit oriented development investment.

Fiscal Impacts

The transit capital investment program (49 U.S.C. 5309) provides capital assistance for three primary activities: new and replacement buses and facilities, modernization of existing rail systems, and new fixed guideway systems, which would include streetcars through the New Starts program. In addition, Design-Build strategies could be employed through PPP legislation such as was done in many similar streetcar and LRT systems across the country.

II. Proposed Action:

Consider bundling <u>one or more downtown streetcar circulator projects into a single-project</u> with similar streetcars, including rebuilt “vintage” Connecticut Company trolleys available from the two CT trolley museums in East Haven and East Windsor, and a small fleet of new high-technology streetcars that resemble the vintage streetcars but offer air-conditioning and other modern amenities. This same innovative mix of old and new has been successful in other cities to facilitate Transit Oriented Development tool.

By utilizing similar streetcars, one maintenance facility could be built, allowing streetcars to be shared across cities reducing the overall fleet size. The State Technical Schools could introduce a program in Streetcar Maintenance and Operations Training to CT residents to facilitate state residents getting new jobs to operate and maintain streetcars in multiple cities. Initial training programs could be designed and financed by the manufacturers of the new streetcars.

III. Long Term Needs / Vision

The Malloy administration could foster discussion and possible fast-track delivery options (Design-Build, Design-Build-Operate-Maintain) for one or more downtown electric streetcar circulators as part of a new economic growth strategy. This innovative Policy concept fits well with the Malloy/Wyman campaign policies and allows for cross-pollinating transportation with education, energy, and other Working Groups to create sustainable transportation options for Connecticut’s future.

IV. Jobs Impacts & Other Benefits

This Policy recommendation requires out-of-the-box thinking across multiple state departments, resulting in benefits to CT residents including improved downtown mass transit, proven economic and Transit Oriented Development, new technology jobs and job training opportunities, and a “green” clean air alternative.

One or more federal grants (FTA, DOE, EPA, etc) could be initiated by one, two, three, or more (Hartford, and Middletown are also reportedly considering streetcars) municipalities pooling resources to gain economies of scale for multiple streetcar circulator projects initiatives. The FTA “small start” federal funding process is not the only source of funds if all aspects are considered. Tourism will also be supported as visitors to CT (as in other states) enjoy riding “vintage” and new streetcars.

Imagine a streetcar circulator in Hartford to the Convention Center, local hotels and shops and to Hartford Union Station. Add commuter rail service from Waterbury to Hartford Station to Bradley Airport. Tourist and convention center visitors would be able to fly into Bradley Airport, ride a passenger train to Hartford Union Station via the Griffin Line, then board a trolley at Hartford Station (street level) on the new streetcar circulator to their hotel and to the Convention Center. CT residents could board a train in Bristol or New Britain, ride to Hartford Union Station, catch a streetcar at street level and ride to the Convention Center, the Science Museum, or to the downtown shops.

V. Dissenting Opinions & Other Relevant Items, including review comments

Similar to Commuter Rail improvements, some people still believe that improving bus service is the correct alternative, however that is just not the answer for sustained economic growth and Transit Oriented Development through carefully planned streetcar circulators.

One or more streetcar circulator systems in CT cities such as Stamford, New Haven and Hartford for example wouldn't require rocket science, but it would require good, progressive transportation planning that addressed the current and future needs of the community. City and State transit planners in states across the country have recognized the business and general economic growth benefits generated by transit oriented development. Restored vintage streetcars and new vintage-looking streetcars operating in a downtown circulator would be the historic centerpiece of each city as well as an important part of overall economic development, clean air, and traffic reduction. Local business growth throughout the area served by the streetcar circulator would create new jobs and create many new business opportunities in economic development zones financed in part by private investment eager to participate.

Policy Paper #19

I. Statement of Issue: Eliminate Silos in Funding Transit Operations

While most funding of transit operations is from one line item in the budget, several smaller line items cover selected transit services. Usually the result of a special appropriation to increase service, once the service is established it usually spawns special reporting requirements and fire walls the particular service from other services preventing transit providers from reallocating resources to be used in the most productive manner. Sometimes perverse requirements are placed on the transit provider. For example when welfare to work funds were applied to new transit services, the measure of success was the number of TANF recipients using the service. Many of these services attracted heavy usage and most of the customers were using the service to access employment, but very few were TANF recipients, therefore funding of these services became threatened. In summary the existence of several funding silos for that transit services results in administrative burdens for transit providers and prevents the efficient allocation of resources.

II. Proposed Action: Consolidate all funds used for general public transit services under the Bus Transit Operations Line item, making sure that each transit agency is made whole in allocating funds.

1. **Priority**: To be part of FY 2012 and FY 2013 budget submittal
2. **Fiscal Impact**: No direct cost to state budget. There may be some minor reductions in state administrative expenses. It will reduce administrative costs for transit providers and will result in more efficient deployment of transit services.
3. **How does it tie-in to Malloy/Wyman campaign policy?** The campaign briefing book has made several references to improving transit service. While it will take much more than this action to provide optimum transit service, this proposal is one small step in achieving this vision.

III Long-term Needs/Vision:

IV Jobs Impact & Other Benefits: It will enable transit systems to better deploy resources which could result in improved access to jobs. It will reduce administrative costs of transit agencies and allow for the most efficient deployment of resources.

V Dissenting Opinions & Other Relevant Items:

Policy Paper #20

I. Statement of Issue: Improve the Freight Rail system within Connecticut and Implement Multi-modal Freight Transportation Connections to Reduce Business Transportation Costs and Reduce Truck Traffic

CT should re-prioritize goals of the Department of Transportation to recognize and support freight rail service and also fully support freight rail federal grant applications in support of Connecticut's economic recovery, to reduce truck traffic on state highways, and as a viable clean-air initiative.

A 2009 Federal Railroad Administration (FRA) report found that freight trains used far less fuel per ton mile as compared to trucks. The report advised that fuel efficiency ranged from 156 to 512 "ton-miles per gallon" as compared to truck efficiency of only 68 to 133. An average freight rail car operating in Connecticut is allowed to carry between 70 and 100 tons of freight. One freight train pulling only 10 freight cars can carry as much freight as between 175 and 250 trucks on Connecticut's congested highways.

II. Proposed Action:

Immediately review and implement the Connecticut State Rail Plan (2010-2014)goals for freight rail. One stated goal is to "increase freight rail usage by 25 percent to reduce truck traffic and energy consumption." The DOT State Rail Plan also indicated a regional goal of increasing rail freight volume by 20 percent over the next 20 years. This goal is low by many estimates including those from neighboring states that support freight rail programs and federal grant requests. Many expect freight rail traffic to continue to grow between 3% and 5% increases in rail freight each year, especially since 2010 major rail to port export traffic increased 25% over 2009.

Fiscal Impact

DOT provided supported freight railroads in 2009 by agreeing to submit several freight rail grants among DOT's other "Track 1A" federal Stimulus Grant program requests. But other than the $41M Grant for the New Haven to Springfield Line (primarily for Commuter / High Speed Rail), no freight railroad was successful in securing any federal stimulus money. Many other states in New England had submitted and were successful in winning federal grant money that included freight rail improvement projects. DOT should identify possible federal grant avenues and invite freight rail operators to submit grant applications for safety and capital improvement projects. Stronger freight rail Policy should include the cooperation of DOT, DECD, and other agency policies regarding freight rail improvements on freight (only) lines throughout Connecticut . DOT could partner with DECD to fully explore and support federal grant writing efforts for freight rail projects using shared state grant writing staff.

The Legislature adopted statutes to provide for freight rail project funding, including grade crossing improvements, however funding has not been provided.

Reallocation of Existing State-Owned Rail Assets

Existing track, signal, and overhead catenary system materials that are regularly replaced as part of modernization projects on the state-owned New Haven Line should be made available at no cost to CT freight rail operators who operate on state-owned freight (only) rail lines, and to other freight rail operators and non-profit rail museums in Connecticut. These valuable state-owned materials have significant additional life-cycle value and should not be sold for minimal scrap value to reduce New Haven Line projects as is currently the case.

III. Long-term Needs/Vision

The Malloy/Wyman policy documents expressed the need for improved rail service to aid the short-term recovery and in support of long term economic sustainability. Better coordination among state agencies and a directed marketing campaign to attract new business owners to settle in CT would result in improved freight rail service and lower shipping costs for businesses statewide. Working in collaboration with Connecticut's freight railroads,

Adopt the national "286K" Freight Rail Standard for Track

CDOT should prioritize the rail lines (state and privately owned) that should be upgraded to the national 286K freight rail weight standard and become part of the regional planning efforts with major rail carriers for double-stack bridge and other clearance to increase freight rail capacity. Our border states are all actively partnering with railroads to raise bridges/increase tunnel clearances with projects funded with a mix of federal, local, and private funding.

Clarify It is unclear whether STO bonds can be used to upgrade rail - this should be answered once and for all. If not, a small percentage of existing economic development bonding should be dedicated to this initiative as is done in other states.

IV. Jobs Impact & Other Benefits

Improved freight rail service would immediately offer Connecticut manufacturers, distributers, and other businesses lower cost options for transportation of raw and finished goods, including multi-modal rail-port, rail-truck, and rail-air. It would also increase the likelihood of new manufacturing relocating or expanding in Connecticut to take advantage of the highly skilled workforce. Good freight (and passenger) rail service is a major factor in corporate expansion decisions. In deciding whether to consider economic assistance for new firms seeking to relocate, DECD should determine whether such companies will generate a large volume of truck traffic and whether this traffic could be diverted onto rail by spur lines/rehabbing rail lines. Existing DECD funding should be used in this effort.

V. Dissenting Opinions & Other Relevant Items including review comments

Connecticut should join the ranks of many states and partner with large and mid-size railroads to improve freight rail service as part of their regional operating goals and objectives.

- Multi-modal shipping opportunities would require coordination among state agencies and planners to effectively market new ideas that can help jump-start economic development and job growth. Ports should be invited to participate and encouraged to partner with railroads for improved freight shipment alternatives statewide.

Policy Paper #21

I. Statement of Issue: Improve Consideration of the Needs of non-Auto Users in All Development Projects

Frequently, development occurs with little regard for the needs of pedestrians, bicyclists and transit users. This discourages the use of alternatives to the single occupant auto. This also can result in unsafe conditions for individuals who walk or use transit; and virtually all transit users are pedestrians at each end of the transit trip. If all modes were giving equal consideration in the planning of any development, large or small, from the very beginning of the development process should not increase the cost of development.

II. Proposed Action: At any time that a municipality, regional planning agency, state agency or any other state created entity reviews a proposed development project and as part of this review conducts meetings in which public safety (police or fire) and/or utility providers (electric, gas, water) are invited to participate to comment, provide input or recommend modifications; the transit provider serving the site must be invited and allowed the same opportunity to comment, provide input or recommend modifications. Whenever documents relating to the project are sent to public safety or utility providers for review and comment, the transit provider serving the site must also receive the documents and have the same opportunity to review and respond.

The above applies to projects developed by private interests, public agencies and public/private partnerships. If no transit agency directly serves the site, the transit agency responsible for providing transit service in the municipality where the development is situated shall be contacted. Wherever more than one transit provider serves a site or provides service within a community, all transit agencies shall be contacted however they must designate one transit provider to represent all transit providers and only one agency provides a response for transit.

In municipalities with no transit service, the nearest transit provider shall be contacted.

Priority: Legislative and/or administrative action during first six months

Fiscal Impact: No direct cost to state budget. Long term positive fiscal impact on transit systems resulting from increased ridership and more efficient routing of service.

How does it tie-in to Malloy/Wyman campaign policy?

This proposed Policy is consistent with support for transit oriented development and increasing access to employment, improving mobility for seniors and environmental improvement

III. Long-term Needs/Vision:

Since development could last for a generation or more; during the life of the development transit service could be provided to it. It is important that all development whether currently served by transit or not be built to be transit supportive.

IV Jobs Impact & Other Benefits

According to The Workplace, lack of transportation is the number one barrier to employment. While part of the problem is lack of service (addressed in another paler) another part is the difficulty in providing access to many employment sites.

Over time this will address the physical barriers and challenges facing transit providers when serving worksites. Also many senior housing complexes and facilities serving seniors are designed in a manner that precludes walking or using transit. Since many seniors do not drive they become dependent on others for mobility. Designing for all modes will increase use of environmentally friendly modes supporting environmental goals. Increased walking or bicycling will improve overall health.

V Dissenting Opinions & Other Relevant Items, including review comments

- Note that the new M8 rail car fleet has provisions for bicycle storage at the request of non-auto users who regularly bike to work.

Policy Paper #22

I. Statement of Issue: Improve Rail Station Parking on Metro-North

Over 125,000 daily trips are taken in CT on Metro-North. With introduction of the new M8 cars, rail capacity will be expanded significantly. Yet, CDOT has done nothing to expand station parking or access to the stations. Most towns have a 5 – 6 year waiting list for parking permits while many spaces go unused. We need more parking and better administration.

The Stamford station parking garage, set for demolition for 3+ years, should be rebuilt in place. CDOT plans to swap the land at a profit to a private developer should not be allowed as this will move commuter parking blocks away vs the current covered-walkway directly from the garage to the station.

II. Proposed Action

As landlord of most stations and their associated parking lots, CDOT should work with the towns (which operate both under contract) to expand parking at affordable rates. Towns will protest increased traffic from non-residents unless all stations are equally expected to offer expanded parking.

Waiting lists should be combined into a central database allowing public search by station / waiting time / rates.

III. Long Terms Needs / Vision

New Funding Sources - As the towns set prices for parking in 'their' lots, proceeds from parking fees should be devoted to expanded parking and station improvements. Commuters will not protest reasonable fee increases if they see a benefit.

Annual parking permits, which are grandfathered, should not be automatically renewed, but given to those on the waiting list who can prove they commute. Otherwise, permits are hoarded for occasional use while permit spaces remain empty and unused.

New parking structures should incorporate retail space whose rental income can offset construction and parking fees.

IV. Jobs Impact & Other Benefits

Increased and improved parking will support increased ridership and use of rail.

V. Dissenting Opinions & Other Relevant Items

A study:
http://www.ct.gov/dot/lib/dot/documents/ddotinfo/ctgov/Station_Operating_Analysis.pdf. Some communities reap benefits from current governance structures. Although a common governance structure makes perfect sense for consistency throughout the statewide system, changing/reducing local revenue streams/benefits will prove difficult to implement. Agreements would have to be reworked each having varying terms and staggered expiration dates.

Policy Paper #23

I. Statement of Issue: Improve Statewide Incident Management

The National Traffic Incident Management Coalition reports that more than 25% of roadway congestion is caused by traffic incidents. Every minute a freeway lane is blocked due to an incident results in 4 or 5 minutes of additional travel time delay. The likelihood of a second accident increases by 2.8% for every minute of roadway blockage. These statistics and others like them were the driving force behind the establishment of the Statewide Incident Management Task Force (SIMTF) in 2003. Improved incident management is just as important today as it was in 2003.

II. Proposed Action:

Prioritization Schedule:

Most if not all of these recommendations can be moved forward in the Short Term (6 months):

1. First and foremost, an expression of support for continuing Traffic Incident Management programs, policies and projects in Connecticut by the Malloy/Wyman administration is needed. The 2007 Statewide Incident Management Policy3 was approved by the commissioners of five State agencies, and the presidents of four statewide local responder associations including fire chiefs, career fire chiefs, police chiefs and towing professionals. This represented real progress in recognizing the importance of promoting a team concept for managing incidents on our State's highways. This policy needs to be reaffirmed, distributed through the chain of command to all appropriate response personnel, and implemented. Endorsement by the Governor would move this Policy to the highest level.
2. Fund the development of a training program for the Unified Response Manual (URM) that was adopted by the TSB in 2008. Support a program to maintain, update and distribute the URM.
3. Support and fund a public awareness campaign for motor vehicle laws, including but not limited to the "Move Over" and "Move It" laws, and include these laws in the Department of Motor Vehicles (DMV) Drivers Manual and driver training.
4. Fund state-of-the-art photogrammetric equipment for use by State Police at the scene of an accident. In other states where this equipment is used by accident investigation personnel, it has proven the ability to cut on scene investigation time by one-third.
5. Support restoration of staffing levels for CDOT's highway operations program and Traffic Management Centers. Continue support and funding for the State's Traffic Incident Management program instituted on I-95, as well as TIM programs in the I-84/ I-91/Rt 2/Rt 9 corridors. Expansion of the program to other congested, limited access highways is the next step.
6. Continue support and funding for the CT Highway Motorist Assistance Program (CHAMP):restoration of funding to the 2008 level of service is essential.

7. Support and fund CDOT's project to replace and upgrade the traffic management equipment in the I-95 corridor, and its project to share streaming video images (statewide, where cameras are available) with other emergency responders, including but not limited to local fire departments and the State Police.
8. Support a complete review of towing issues, including but not limited to tower payments (amount and method), equipment and training requirements, and liability issues.
9. Initiate a discussion with the Office of the Chief Medical Examiner about best practices followed in other jurisdictions that will more quickly clear fatal accidents, and the possible application of these practices in Connecticut. (3 Attached)
10. Initiate a discussion with the Department of Public Utilities (DPUC) and utility companies regarding their emergency response procedures and capabilities, which can help to expedite the clearance of roadways during large weather-related events and call-outs for hazardous incidents.
11. Add secure internet traffic cam access for emergency responders. It is in the Statewide Incident Management Task Force letter (which I helped to write) - but it is low cost, technology based, proven to expedite quick clearance, improve responder safety, and save costs by verifying an incident location and apparatus/manpower needed to respond. Rell committed to this. CTDOT did not respond. The highway ops unit is overwhelmed with operations and does not keep up with technology. The municipal traffic signal systems engineers are tech savvy because of limited budgets, and are great resources on how to accomplish solutions. Stamford and Norwalk are resources in the Southwestern Region. Malloy and Barnes are very familiar with the Stamford program - essentially a beta-lab run by Veera Karukonda and Mani Poola.

Fiscal Impacts

Although the SIMTF understands that the State is enduring a fiscal crisis, many of these items are low or even no cost, and they have significant benefits. Many are eligible for federal funding and may only require a 10-20% State match. The more costly projects, those listed as "CDOT projects" above, but certainly supported by the various responder disciplines, are already designed and ready to go.

How does it tie-in to Malloy/Wyman campaign policy?

These policies, programs and projects support the Malloy/Wyman campaign policies committed to reducing congestion and improving safety. The CDOT project to replace traffic management equipment in the I-95 corridor supports the policy to keep the State's infrastructure in a "good state of repair." The SIMTF itself supports the policy of improved intra-government coordination.

III. Long-term Needs/Vision: The Statewide Incident Management Task Force and others (including the regional incident management teams) will continue to identify issues and opportunities for improving the management of incidents on our State roadways.

The Governor’s support for programs, projects and policy changes that make sense for Connecticut, will assure that our traffic incident responders operate in the safest environment possible, our motorists in need will receive the swiftest response possible, and our highways will be cleared of congestion as quickly as possible.

IV. Jobs Impact & Other Benefits

These policies, programs and projects make a real difference in quality of life, improved travel time, improved safety for the emergency responders upon whom we all rely, and improved safety for the traveling public by reducing the possibility of secondary accidents and insuring quicker and effective emergency response. Other key benefits include economic and environmental savings through the reduction of congestion caused by highway incidents.

V. Dissenting Opinions & Other Relevant Items

The policies, programs and projects listed above have received the support of the members of the SIMTF. While individual responders or responding agencies (since the SIMTF is a “representative” group) may have differing opinions as to how some of the proposals can be implemented, we believe that these differences can best be worked out through continued efforts to reach consensus; this has been the experience of the SIMTF effort to date .

Policy Paper #24

I. Statement of Issue: Adopt "iTOD" - Innovation/Transportation-Oriented Development

Connecticut has the opportunity to fundamentally redefine Transit Oriented Development (TOD) in this country around innovation, fully leveraging transportation and transit stations as part of a comprehensive strategy to promote innovation and create jobs and wealth. Connecticut's necklace of rail and rapid transit-connected cities could be made into a compelling habitat for the creative economy, resulting in hundreds of thousands of new jobs, especially for young, college-educated entrepreneurs and innovators that the state needs to attract and retain.

Background: Over the next decade almost two billion dollars will be spent on improving high speed, inter-city rail and regional rapid transit in Connecticut. Leveraging this investment, as in other states that have made similar substantial investments, calls for taking full advantage of the station areas in these three systems to build up the right kinds of places through transit-oriented development.

Often, however, TOD has not reached its full potential, and the resulting low expectations produce little more than some housing, some shared residential and commuter parking, and perhaps some limited food service. We can do much better than that.

With gasoline prices expected to continue to rise, the state's network of transit-connected cities could be a major source of competitive advantage if we dare to think and act boldly.

What: Innovation/Transit-Oriented Development (iTOD) creates a critical mass of innovation activity connected to transit by simultaneously co-developing several complementary elements at and around each station, and then networking the station area developments to each other as an innovation system. A portfolio of elements at each station might include:

1. business incubation
2. themed magnet or charter schools
3. cluster-focused higher education research or application institutes
4. live/work space and affordable rental housing for young entrepreneurs, graduate students and others to strengthen attraction and retention of that demographic

Why: Connecticut has a very productive and high value added economy from precision manufacturing to pharmaceuticals, from financial services to health care and research. But job growth is slow in these sectors; the state must nurture emerging economic clusters that are ripe for expansion in the state by better networking its significant, but largely disconnected, innovation capabilities.

II. Proposed Action:

Where: The concept is a necklace of innovation nodes that link together the state's major business and transit hubs, including:

- the Metro North New Haven Line cities of Stamford, Norwalk, Bridgeport and New Haven—each of which is a node where a branch line meets the main line
- the cities of Meriden and Hartford on the new rail line from New Haven to Springfield, and
- the bus rapid transit line main western station in New Britain (which connects to an eastern terminus in Hartford).

Each of these nodes is near an existing or planned business incubation center, and one or more higher education institutions. Further, have each identified 200 acres of infill redevelopment opportunities within walking distance of their stations. Redevelopment of these sites has the potential to grow 300,000 new jobs and house 150,000 new residents while simultaneously reducing the state's carbon footprint.

How: Initial steps would be to create a plan that would attract the state and federal investment to implement the concept. This plan would include assessment of: level of interest in the iTOD concept among the localities; currently emerging high value added economic activity with expansion potential; and related educational, business incubation, live and work space and other elements that could be configured at each possible site to catalyze cluster expansion. The plan would accommodate local land use priorities within a state framework of iTOD nodes that create a critical mass of innovation activity. There are federal resources available to fund such a plan.

Who: A consortium would be formed of cities, regional councils of governments, business development organizations, higher education institutions, and state and federal agencies.

III. Long-term Needs/Vision

This is an idea that is strongly aligned with the policy priorities of the Malloy Administration as articulated in the Policy Workbook, as well as with the key policy objectives Obama administration, particularly the Sustainable Communities initiative, which integrates the resources of USDOT, HUD and EPA. Connecticut is part of two consortia that received Sustainable Communities grants.

IV. Jobs Impact & Other Benefits

The primary job creation opportunity for Connecticut is to align state and federal resources across the departmental silos of economic, transportation, housing, environmental and education policy to support the development of a network of large TODs at the nodes of the rail system, as described above. The development of these sites has the potential to grow 300,000 jobs and house 150,000 new residents.

V. Dissenting Opinions & Other Relevant Items, including review comments

State funds have been authorized for this purpose. The foundation for a Transit Village program can be established by releasing existing funds in the Bond Commission for transit-oriented development planning grants.

- Federal program- The Department of Transportation and the Federal Transit Administration are the main sources of federal transportation-related funds directed to the states. The Departments of Housing and Urban Development and the Economic Development Agency have funding programs that can be applied to TOD. The American Recovery and Reinvestment Act focus on existing programs and provide additional funding for programs that support TOD projects. For infrastructure, the plan announced $27 billion in funds apportioned to and administered by the states. There is often confusion as to the difference between TOD and Joint Development (JD). Transit-Oriented Development (TOD) and Joint Development (JD) refer to the development of real property near public transportation. TOD refers to neighborhood-scale, compact, mixed-use development within walking distance of public transportation. JD refers to the development of real property that was purchased with FTA funds.

Although DOT does not currently sponsor a grant program specific to transit-oriented development, most FTA funding programs can be used for capital projects that support TOD. In supporting Transit Oriented Development, any public funding would look to leverage private investment.

Policy Paper #25

I. Statement of Issue: Adopt a New Approach to Transit Governance

Currently the provision of transit service in Connecticut is provided by CDOT in eight regions and with 13 transit districts providing service elsewhere. This has raised several concerns about how transit is provided. CDOT is responsible for distributing revenue to cover up to 2/3rds of the operating budgets at both the state run and transit district providers. There is suspicion that the state run systems receive a larger share of funding than the transit district systems. While this is more perception than reality, if unexpected costs occur – for example if fuel costs are higher than budgeted, CDOT will cover the state run systems, while the transit districts must fend for themselves. The amount of local support for transit service varies significantly among the transit districts (except for special services conceived by a city there is no local support for transit in the communities served by CDOT).

A bigger issue is how well regional travel is accommodated. Because individual travel patterns are not dictated or limited by artificial transit agency service areas, some have suggested that Connecticut adopt a single statewide transit agency similar to New Jersey Transit. (Delaware and Rhode Island also have single transit agencies, but they are smaller states with only one dominant urban area - New Jersey is more analogous to Connecticut.) While the idea of a single agency has some appeal in addressing regional travel and the possibility of economies of scale; single large agencies also tend to be less entrepreneurial and less responsive to local needs. Changes that could benefit the customer or improve efficiency often take longer to implement.

An alternative that combines the best features of a single statewide agency with the advantages of locally control transit districts is for the state to devolve its 8 divisions into transit districts while assuming the operation of regional bus and rail services. Currently CDOT provides this function on the rail side –it would extend it to bus operations. To assure regional travel needs are accommodated a transit consortium consisting of CDOT and all of the transit districts would be created. The state would set goals or outcomes, but how they are carried out would be determined by the consortium. The consortium would be governed equally by each member. Each new transit district would be governed by a Board of Directors (as are the existing transit districts)and would be encouraged to be entrepreneurial and to be responsive to the communities each serves. However the consortium would:

- Provide a single statewide trip planner,
- Coordinate fares so an individual only needs to pay once for each one way trip and is not penalized when multiple vehicles, modes or carriers need to be used to complete a trip,
- Coordinate routes and schedules to allow quick transfers where the services of two or more providers intersect, and
- Explore joint procurement where economies of scale can be achieved.

Since Connecticut transit agencies have very small administrative staffs, little if no efficiencies would be achieved by combining agencies, nor would there be significant inefficiencies by devolving CDOT divisions into separate transit districts.

Without additional resources to increase transit service, CDOT would be responsible for all rail operations as they are now, regional bus services along Highway 1 (Coastal Link, I-Bus and any other configuration resulting from the Coastal Link Study now taking place), 7 Link between Norwalk and Danbury and regional services emanating from Hartford. However there are many additional regional links that should be established if additional resources can be identified (see Optimum Levels of Transit Service) including regional routes connecting Danbury with Bridgeport, Danbury and Waterbury, all day service between Old Saybrook-Middletown and Hartford (currently only one trip a day in each direction) and many more.

Two analogies to demonstrate that this vision could work is how the road network is managed and how transit is provided in Germany and other European countries. Currently the public roads in Connecticut are the responsibility of 169 towns and the state (not to mention roads on college campuses and other complexes). However despite so many different entities responsible for the roads we drive on, we generally don't notice when we pass from one entity to another. In Germany public transport providers in a region from the national railway to small private bus operators participate in a consortium that assures seamless connectivity and public information.

II. Proposed Action: Develop a plan for providing a statewide public transportation network that accommodates regional trips seamlessly while being responsive locally. Involve all stakeholders in the process. Start with a model that has CDOT being the regional provider and transit districts providing the local services (much as CDOT is responsible for state highways and local governments all other streets) as a starting point. Variations can be evaluated to address concerns raised by stakeholders, however the desired outcome is a plan for transitioning from the current structure to a new structure and exactly how the new structure will function.

Priority: Process can begin in 2011 or 2012

Fiscal Impact: One time administrative cost of developing plan. The overall cost of providing transit service in the state would not necessarily change under this proposal; however the quality and productivity of providing transit service could improve.

How does it tie-in to Malloy/Wyman campaign policy? The campaign briefing book has made several references to improving transit service. This proposal is one step in achieving this vision.

III. Long-term Needs/Vision: The intent of this proposal is to better address regional travel needs while at the same time improving local responsiveness**.** Connecticut would be a leader in providing a well coordinated regional public transportation network that will be very supportive of improving economic competitiveness. When similar governance structures have been implemented elsewhere, dramatic increases in transit ridership have resulted.

IV. Jobs Impact & Other Benefits: It will enable transit systems to better deploy resources which could result in improved access to jobs. It will allow for the most efficient deployment of resources.

V. Dissenting Opinions & Other Relevant Items: Any change in governance from the status quo is potentially controversial. Fear of the unknown is a strong motivating force. However the potential of increasing transit usage and improving the quality of service to the public (and the resulting benefits in terms of economic competitiveness, environmental benefits and quality of life) make pursuing this worthwhile. To assure that the potential benefits are achieved and concerns of stakeholders are addressed the process of developing a plan needs to be sensitive to the concerns raised.

Policy Paper #26

I. Statement of Issue: Support the Northeast Corridor Environmental Impact Statement (EIS)

Congress recently formed the Northeast Corridor Infrastructure and Operations Advisory Commission and appropriated funds to support a Corridor-wide Environmental Impact Statement (EIS) that would address the infrastructure needs identified in an Amtrak Master Plan for the Corridor, as well as a dedicated high speed rail right-of-way. The Commission has held two meetings, the most recent on December 2nd. They have not yet even discussed the EIS, or launched it. All of the states in the Corridor are ineligible for many federal rail funds until the EIS is completed, or at least in process. Yet, there is no sense of urgency and no leadership from USDOT, FRA, Amtrak or any of the representatives of the states, including Connecticut.

In order for Connecticut to succeed in attracting significant federal investment in our rail infrastructure, we need to either get this Commission moving, or else create another structure in lieu of it, such as a public-private partnership (PPP). Both California and Florida, for example, have formed public-private partnerships to drive their high speed rail initiatives. A Graduate Planning Studio at Penn is examining the possible role of a PPP for the Northeast. Congressman Mica, the in-coming House chair of Transportation, is an advocate of PPP's.

II. Proposed Action:

Governor-elect Malloy has strong relationships with the in-coming Governor of Pennsylvania and the incumbent Governor of Maryland. The three Governors need to press the Commission to launch the EIS. If they cannot force the Commission to do its job, they should lead the effort to replace it with a PPP.

III. Long-term Needs/Vision

This is one of many such opportunities for Governor-elect Malloy to play a leadership role in forging a new kind of relationship among the Northeast states, where we work together to create sustainable competitive advantage for the mega-region.

IV. Jobs Impact & Other Benefits

The main economic benefit of a dedicated high speed rail right-of-way is not the one or two-stop service between Boston and Washington, but rather the capacity it would add to the Northeast Corridor, especially for "intermediate" or "blended" service that falls between conventional commuter rail and conventional HSR. It is this service that would serve to integrate the labor sheds of adjacent metros, thereby expanding the scale and productivity of regional innovation networks. Connecticut stands to especially benefit from this evolution, as it would be the connective tissue between the Boston and New York metros, leveraging the resources of both to its advantage.

V. Dissenting Opinions & Other Relevant Items

Policy Paper #27

I. Statement of Issue: Adopt a New Approach to Transit Governance

The Connecticut Bicycle and Pedestrian Advisory Board (CBPB), was established by the Connecticut State Legislature through Public Act 09-154. to improve Connecticut's promotion of bicycle and pedestrian transportation improvements.

Public Act 09-154, commonly referred to as the "Complete Streets Law," requires among other things that the State of Connecticut, through its Department of Transportation provide reasonable accommodations for all roadway users in the planning, design, construction and operating activities of all highways. Under the law, a minimum of 1% of transportation expenditures of the CDOT shall be to provide accommodations to cyclists and pedestrians.

For CDOT to be able to significantly improve the transportation system for cyclists and pedestrians it will need:

1. Strong technical expertise in bicycle and pedestrian planning and engineering; and
2. The organizational structures in place to effectively and efficiently deliver these services, and
3. A strong voice within the Department to effectively advocate for these concerns.

CDOT is organized into several major bureaus, which are divided into a larger number of offices/divisions, each with a specific set of responsibilities and area of expertise. The only official professional staffing specifically allocated to bicycle and pedestrian issues is the Bike/Ped Coordinator, who has a number of other responsibilities in addition to bicyclist and pedestrian issues, and the Safe Routes to School Coordinator. This latter position is full time because this is required by federal law.

Without a core of individuals specifically tasked with bicycle and pedestrian planning and engineering, getting projects implemented regularly and effectively will be very difficult and likely very frustrating both for the public and CDOT.

II. Proposed Action

The CBPB proposes the establishment an Office of Non-Motorized Transportation within CDOT. This office would be responsible for the inclusion of non-motorized modes of transportation, such as walking and bicycling, in the planning, design, construction and operating activities of all highways.

Prioritization Schedule

Such an office could be established in less than 6 months through a reassignment of current DOT planners and engineers. To establish an office of non-motorized transportation, the followings actions are proposed:

1. Formally create the Office of Non-Motorized Transportation within one of the existing bureaus, which comprise CDOT; Allocate professional staff, preferably a combination of urban/transportation planners and engineers; these staff would be reassigned from existing offices;

2. Establish the core of a capital budget for the Office of Non-Motorized Transportation, possibly using 50% of Federal Transportation Enhancement funds received by the DOT along with some level of Surface Transportation (STP) funds;
3. Integrate the Office of Non-Motorized Transportation into the planning, design and construction, and operating activities currently carried out by CDOT;
4. Take over management and implementation of the Connecticut Statewide Bicycle and Pedestrian Transportation Plan. Ensure that elements from the plan's Design Toolbox are integrated into the ongoing revision of the Connecticut Highway Design Manual.

Fiscal Impacts

In light of the requirements of Public Act 09-154, coupled with recent efforts on the part of CDOT to more effectively and efficiently accommodate pedestrians and cyclists, CDOT is already engaged in pedestrian and bicycle planning and engineering. However, there is limited organizational infrastructure at CDOT to integrate these efforts into the broader mission of the Department. Therefore, as walking and biking continue to grow in importance as parts of the transportation system, it will become increasingly challenging to deliver these services in a high-quality, cost-effective manner. The proposed Office of Non-Motorized Transportation will reorganize the existing resources and talents already within CDOT to better deliver these services in terms of effectiveness, efficiency, and economy. For example, savings could be realized by ensuring that bicycle and pedestrian accommodations get included in the early planning and design stages of the CDOT projects, avoiding more costly retrofits.

In addition to the potential for increased efficiencies, as outlined above, the proposed Office of Non-Motorized Transportation can be created with no net increase in DOT staff and no additional state funding.

How does it tie-in to Malloy/Wyman campaign policy?

The Policy Project: Malloy for Governor outlines several of Dan Malloy and Nancy Wyman's policies with respect to transportation in Connecticut. Mr. Malloy states that he is "committed to pursuing strategies that reduce congestion and provide attractive mass transportation options".

The creation of an Office of Non-Motorized Transportation is not only in accord with these goals and policies, it is crucial to their success. Reducing congestion means providing alternatives to the single occupancy private automobile. Walking and bicycling are two of the most cost effective forms of transportation, both for the agency providing and maintaining the network and for the end user, i.e. the citizen.

With respect to improved mass transit, specifically rail access, a high level of bicycle and pedestrian access is essential. Virtually every transit user is a pedestrian during at least one portion of his or her journey, whether it be walking to the train station or walking from the train station to his or her final destination. While additional parking at train stations is obviously one important aspect of increasing access to rail transportation, by itself, it cannot create a first class railroad system. Parking structures are expensive, costing as much as $50,000 per space and surface parking lots have a high opportunity cost because they divert land away from more intensive purposes such as transit-oriented development. At a time when the State is running record deficits, parking facilities cannot be the sole solution. An office of Non-Motorized Transportation would play an important role in increasing access to Connecticut's railroad stations in a way that is cost-effective, environmentally friendly and does not add more cars to local streets and neighborhoods.

III. Long-term Needs/Vision

Long-term, the Office of Non-Motorized Transportation will need continued professional staffing and a sustained source of funding for capital projects, potentially, a combination of Federal Surface Transportation (STP) funds and Transportation Enhancement funds. The long-term vision is that the office would become an integrated, established, and respected office within CDOT.

IV. Jobs Impact and Other Benefits

The establishment of an Office of Non-Motorized Transportation would facilitate and expedite the creation of a high-quality bicycle and pedestrian network throughout Connecticut. This in turn would provide a greater range of low-cost transportation options to households with limited access to automobiles, providing increased access to employment opportunities. Additionally, as the population ages a growing number of individuals will be unable to drive and will have to rely on other modes of transportation, such as walking, or transit, which also requires a strong pedestrian network.

V. Dissenting Opinions and Other Relevant Items

There are, of course, some objections to this proposal but each over time can be addressed. The first is that CDOT staff already have much of this expertise and already incorporate that expertise into roadway projects. That may be true; however, in other states with similar circumstances, a distributed bicycle and pedestrian planning approach has been attempted, and deemed to be unsuccessful. This is because when a functional area like this is everyone's responsibility, it becomes no one's responsibility. There is limited or no continuity in the planning and design process and rather than a well-designed network, the end result of this type of planning is often a series of isolated spot improvements.

The second likely objection is staffing. The State of Connecticut is staring at a projected budget gap of over three billion dollars. Against this backdrop it is very unlikely that CDOT or any state agency is going to be adding a significant amount of staff. An Office of Non-motorized Transportation could be created by reassigning existing staff. CDOT could reallocate some staff to a new office of non-motorized transportation without negatively impacting other offices within the Department.

Policy Paper #28

I. Statement of Issue: Optimize Levels of Transit Service

In 2007 a study was conducted that identified the need to increase investment in bus transit operations by $63 million annually and a capital investment of $215 million over current levels (these numbers are in 2007 dollars) to provide the optimal level of transit service in Connecticut. The study compared investment levels in Connecticut to other northeastern states and determined the level of service that would produce the highest level of productivity. The study assumed that bus transit service would be part of a “three legged stool” of surface passenger transportation with rail and highways providing the other legs.

The need for more frequent and longer time spans for existing transit routes, the need for more first and last mile bus service to enable increased use of existing and planned rail services (due to parking shortages at stations and to provide access to destinations not within walking distance of fixed guideway transit) and the need to connect many of the 169 towns with little or no transit service with employment, education and health destinations is essential for a host of economic, environmental and social benefits. The need for more transit service was articulated throughout the Malloy campaign brief including sections on jobs, seniors and environmental issues. We need to take the long view and determine how to provide the appropriate level of investment in public transportation.

II. Proposed Action: Increase the gas tax by one cent per year until year five (when it reaches an additional five cents per year) to support increased transit operations. This will allow for incremental growth in transit service until the optimal level is achieved in year five. An additional one to three cents would be added on top of that for transit capital, resulting in an increase of the gas tax two to four cents in year one to six to eight cents in year five. The amount needed for capital would depend on the extent projects can be bonded against future gas tax revenue (so as not to create any additional debt funded by the general fund) and to the extent other sources can be tapped for capital purposes. The higher amount would meet most of the capital needs on a pay as you go basis with little reliance on other sources.

This only discusses the bus transit component of a gas tax increase. It would have to be coupled with an increase to support maintaining bridges and roads in a state of good repair and increased rail investment (although the latter may be have more opportunity to tap into new tax revenue generated by development or other private sources).

III. Long-term Needs/Vision: As the Malloy campaign briefing paper states in several sections; increased investment in transit is essential for many objectives. This proposal provides for the long term growth in transit service statewide and would eventually provide all 169 communities with transit service appropriate for their needs (i.e. high frequency fixed route service in urban areas, demand response service in rural areas and regional connections along major arteries).

IV. Jobs Impact & Other Benefits: Public transportation is an essential “means” that achieves several “ends”. It is often the most efficient means to these ends and frequently can achieve long term cost savings. There are economic, environmental and social benefits that can only be achieved with growing investment in public transportation.

For example research conducted by The Workplace indicated that transportation is the number one barrier for individuals obtaining employment. Even for individuals who are gainfully employed inadequate public transportation may prevent these individuals from advancing because better paying jobs that they are qualified for may lack public transportation access. There has been a growth in employment that does not fit the traditional 9 to 5 time frame requiring more night and weekend transit service. And it's not just individuals who benefit; employers also benefit by having access to a larger labor pool.

There is a growing aging population and aging in place costs ¼ the cost of aging in an institution. However public transportation is essential to provide mobility and accessibility to individuals aging at home who no longer can drive.

Our highways and bridges must be brought up to and sustained in a state of good repair. However providing more highway capacity does not provide long term relief from congestion and can be cost prohibitive. However fixed guideway transit investments such as the Metro North commuter service or the proposed Hartford-New Britain busway can provide cost effective alternatives to congestion.

Transportation accounts for 1/3 of carbon emissions and is a major contributor to urban air pollution and water pollution. Technology alone will not produce the needed reductions in greenhouse gases or improve air and water quality. For example autos are 90% cleaner than they were 40 years ago yet poor air quality still afflicts areas with high traffic volumes. And the runoff of oils from vehicles in our streets and parking lots contributes to degraded water quality since this usually goes into untreated storm drains. Encouraging and providing for more walking, bicycling and public transportation use is essential to addressing environmental concerns.

V. Dissenting Opinions & Other Relevant Items: Increasing the gas tax or any new tax or revenue source is usually very controversial. However doing everything possible to make our transportation system and the administrative overhead as efficient as possible is not sufficient to maintain our transportation network in a state of good repair and achieve the economic, environmental and quality of life improvements a balanced transportation system can provide. Ultimately more resources need to be generated. Increasing the gas tax is the quickest and easiest way to provide needed resources. Over the long term transitioning to a vehicle miles traveled fee or some other mechanism will be necessary as vehicles continue to become more fuel efficient and use of alternative fuels not subject to this tax increase.

Policy Paper #29

I. Statement of Issue: Establish a CDOT Project Funding Release Team

This proposal attempts to address the 5-6 year backlog of projects to be closed. These projects have unexpended funds that could be reprogrammed to address critical transportation needs.

With the transition to the State's new financial management system (Core-CT) and the implementation of a new federal billing system, the Department of Transportation (Department) was unable to closeout FHWA-funded projects efficiently for several years. This was due to several factors, such as: 1) complications with the splitting of our transportation funding into two funds, 2) inability to bill over $100 million dollars of payroll costs, 3) coding translation issues because of three different charts of accounts, and 4) reconciliation and loading of historic budgets and expenditure into Core-CT.

In the beginning of October 2008, a project closeout team was formed with representatives from the Department's Bureau of Finance and Administration and FHWA. The Department has devoted additional resources to assist with the closeout of the jobs; however, as a result of the complexities of running in parallel during the core conversion, these additional resources have resulted in the Department closing approximately the same number of jobs which are opened each year. The Department also initiates approximately 200 new projects per year and while significant additional resources have been devoted to this initiative, at the current rate it will take years to address the backlog of projects.

II. Proposed Action:
Prioritization Schedule

As of December 14, 2010, the Department has approximately 1,129 Federal Highway Administration (FHWA) funded projects that had reached the point upon which federal authorization had ended. This proposal is to recommend reducing State/Federal Funding on these 1,129 projects, as well as others, down to the minimal levels required to fund the remaining project obligations leaving a closeout contingency of $5,000 or 1% of project expenditures whichever is greater.

To meet this goal, I am recommending the establishment of a team of new employees to address this issue.

A. Fiscal Impacts

With this initiative and properly staffed and trained new employee's it is projected that at least $40M in funding currently associated with these projects could be released. The federal and State funding released would then be available to be reprogrammed on alternative capital projects.

To staff the team, the Department is proposing to refill 10 existing funded vacancies to support this initiative. These positions would cost approximately $950,000 including fringe benefits on an annual basis; however, approximately 50% would be billable to the federal projects.

How does it tie-in to Malloy/Wyman campaign policy?

Facilitates the redeployment of funds to support transportation initiatives such as fix-it first (State-of-Good Repair), while creating an economic stimulus.

III. Long-term Needs/Vision

The implementation of this team will also assist in complying with federal rules and regulations. Each of the 1,129 projects will be subjected to a thorough financial review, and the team will coordinate with the Project Managers and Program Directors responsible for the projects, to understand the financial needs going forward and to document a clear understanding of the issues holding up project closeout for review by middle and senior management. The team will coordinate and process all necessary financial adjustments required to bring the projects into proper financial condition, with the minimal amount of funding required to carry the project forward to project closeout.

The Team will be structured to have at least two sections to carry on the functions noted above, and will be aligned to have one section perform the financial analysis. Funding Analysis will be done on a project-by-project basis, with the other section performing the coordination, monitoring, tracking, and programmatic analyses, as well as the outreach to the external units, which is vital to this initiative.

Employees will be rotated among the sections in order to gain a full understanding of all phases of a capital project, such as project financing, budgeting, financial management, payment processing, project life-cycles, project closeout, etc. for all the various types of FHWA funded projects.

IV. Jobs Impact and Other Benefits

It is anticipated that the redeployed funding will result over a two-year period of approximately $40M, offset by the costs of establishing a 10-person unit, by filling 10 vacancies that are already budgeted for in our current appropriations, at an estimated annual cost of $950,000, including fringe benefits. It is anticipated that of the $950,000 approximately 50% would be billable to the federal projects.

Why must we do this?

This effort will result in the more timely release of funds which can be utilized to address some of our significant infrastructure needs. Without this type of initiative, it will take the Department five to six years to work through the complicated issues associated with many of these projects.

Short-term

The Department will be able to expand our Capital Program and fund additional commitments by at least $40 million within two years after the team has become operational. Planning can begin to anticipate that this funding is available, and the Department can be proactive rather than reactive as funding is released.

Long-term

The Department is also investing in developing an experienced workforce that will be prepared for the retirements that are expected in the next 5 years. It is vital that the knowledge required to properly bill the federal government and closeout projects not be lost. Many of our projects straddle both accounting systems, and there are fewer and fewer people that understand how to resolve complications resulting from the Core conversion. Upon completion of their two-year training program, the employees would be available for placement in strategic areas of the Office of Finance to support our capital program going forward.

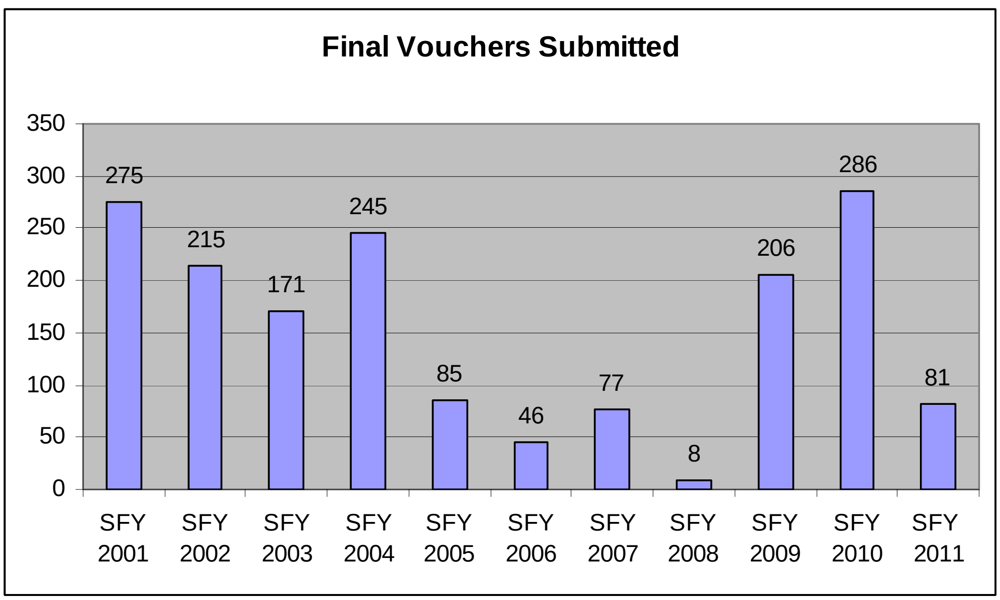
The results of this team effort will be the foundation to effect change in the operational bureaus and develop a reporting and monitoring system to efficiently and effectively manage our resources.

V. Dissenting Opinions and Other Relevant Items

One of the challenges experienced by the Department in its efforts to date is the changes to the final voucher process as a result of the implementation of the core system.

The Department has recognized this as an important issue, and has tried to work within existing resources to make progress on this issue. Final Voucher processing time has been steadily increased due the number of issues that are having to be resolved, and has resulted in a decrease in production out the end of the process. The projects that span our legacy and Core-CT are much more time consuming to resolve and those are the ones currently assigned for project closeout. The focus for this new team will be to clean up all the projects completed and those nearing completion. This will decrease the processing time for future final vouchers while be proactive in releasing currently assigned funding that is not needed to finish out the final project closeout activities remaining.

Below is a Ten-Year history of the number of Final Vouchers submitted and it will show the impact of the transition of Core-CT that we experience and how the backlog of projects is mostly the result of those not being able to be closed during the period.



Policy Paper #30

I. Statement of Issue: Streamline State Projects

Delays in project delivery are costing the State money. A policy decision to streamline project activities in a critical step that should be made to realize immediate savings. Streamlining activities undertaken by the Department of Transportation, the Department of Environmental Protection, the Department of Information Technology, and the Attorney General's Office as they related to project delivery is essential.

The American Recovery and Reinvestment Act of 2009 revealed that projects in Connecticut can be delivered more quickly and less expensively than estimated. Opportunities such as CDOT's draft Master Municipal Agreement and MOUs such as the DOT-DEP MOU regarding flood management certifications are steps in the right direction to streamlining project delivery. The Malloy administration should also consider implementation of design-build processes to enhance project delivery.

Along these same lines, planning for the busway has revealed many difficulties in how the state delivers transit projects. While the process for securing federal funding for any transit project is long and arduous, the CDOT structure and organization has proven to be problematic for navigating the federal process. Delay in any project inevitably leads to increased costs and other problems.

II. Proposed Action: We suggest the new administration review the recommendations identified in the Report of the 2008 Governor's Commission on the Reform of the Connecticut Department of Transportation and the 2002 Bus Transit Governance, Management, and Finance Study.

We further recommend the new administration review national design-build programs, such as the Massachusetts Accelerated Bridge Program.

Prioritization Schedule

Some of the activities described here have been initiated but have not been implemented. Leadership from the new administration will provide the impetus to complete these efforts, especially the adoption of the Master Municipal Agreement.

Fiscal Impacts

The impacts from these efforts will be positive in that: 1) projects will be put to bid and constructed earlier, thus saving critical dollars and 2) less staff time will be required to review contracts.

How does it tie-in to Malloy/Wyman campaign policy?

These proposals support efforts to "embark on a comprehensive modernization of state services in the area of Finances and Intra-Government Functions/Coordination."

III. Long-term Needs/Vision: New processes for streamlining activities will need to be monitored on occasion to ensure optimum performance and flexibility.

IV. Jobs Impact & Other Benefits: Streamlining will lead to a reduction in duplicative efforts and improved efficiencies. In this case, the State workforce could be assigned to other duties or reduced.

V. Dissenting Opinions & Other Relevant Items and review comments

Resistance to change may occur. New processes may require a “pilot” effort before final adoption, and will require additional staff time initially to develop the new procedures.

- Design-Build (DB) and Design-Build-Operate-Maintain (DBOM) project delivery options should be seriously considered in Connecticut as they are common place in most states. The Hartford-New Britain Busway Project was originally to have been a DB project but that option was later cancelled by DOT.

Policy Paper #31

I. Statement of Issue: Promote a Program of Managed Highway Lanes

In 2008-2009 a $1 million state-wide Congestion Pricing Study was completed and it is now gathering dust.

II. Proposed Action

Congestion pricing, if managed properly, has the potential to improve traffic flow, shift some people to transit, provide cleaner air as a result of fewer vehicles on the road, and provide a financial resource especially where none now exists. It is part of a larger hierarchy of options related to managed lanes aimed at making more effective use of existing roadways and recognizing that building new facilities is just a short term, expensive "fix".

High occupancy vehicle lanes (HOV) put more people in cars and reduce the number of vehicles on the road. High occupancy toll lanes (HOT) improve the traffic flow for those willing to pay a price. Both options work well where traffic levels, the number of lanes and even space for expansion make these approaches feasible. Congestion pricing in Connecticut must recognize that space is limited and congestion is major along aging corridors such as I-95 and the Merritt Parkway where the problem is most severe, between the NYS line going east and through the Greater Bridgeport region. HOV and HOT are not appropriate in this portion of the state because the roads are congested in all directions and there is not enough space to dedicate to a special purpose lane. Furthermore, these two regions can't be alone in charging a fee as if they were an island because of the impact on quality of life and economic development, among other related factors.

What is needed throughout the state are variable pricing programs (HOV, HOT, full congestion pricing) on most limited access highways and related service routes or corridors. The fee would vary based upon the time of day and the level of congestion. Before a program is launched, a very extensive education program is needed to orient people as to what the program is and the positive impact it can have. The gist of the education would be to teach people that the private automobile is not a sustainable mode of travel and should be discouraged whenever feasible.

Policy Paper #32

I. Statement of Issue: Achieve Responsible Growth

Several significant challenges face our state in the coming years and decades that threaten our ability to promote sustainable growth.

Trends:

- Our population is getting older while we struggle to attract young professionals and new families
- Our housing stock contains too few starter homes, apartments, and smaller units resulting in a mismatch between supply and demand that threatens the long-term value of our single family homes and creates an affordability crisis near our job centers
- Our transportation system is heavily reliant on the automobile making our state dependent on volatile gas prices while contributing to congestion that chokes our economy and emissions that threaten our air quality and climate
- Our landscape has been compromised by sprawling residential and commercial development that has consumed the agricultural and forestland that defines the character of our communities
- Several of our downtowns are struggling with vacant properties and Brownfields that detract from the attractiveness of our communities and their tax base

Governance:

- Within the Office of Policy and Management, those policies that will need to be coordinated in order to tackle these challenges are fragmented between the Divisions of Policy Development and Planning, Intergovernmental Policy, and Transportation Policy.
- Connecticut is divided into 15 Regional Planning Organizations and 10 Metropolitan Planning Organizations; this fragmentation limits their ability to effectively respond to the interdependent challenges facing our state
- There is no mechanism to effectively coordinated transportation, land use, economic development, and sustainability planning between levels of government and between agencies at the same scale of government

II. Proposed Action:

Connecticut is a constellation of walkable city and town centers. These compact neighborhoods are networked to one another along a transit network that is slated to receive billions in investment in the coming years. They contain hundreds of acres of Brownfields and vacant land that can collectively support the next generation of growth in the state, meeting the changing needs of our population. Infrastructure investments can spur responsible growth if coupled with land use planning and local policy to capitalize on the development opportunities around each station. Infrastructure investment will add value to the state’s communities and a value-capture program can harness some of that added value to be reinvested in station areas, downtowns, and transit expansion and operations. Unlocking the potential to grow the state’s economy and add long-term value to our communities will require coordinated planning across political boundaries, between levels of government, and amongst state agencies.

Responsible Growth will maximize the benefits of investments already made, reap the most benefit from future investments, and provide the options that will attract young professionals back to our state. Three initiatives will harness the efforts of the Office of Policy and Management to achieve responsible growth:

- Merge the Office of Responsible Growth and the Division of Transportation Policy and staff them with some professionals from the Policy Development and Planning Division so that all aspects of OPM dealing with long-term trends, spatial development, and infrastructure investment are under one roof
- Task this office with creating the next State Plan of Conservation and Development based in a participatory process organized around regional roundtables and resulting in a capital plan for state infrastructure investment
- Enable this office to compose and manage interagency teams designed to incubate transformative community development projects in transit-oriented locations that can spur significant economic growth, nurture those projects from planning to implementation, and network them together into a whole that is better suited to attract private sector and federal investment

Prioritization Schedule

Short Term – 1 year

- Merge all aspects of OPM dealing with spatial development and infrastructure
- Hold the first in a series of regional roundtables (as called for by Executive Order 15) beginning with the state's primary transportation corridors
- Use roundtables to bring together public, private, and civic stakeholders across Regional Planning Organization borders towards regional consolidation (PA 08-182)
- Identify municipalities across the state that have both the political will and the physical capacity to grow starting with the approximately one dozen communities that are participating in regional planning efforts funded by HUD
- Work with these and other key municipalities to determine the specific particular hurdles that each faces to achieving their growth goals
- Compose teams of professionals from multiple state agencies that are specifically crafted for each of these communities to act as liaisons between the state and local governments and identify implementation hurdles early in the planning process
- Release the enabled $5 million in transit-oriented development planning money to aid these communities in their implementation efforts (Public Act 07-6) – make the disbursement of planning grants contingent on communities establishing some form of value capture
- Use the areas identified through the facilitation of this network of centers to help define the state's Priority Funding Areas (Public Act 05-205)
- Work with CDOT to refine State Traffic Commission policy to support walkable and bikeable communities
- Work with CDOT planning office to support their incorporation of complete streets and context sensitive design into the traffic design manual

Medium Term – 2 years

Work with communities receiving new transit investments to translate regional investment into local benefits through zoning that best capitalizes on the potential positive benefits of these investments and a value-capture program that creates a revenue stream for local area infrastructure improvements and for transit operations

- Use any bonded money left over from the construction of the New Haven Springfield line due to underbids for local station area improvements
- Work with additional communities to create a constant incubator of city and town centers being aided in their quest to achieve locally appropriate responsible growth
- Develop a coordinated set of projections that rationalize the employment and population projections created by CDOT, DECD, the State Data Center, and other agencies to ensure that state policies across agencies are working to facilitate a common outcome
- Based on information developed working with the network of growth communities and through the regional roundtables, craft the State Plan of Conservation and Development that can serve as a capital plan for state investment
- Incorporate sustainability and livability into the plan by using a triple bottom line assessment process to ensure that the plan includes those policies which will have the greatest co-benefits to our state's environment, economy, and communities

Longer Term – 4 years

- Continue to use the resources generated through value-capture to invest in station area infrastructure that will support additional growth in desired centers
- Work with additional communities to create a constant incubator of city and town centers being aided in their quest to achieve locally appropriate responsible growth
- Redefine Metropolitan Planning Organization and Regional Planning Organization boundaries so they can best implement the Plan of Conservation and Development
- Consistently monitor those dynamic trends that the state must be cognizant of including but not limited to demographic balance, gas prices, congestion, etc. so that policies can be adjusted to meet changing challenges
- Continue to assess new programs that have a spatial impact on growth in the state against the State Plan of Conservation and Development and a triple-bottom-line.

Fiscal Impacts

Achieving consolidation of the various departments focused on land use and transportation planning at the state and at the regional levels should save some money initially. Bonding the $5 million for TOD planning currently enabled will have medium-term costs. Staffing up the land use and transportation planning functions of state government will have medium-term costs. Infrastructure investment in station areas will have medium and long term costs that can somewhat be offset by tax increment financing.

How does it tie-in to Malloy/Wyman campaign policy?

Governor-elect Malloy repeatedly emphasized the importance of infrastructure investment to spur economic growth. Without coordinated land use and transportation policy, the economic and environmental benefits of transportation investment will not occur.

III. Long-term Needs/Vision

See Statement of Issue above

IV. Jobs Impact and Other Benefits

Jobs will be created in construction as TODs are built out and in new economic activity drawn to these centers. Emissions from auto will be reduced as development reinforces transit resulting in improved air quality. Open space will be protected as new development is directed towards existing centers rather than forest and farmland. Housing options will be provided that can attract young professionals to the state.

V. Dissenting Opinions and Other Relevant Items

This strategy requires taking an objective approach to infrastructure investment. It will result in investments being concentrated in growth communities and prioritized outside of political concerns. Stakeholders with political support for projects not highly prioritized may object to see resources targeted elsewhere. Stakeholders in preservation communities not targeted for significant growth may feel the same.

Policy Paper #33

I. Statement of Issue: The State's Transportation system is in an unacceptable state of repair

A significant increase in state investment is needed first to repair and preserve the existing system, followed by strategic investment in system enhancements that serve to spur economic growth. On this second point, particular attention should be paid to ensure the level of preservation or maintenance expenditures are increased to keep pace with the proposed system enhancement.

The revenue stream for transportation must also be addressed. Furthermore, transportation funding has been far too dependent on bonding for a number of years. Many of the construction activities associated with a good preservation/maintenance program can't be bonded with 20 year notes. There needs to be more cash in the preservation program.

Much more information on these issues has been put forth by the Agency over the last couple years which serve to quantify the problem more completely.

II. Proposed Action:

Prioritization Schedule

Short Term (first 6 months)

1. Fix the revenue stream quickly with a gas tax increase or gross receipts tax changes that go only to Transportation preservation and State of Good Repair (Fix it First) initiatives.
2. Fund a State of Good Repair program at least to the levels of the last three SFYs (Fix it First, $45mil for Bridges, $30 mil for highways). The Department of Transportation had begun to gear up to the higher funding levels when the program went unfunded in SFY 2011.
3. Support an honest preservation initiative by expanding cash (pay-as-you-go, PAYGo) in the Department budget requests.

Mid Term (2 years)

1. Establish a funding program for strategic investment in system enhancements (bond program).
2. Direct the DOT to work with the legislature to identify and implement a first (trial?) tolling program specific to a particularly costly State of Good Repair or System Enhancement project.
3. Assuming the state's investment in transportation infrastructure expands, the staffing at DOT must expand. Succession planning is truly a critical issue facing DOT (and perhaps other agencies). The workforce is significantly older and the next 5 years could see a reduction of 30% of the experienced personnel on top of the 30% reduction over the last 5 years.

Fiscal Impacts

On a micro level, this proposal is cost neutral. That is, raise revenue through tax increases to support the noted infrastructure investment. Further as stated already, there is far too much dependence on bonding to fund such projects.

How does it tie-in to Malloy/Wyman campaign policy?

This is consistent with the Governor Elect's proposed continuation of the FIF initiatives and merely suggests ways to implement it in a fiscally prudent way.

III. Long-term Needs/Vision

We must stress and stay the course of a Fix-it First mentality. Don't propose funding for enhancement proposals until we have adequately addressed Preservation funding needs on both the spending and revenue sides. Estimates for funding a State of Good Repair of our current assets range from $300 to 500 million more than the state spends today…every year! The Department of Transportation is a capable and knowledgeable organization. It should be given the authority/discretion to allocate preservation funding to its priority needs across all transportation modes. The additional preservation monies shouldn't come "earmarked."

Some of the funding needed for the preservation program must be PAYGo monies (cash). The Department requested a conservative doubling of these accounts for SFY 2012 and 2013. The Department could use much more than that. For perspective, there was a time when the PAYGo account was as high as $60 million in the 1980s when the gas tax was increased post the Mianus Bridge collapse. Today it is roughly $10 million. Fundamentally this is where the shortfall in our maintenance/preservation program is most notable. The Department doesn't have the funding to perform routine pavement crack repair, line striping, and make basic bridge repairs. These are maintenance level repairs that don't last the life of bond funds. Like changing the oil in your car, they are essential and low cost activities that extend the life of your asset. Connecticut is definitely in the cycle of having to perform major repairs because the low cost maintenance has not been performed in years past. That cycle needs to be stopped.

After we've funded the State of Good Repair and Preservation programs, we can look to strategically invest in system enhancement projects whether that includes expansion of certain expressways or additional capacity on the rail network. I would suggest that such initiatives need a dedicated revenue stream. Most other states seem to be moving to the tolling alternative, particularly when they are applied to a specific project for which the benefit of the toll will be visible and the benefits directly experienced by the user. It may be appropriate to start small, perhaps presented as a trial situation. It could be for a specific project like the replacement of the Putnam Bridge or perhaps opening and tolling the current HOV lanes into the Hartford area, just to break the ice. If we bring tolling to the state, there's a need/desire to bring it in slowly just to increase market penetration of the transponder technology so collections can be automated to the greatest extent possible as it's implemented in different locations.

IV. Jobs Impact & Other Benefits

Any increase in infrastructure investment in CT is good for job growth and overall economic development.

V. Dissenting Opinions & Other Relevant Items

The construction industry clearly supports an increase in transportation infrastructure spending for the immediate and direct economic benefits it represents.

Policy Paper #34

I. Statement of Issue: Improve Communication of Anticipated Funding Levels Among Transit Providers

State transit operators often do not know how much transit operating funds will be available until well into the fiscal year. In tow of the last three fiscal years this did not occur until the eleventh month of the fiscal year. While DOT staff will often make verbal estimates prior to the fiscal year, which transit operators use in developing their budgets, the actual amounts often turn out differently. If the amounts are higher transit agencies may have provided less service than they could have; while if the amounts are lower (more frequently the case) it is too late in the fiscal year to take meaningful action to balance a budget. Since state subsidies cover up to 2/3 of local transit system annual operating budgets it is essential that each state transit operator obtain information on the amount of funding available before the beginning of the fiscal year.

II. Proposed Action

In odd number years when the legislature is developing the biannual budget this can be problematic before a state budget is signed into law by the Governor. However if CDOT provided projections on how much funding would be available to transit operations (both CTTRANSIT divisions and transit districts) as each budget proposal is made public; this would be both helpful to legislators as they deliberate over the budget and allow transit operators to better anticipate what might be available. Furthermore CDOT should issue final numbers to both CTTRANSIT Divisions and Transit districts within 30 days of the budget being signed into law for the first fiscal year of the biennium and no later than February of the following calendar year for the second fiscal year of the biennium. If the legislature makes any changes to the budget during the short session, CDOT would have to issue a revision within 30 days of the change becoming law.

CDOT may claim that this requirement is impossible due to problems with the state accounting system or due to difficulty is determining that actual amount of funding that needs to be taken “off the top” for other items included in the state bus transit operating budget. It is critical that any issue with the state accounting system be identified and addressed so that this is not a barrier to timely financial projections. Regarding the latter point breaking the state bus transit operating budget into two separate line items –one for direct subsidies for transit operations the other for the “off the top” items should address this issue.

Another problem with the state subsidy program is that unspent funds cannot be carried over to the following year. This prevents transit agencies from building reserve funds (which as a good business practice should be 10% of the annual operating budget). By allowing unspent funds to be carried over (or shifted between paratransit and fixed route accounts if one is in surplus and the other in deficit) will encourage efficiency (no incentive to spend so one won’t lose funding) and can smooth out between “flush years” and “tight years”. While this is not a substitute for timely announcements on the amount of funding that will be available, it could help out in years when the legislature is late in passing a budget by providing a cushion if funding turns out less than anticipated.

Priority

Can be done administratively during first six month.

Fiscal Impact

No direct cost to state budget. However should lead to more efficient use of funds.

How does it tie-in to Malloy/Wyman campaign policy?

Making State Government more efficient certainly ties in with the Malloy/Wyman campaign policies.

III. Long-term Needs/Vision

Establishing better communication can only improve transit operations by removing some of the operating financial "unknown" within each affected agency.

IV. Jobs Impact & Other Benefits

Better communications between the Executive Branch and the Legislature can only improve State Government and reduce the uncertainty and mistrust each seems to have with each other involving the present Administration leaving office.

V. Dissenting Opinions & Other Relevant Items

Policy Paper #35

I. Statement of Issue: Improve Large Infrastructure Project Delivery by Adopting PPP Legislation and Alternative Delivery Options

Currently, the infrastructure modernization (either new construction or fix-it-first) in Connecticut is tied only to the ability to bond, the gas tax and the federal authorization bill. We can no longer rely on our federal government to lead our plan. Nor can we rely upon tomorrow's money with little or no guarantee of the maintenance of our infrastructure long after the bond is fulfilled. As we watch the federal program continue to be depleted, we are only a short way from watching our state become uncompetitive as our infrastructure continues to fall behind standards. Connecticut, like all New England states has the oldest infrastructure in the nation, with some of the most congested areas compounding our inability to widen current interstates and finding it harder continue to operate and attract business under the "state of good repair" approach. 3Ps and other alternative delivery methods such as Design-Build and CMGC must be added to the tool box. 3Ps are the most financially strong alternative for the State of Connecticut. Public Private Partnerships (3P) is a proven strategy to develop alternative sources of funds and innovative delivery systems, thereby accelerating critical infrastructure projects.

Although there are many derivations of 3Ps, there are two general forms – availability payments and long-term toll concessions.

Availability payments typically do not entail tolling components. Contracts typically last for 30 years. They can include new construction but primarily the focus is on operation and maintenance of the system. The government retains some of the risk associated with project development, but many of the typical risk factors are transferred to the private sector. In lieu of tolling, the government will make payments to the concessionaire based on the "availability" of the facility. Although a source of funds is needed over the duration of the contract, these sorts of contracts allow the government to sculpt their cash flow over the term of the contract, thereby lessening the impact in any one year. Most of the Canadian 3P projects are being delivered through an availability payment model.

Long- term concessions typically involve tolling existing lanes, HOV lanes, or new capacity depending on the geographic location. The concessionaire will have the responsibility to fund the upfront capital costs as well as the long-term operation and maintenance costs. Duration of the contract can last for 50 years and longer. Toll revenue is the typical source of repayment to the concessionaire. Much of the risk associated with a toll project (including traffic and revenue risk) is transferred to the private sector. The governing contract documents are critical. They provide the key public protections (toll rate, toll escalation, length of contract, etc) for the duration of the contract.

In both models, private sector innovation and synergies accelerate project completion schedules and lowers costs. Within the Malloy/Wyman mission, the P3 (Alternative Delivery) approach would need legislative approval and therefore a 6-12 month start time. Once in place, however, the program is a quick job generator and provides immediate revenue for the State to capitalize on for other projects and further job creations. It must be recognized that P3 is a tool for the Connecticut Department of Transportation to consider, but it is not a fix-all solution. Other alternative delivery options, as well as revenue resource collection options must be considered such as Design-Build, Tolling of Roadways (State run) and hot lanes where possible.

II. Proposed Action

Public dialogue should be had to explore the interest in Alternative Delivery legislation, including 3P legislation. As discussed above, this would probably include the use of tolling. Although 3Ps have been utilized primarily in the highway industry, there may be opportunities in the rail practice as well. 3P legislation would appear to fit well within the Governor's action plan for accelerated project delivery thereby reducing congestion and improving air quality. It will also fit well with the Governor's focus on alternative revenue sources and getting Connecticut residence back to work. Fiscal impacts would be comparatively minor, however with the 3P tolling consideration; the State would realize payment for the considered roadway and/or bridge. That money could be used to help develop, fix and improve infrastructure throughout other areas of the State. . Development of the requisite skill sets, either within or outside of the Agency, for implementing large infrastructure projects with the alternative delivery method will be an important initial investment. Strengthening our Transportation Industry in alternative delivery will introduce high level skill sets as contractors, financiers, and engineers all seek high level, motivated people within the state.

Once agreement is reached, implementing legislation must be issued to allow and even encourage the use of 3P for larger scale projects and corridors that would otherwise require multi-year or even decades to develop and construct. Where possible, consider the 3P availability payment approach for fix-it-now projects that again would require longer duration due to the design-bid-build methods. This method will allow for immediate corrective action, while enabling the State (DOT) to have fixed financial obligations that can be budgeted for throughout the life of the project and assures accountability in maintenance of the facility.

Beyond the 3P (alternative delivery) methodology, the State must also help encourage quick passage of environmental documentation. Key agency leads (DOT and DEP) must work together to streamline the process, which will enhance the use of all forms of project delivery to ensure expedient project development and construction, ultimately promoting job creation. Alternative Delivery can only work when environmental decisions have been reached.

III. Long-term Needs/Vision

Beyond legislative approval, the State will develop a cadre of employees with the mind-set and experience to develop and manage a robust 3P program. Hand in hand with this will be developing tools which will enable the State to ascertain and select those projects to be developed through a 3P or alternative delivery approach.

IV. Jobs Impact & Other Benefits

Generally, utilizing a 3P approach will create a surge of both short term design and construction related job as well as long-term jobs created through sustained economic improvement related to infrastructure investments. 3Ps are not the panacea of all transportation ills, but rather a tool to increase the size of a transportation program and accelerating the implementation of that program.

V. Dissenting Opinions & Other Relevant Items and review comments

There may be opposition to 3Ps as well as tolling. Early and on-going communication is critical. Including the various interests groups in the discussion will pay dividends over time. 3Ps will provide many additional jobs of varying degree of professionalism, engineering, financial, construction. Concessionaires have long experience working within union states and working closely with the various labor unions. Most areas of the country do not support raising taxes. From a revenue generation standpoint, tolls provide a direct nexus between users of the system and the cost to develop and maintain. The public has also at times criticized toll roads as inefficient due the historic need to stop and pay. Today's toll roads are increasingly electronic which allows for electronic payment thereby improving efficiency in the transportation system and improving customer service.

- Massachusetts, New Jersey, Virginia and other states have Design-Build and other alternative project delivery method options to improve project execution. The Hudson-Bergen Light Rail Project in New Jersey is an excellent example that was designed, built, and is still operated and maintained by a Joint Venture group for New Jersey Transit. The $1.6B project was designed and built on-time and on-budget.
- Existing PPP legislation in other states should be used to draft new PPP legislation in Connecticut

Policy Paper #36

I. Statement of Issue: Require Multi-Modal Transportation Planning to Including Bicycles and Pedestrians

Although recently there appears to be some positive adjustment in posture, previous commissioners of the Connecticut Dept. of Transportation have not championed the establishment of a truly multi-modal transportation system in Connecticut that promotes the safe and efficient movement of bicycles and pedestrians. As a result, our state lags way behind many others in the amount of funds spent in bike and pedestrian projects, despite ample evidence that merely modest investments in infrastructure, e.g., bike lanes and sidewalks, result in more people opting to bike and walk for transportation. Our next CDOT Commissioner must actively and unequivocally support non-motorized modes as integral components of a multi-modal transportation system.

Although CDOT recently circulated the "Proposed CDOT Initiatives to Support Bicycle & Pedestrian Options" (attached), further action is needed to increase departmental efficiency in getting bike/pedestrian projects designed and approved. That is because the expertise resident within CDOT is currently organized in a way that provides an effective mechanism neither for making our state roads safer for cyclists and pedestrians, nor for providing assistance to municipalities that want to improve bike and pedestrian access on local roads.

II. Proposed Action: focusing on immediate action areas

Reorganize the CDOT to establish a Division of Non Motorized Transportation within the CDOT charged with the responsibilities of planning and designing all state bicycle and pedestrian infrastructure improvements, and providing technical and other assistance to localities. By having one division dedicated to this function, in-house expertise will be concentrated and maximized, and inefficiencies will be reduced leading to improved results at less cost. We propose that this may be achieved via reorganization of existing staff.

Allow bicycle and pedestrian projects to compete for federal funding programs such as Congestion, Mitigation and Air Quality (CMAQ), Highway Safety Improvement Program (HSIP), and Section 402 Safety funds. Although these sources of funds may be used for eligible bicycle and pedestrian projects, CDOT currently does not allow bike/ped projects to compete for these awards. CDOT should make a portion of each of these funds available for bicycle and pedestrian projects and create a transparent process for the selection of projects to be funded.

The attached CDOT proposal reserves 50% of all Transportation Enhancement funds for use by DOT rather than being allocated regionally. Instead, CDOT should be required to with various agencies and groups with an interest in Transportation Enhancement funding as part of a fair and transparent process in deciding which projects to fund.

III. Long-term Needs/Vision

These actions support the Malloy/Wyman Administration vision of a state comprised of livable communities with real transportation options and improved safety for the most vulnerable road users, including children and the elderly. Although twelve percent

(12%) road fatalities in Connecticut reportedly are pedestrians, only about one percent (1%) available transportation dollars in CT is invested in making roads and conditions safer for pedestrians. Further, national research and local experience in CT have shown that investments in bicycle and pedestrian facilities are real drivers of economic development, witness, e.g., success in the City of Stamford and along the Farmington Canal Trail.

These actions can be taken immediately, with no fiscal impact.

IV. Jobs Impact & Other Benefits

A functional CDOT Office of Non Motorized Transportation will result in bicycle and pedestrian projects promptly being put out to bid. With bicycle/pedestrian expertise currently peppered through departments and individuals, there is much and often deadly delay in moving any projects with bicycle and pedestrian features forward. Increasing the number of people who bike and walk for transportation decreases the number of cars on our roads and the resulting congestion, improves air quality and positively affects public health. Bike and walk friendly communities are economically vibrant and attract, and attract young people as residents.

V. Dissenting Opinions & Other Relevant Items

The benefits of improving the procedures by which the state selects, designs, approves and funds bike and pedestrian projects, and building the capacity of the state to be responsive to and supportive of localities, far outweigh any arguments to the contrary. It is hoped that the Malloy/Wyman Administration and our new CDOT Commissioner agree.

- The impacts of providing (excess) bike capacity on the M8 cars and other facilities needs to be weighed against the costs of limiting capacity at peak service hours for the majority of commuters using the service.

Policy Paper #37

I. Statement of Issue: Create an Independent Airport Authority with Jurisdiction over the six State-owned Airports

The current structure of airport governance has not been supportive of job growth, economic development and the overall revitalization objectives of the State. This has impeded the State's economic recovery and contributed significantly to the need to subsidize all but one of these airports through the State's Transportation Fund. Properly structured, an airport authority can be much more supportive of these objectives thereby aiding economic recovery and allowing the subsidy requirement to be transferred out of the Transportation Fund, reduced and eventually eliminated under the jurisdiction of the airport authority.

II. Proposed Action: Create the Airport Authority Within the First 6 Months

With the support of the State legislature, the airport authority can be created in large measure within the first six months of the new administration thereby relieving the Transportation Fund of this subsidy requirement and setting the stage for the growth and revitalization of the airports. T

Prioritization Schedule - Structure of Governance

The four steps related to establishing the future structure of governance include an interim reorganization of DOT, defining Interim Support Functions, creating the Airport Authority and having it recognized by FAA as the official "Sponsor" of the six airports.

1. **Undertake Interim DOT Reorganization**
   a) **Transition Leadership** – As an initial first step, an organization should be established within DOT that is focused on transitioning the six State-owned airports to the Airport Authority's jurisdiction and control. This can commence virtually immediately in a way that will rally support for the undertaking among key stakeholders and participants. The DOT Commissioner will need to designate effective leadership and an organizational structure capable of undertaking the support tasks necessary to create the Airport Authority. This should be done in collaboration with the Bradley Board of Directors consistent with its first duty and authority which is to "***In consultation with the Commissioner of Transportation, develop an organizational and management structure that will best accomplish the goals of Bradley International Airport.***"

Pursuant to State statute, the DOT Commissioner (as well as the DECD Commissioner) is a member of the Bradley Board of Directors, and the Chair of the Bradley Board is also the Governor's appointment. Accordingly, the Department and Board may also effectively collaborate on the broader tasks necessary to create the Airport Authority including providing input on legislation that will define the duties, powers and structure of the Airport Authority. As the Airport Authority comes into existence, the Bradley Board of Directors would dissolve thus providing the opportunity (through common appointment) for at least some continuity between the two entities.

The interim organization should be established and evolve in a manner that addresses the inefficiencies of DOT's existing organizational structure and process flows, is more supportive of the objectives underlying creation of the Airport Authority and is representative of the management and operational functions to be placed under the Authority's jurisdiction and control. This will also provide the opportunity for some continuity between the Department's and Authority's management and operation of the airports. To achieve this, the following initial changes to the existing organizational structure of the DOT's Bureau of Aviation and Ports are recommended:

b) **Waterways Unit** – The Waterways unit with the Bureau of Aviation and Ports oversees operation of the two Connecticut River ferries and the State Pier at the Port of New London as well as maritime programs such as the licensing of marine pilots and the harbormaster program. A separate transportation policy relates to establishing a port authority that would take jurisdiction of these responsibilities. It is presumed for the purposes of this memo that the Waterways unit is temporarily transferred to another bureau within DOT while the port authority issues are addressed. At this point, the Bureau's primary mission would be to run the six airports, evolve as described below, support the establishment of the Airport Authority and transfer of jurisdiction and control of the airports.

c) **Marketing and Communications** – The Marketing and Communications unit within the DOT's Bureau of Aviation and Ports has seen a number of changes in the last several years that have diminished its broader historic role in developing policy for all six airports including marketing and development of the general aviation airports. This includes physical relocation from the DOT headquarters in Newington to Bradley, a change in reporting structure so that the unit now reports directly to the Bradley Administrator and a recent change in the leadership of that unit. The interim reorganization should provide a structure more supportive of this unit's participation in the broader mission. This would initially involve a change in reporting structure directly to the established Transition Leadership.

d) **Project Management** – Bradley and the general aviation airports are presently supported by a Project Management unit within the Bureau of Aviation and Ports that provides capital project programming, management and oversight of State and federal – funded infrastructure projects as well as private development projects. While this unit is very effective in its established role, its role is limited in a way that does not serve the broader objectives of efficient project delivery. The DOT's existing organizational structure and process flows require the Project Management unit to rely on the DOT's Bureau of Policy and Planning for long range development plans (master plans) and it must rely on the Bureau of Engineering and Construction for design, engineering and construction inspection services. The inefficiencies of the existing structure are manifested in excessive oversight charges to airport projects that are consistently denied funding by the FAA. This has the direct effect of curtailing the Project Management unit's ability to fully leverage federal funds for the improvement and expansion of airport facilities. The interim reorganization should provide a structure more supportive of efficient project delivery. This would initially involve changes in DOT policy and procedure so that the unit is less reliant on other bureaus, designating and transferring additional airport engineering staff to the unit to consistently support airport projects. This is necessary due to the numerous changes and reassignments of engineers to airport projects which have contributed significantly (due to lack of experience) to excessive charges to airport projects. Like Marketing and Communications, this would also initially involve a change in reporting structure directly to the established Transition Leadership.

e) **Leasing –** The leasing unit within the Bureau is responsible for facilitating the development, negotiation and execution of contracts providing for the use, development and occupancy or airport property. It has a critical, significant role in the airports ability to generate revenue and has been most impacted the inefficiencies of the existing structure of governance both within DOT and with the current multiple layers of external oversight. The interim reorganization should provide a structure more supportive of efficient lease and revenue development. This would initially involve an assessment of the value added at various steps in the DOT's existing organizational structure and process flows and the additional resources (if any) needed for the unit to function on its own under the Airport Authority's jurisdiction and control. This assessment would necessarily consider the role of the Assistant Attorney General assigned to the Bureau versus the evolution of separate legal counsel within the DOT Commissioner's office in the interim organization and how legal counsel is ultimately made available to the Airport Authority in the long term.

f) **Finance and Administration** – In early 2008 the DOT undertook a reorganization of fiscal and administrative functions that transferred the fiscal and administrative units of each operating bureau to an expanded Bureau of Finance and Administration. This included the fiscal and administrative services unit of the Bureau of Aviation and Ports that provides for the financial management of six airports. This unit would need to be transferred back to the Bureau of Aviation and Ports.

These changes will effectively centralize the primary management, operation and development functions of the six airports within DOT in a way that will provide the Airport Authority with the analytical support needed for its decision making, allow the Airport Authority to exercise its jurisdiction and control of the airports, consider and direct implementation of job growth and economic development policies by July 1, 2011. The Airport Authority will also be positioned to consider and make informed decisions on the ultimate organizational structure and management talent it desires, to decide how to further transition the interim support functions noted below, and to evaluate and establish its own supply chain.

2. Define Interim Support Functions

As of July 1, 2011 the Airport Authority will initially be exercising its jurisdiction and control of the airports through DOT. This will require the continuation of certain support functions within DOT and other State agencies while the Airport Authority evaluates and makes informed decisions on how to further transition such functions. The support functions are outlined below. All policies related to these support functions, as applied to the six airports, would be subject to concurrence or modification by the Airport Authority as of July 1, 2011.

a) DOT Human Resources – Includes payroll processing, administration of labor contracts, hiring and personnel policy administration;

b) DOT / DAS Purchasing – Includes the bidding, award and administration of supplier / vendor contracts, purchasing policy administration, approval and dispatch of purchase requisitions;

c) DOT / OIS Information Technology – oversees implementation of the Bradley Information Technology Master Plan, network administration and applications support for all airports, IT policy administration;

d) Comptroller's Office – processes payments to vendors and suppliers for goods and services used by the airports;

e) State Treasurer's Office – Supports the Bradley bond program including maintenance of contracts with bond counsel and financial advisors.

Support functions for Bradley have historically been funded through a five percent surcharge on personal services expenses which is transferred to the State's general fund. A similar process may be used to fund support services for the five general aviation airports. The exception here is bond counsel and financial advisors for the Bradley bond program which are funded through cost of issuance accounts or direct paid through Bradley operating funds. The Airport Authority may enter into a formal agreements with these agencies providing for the services required and defining the policy and decision making role of the Airport Authority in carrying out these functions.

3. Create the Airport Authority

The legislation adopted to create the Airport Authority will have to be carefully drafted to ensure it has full jurisdiction and control over the operation, management and development of the airports in lieu of the existing oversight roles of multiple boards and agencies. The powers of the Airport Authority necessary to accomplish this were previously broadly defined. These are recited below along with some of the support tasks necessary to ensure a full transfer of jurisdiction and control.

Support Tasks

a) All duties and powers presently delegated to the Commissioner of Transportation through the legislature and within DOT regulations regarding the State-owned airports will need to be transferred to the Airport authority. A control list of such delegations and regulations will need to be created.

b) All duties and powers presently delegated to other State agencies and boards through the legislature and within the regulations of those entities regarding the State-owned airports will need to be transferred to the Airport authority. This includes OPM, DAS, Property Review Board, Bradley Board and the Attorney General's Office.

c) All existing leases, contracts and agreements providing for the use, occupancy, development and operation of the airports will need to be assigned to the Airport Authority. A control list of such agreements and assignment documents will need to be created.

d) All existing supplier and vendor contracts utilized by the airports must be accessible to the Airport Authority. An assignment may not be the proper transfer mechanism for all such contracts as some are utilized by multiple State agencies. A control list of all such contracts and the proper transfer mechanism will need to be established.

e) Any existing legislative or regulatory limitations on the revenue generating capability of the six State-owned airports will need to be identified and addressed.

f) A control list of the land, improvements, buildings, machinery, vehicles and equipment (capital assets) that comprise the airports and are used in their operation and maintenance will need to be developed.

Broadly Defined Airport Authority Powers

- Adopt and approve all plans and procedures related to the operation, management and development of the airports including, but not limited to, safety, security and operational certification plans and specifications, master plans, business plans, minimum standards, mission statements, strategic plans, marketing plans, goals and objectives;
- Adopt and approve a system of benchmarking and performance assessment to track and report progress in achieving established goals and objectives;
- Establish the organizational structure including the number and type of positions, position descriptions, authorities, duties and responsibilities of management and staff;
- Establish and implement policy and procedures for the desired qualifications, outreach criteria, evaluation and hiring of management and staff;
- Adopt and approve the annual operating and capital budgets;
- Adopt and approve policy and procedure related to the development, lease and use of airport property including issuing and responding to RFPs, incentive packages, business and financial terms and conditions;
- Execute fully on behalf of the State all leases, concessions, operating agreements, permits, licenses and other documents providing for the development, access, use and/or occupancy of airport property;

- Establish and implement policy and procedures for solicitation, evaluation and contracting of vendors providing goods and services necessary or desirable for the operation, management and development of the airports.

4. Airport Sponsorship

Applicable regulations of the Federal Aviation Administration permit the use of revenues derived from the operation of one airport to be used in the operation, management and development of another airport provided both airports are operated by the same “Airport Sponsor”. This is the term FAA uses to refer to its recognized owner and operator of an airport, the entity to which it provides grant funding for eligible capital projects. The process, information, representations and timeline needed for FAA to recognize the Airport Authority as the official Sponsor of all six State-owned airports will need to be documented.

Fiscal Impacts - Fiscal Administrative Infrastructure

The five steps needed to create a fiscal administrative infrastructure for the Airport Authority include establishing the interim financial support mechanism for the general aviation airports, executing a supplemental trust indenture related to Bradley bonds, establishing a general aviation airport enterprise fund and a general aviation airport advance account and implementing financial system modifications.

5. Establish Interim Support Mechanism

The future structure of governance described above will allow the airports to be more responsive to job growth and economic development opportunities and the interim support mechanism will reduce State spending by transferring the general aviation airport operating subsidy from the transportation fund to the Airport Authority where it will be reduced and eliminated. It has previously been recommended that the interim support mechanism should not be established unless and until the Airport Authority has full jurisdiction and control over the operation, management and development of the airports. Absent this level of control, an Airport Authority with fiscal responsibility for all six State-owned airports presents a risk to the long term financing capacity of Bradley. The interim support mechanism is generally described below along with three proposed phases of the Airport Authority’s assumption of fiscal responsibility for the general aviation airports. Full fiscal responsibility for Bradley would commence upon creation of the Airport Authority.

a) The interim support mechanism will be created as a product of the Airport Authority’s becoming the “Sponsor” of all six airports, federal regulations that permit the use of one airport’s funds for the operating expenses of another airport with the same sponsor, transfer of control of the Bradley enterprise fund to the Airport Authority and the existence of unpledged funds within the Bradley enterprise fund.

b) In its first phase of fiscal responsibility for the general aviation airports, which would commence July 1, 2011, the Airport Authority is responsible for all personal services and operating expenses of the general aviation airports, sets all fees and collects all revenue generated by these facilities as well as through the licensing of all airports within the state. This represents an annual operating subsidy of approximately $2.5 million to be transferred out of the Transportation Fund. During this phase, the Airport Authority is not responsible for general aviation airport capital project expenditures historically funded through the general aviation airport bond program. This program, funded through transportation fund bonds, has provided $2.0 million for infrastructure improvements such as construction and reconstruction of runways, taxiways and aircraft parking aprons. Within this program, a $200,000 set aside exists to support infrastructure improvements at the municipal owned airports within the State*.* A listing of ongoing and planned projects to continue to be funded through the Transportation Fund will need to be developed***.***

c) In its second phase of fiscal responsibility for the general aviation airports, which would commence after the operating subsidy has been addressed (within two years for example), the Airport Authority becomes responsible for funding the infrastructure improvements at the general aviation airports. Examples of potential additional revenue dedicated to the Airport Authority for this purpose will need to be developed***.***

d) In its third phase of fiscal responsibility for the general aviation airports, the Airport Authority funds the debt service payments on Transportation Fund bonds previously issued for infrastructure improvements at the State – owned general aviation airports. This would likely only be possible after the Airport Authority has fully matured and realized all of the efficiencies, economic development and revenue generating possibilities noted above. An analysis of estimated debt service payments to be taken over by the Airport Authority would facilitate a better estimate of when and under what conditions this may be feasible***.***

6. Supplemental Trust Indenture

a) Transferring control of Bradley International Airport from DOT to the Airport Authority will require a supplemental trust indenture. This requirement is found in Section 10.01 of the Indenture of Trust associated with Bradley's general airport revenue bonds. This section addresses supplemental indentures not requiring the consent of Bradley's bondholders that may be entered for various purposes including "***to permit the State to sell or assign, in whole or in part, ownership of the Airport and/or authority to control, operate and/or maintain the Airport to a Person authorized by the laws of the State to assume such ownership and/or authority; provided that (i) such Person is a party to a Supplemental Indenture and agrees therein to observe and perform on a timely basis, on behalf of the State, all of the obligations and agreements of the State contained in this Indenture that have been assigned to such Person…..***" A supplemental indenture will have to be drafted and executed consistent with the requirements of this section.

b) A presentation will need to be developed for interested parties to document the financial structure of the Airport Authority and continued security for the Bradley bonds. This presentation would focus on the efficiencies of streamlined governance and organizational structure, the development opportunities at the general aviation airports and their ability to become financially self sustaining, the structure of a separate and distinct general aviation airport enterprise fund, the phased transfer of fiscal responsibility for the general aviation airports from the State Transportation Fund to the Airport Authority and the additional revenue generating capability of Bradley resulting from statutory and regulatory changes.

7. Establish a General Aviation Airport Enterprise Fund

A general aviation airport enterprise fund should be established to ensure separate accounting and financial management of these facilities, and prevent comingling of funds with the Bradley enterprise fund. The general aviation airport enterprise fund would be established by the legislature in the same bill that establishes the Airport Authority. Existing legislation that established the Bradley enterprise fund could be mirrored. This language (found in section 15-101p of the general statutes) provides that "***all revenue from the operation of Bradley International Airport shall be paid to the State Treasurer to be held in trust, and the Treasurer shall not commingle such moneys with other moneys. Such moneys shall be deposited in a separate account or accounts in banks or trust companies organized under the law of the state…..***" This section further provides that "***Such account or accounts shall constitute a separate nonlapsing enterprise fund to be known as the Bradley Enterprise Fund***"

8. Establish General Aviation Airport Advance Account

Bradley payroll and other expenses are charged to a specific accounting code that results in the payments being drawn against a Bradley "Advance Account" maintained with the Comptroller's Office. Each month the Bradley trustee is instructed to transfer sufficient funds into this account to fund the following month's expenses of the Airport. The source of funds for this transfer is the revenue generated by Bradley. A similar accounting code and advance account can be established for the general aviation airports with the source of funds being the revenues generated from the general aviation airports with interim support from Bradley.

9. Interim Financial System Modifications

The Department uses a custom accounting and financial management system for Bradley that fully accounts and reports on the Airport's financial activities on a GAAP basis. The system integrates with the State's accounting and financial management system (CORE) for payroll and purchasing activities. The Bradley system is fully equipped to handle multiple airports and presently provides all revenue accounting (billing and accounts receivable) functions for the general aviation airports. Only minor modifications are required to fully account for the general aviation airports on a GAAP basis on the Bradley system. The general aviation airports payroll and purchasing activities would be handled in the same manner as Bradley's on the Bradley system.

How does it tie-in to Malloy/Wyman campaign policy?

This policy and plan of action fully supports the Malloy/Wyman campaign policy to creating an airport authority and provides an execution strategy to achieve it.

III. Long-term Needs/Vision

These steps will essentially establish the airport authority as a going concern on or before July 1, 2011 while helping to reduce overall State spending and creating an environment more conducive to job growth and economic development. The airport authority will quickly be in a position to consider and direct implementation of the policies necessary to achieve these important goals. It will also be positioned to consider and make informed decisions on the ultimate organizational structure and management talent desired, to decide how to further transition the interim support functions noted above, and to evaluate and establish its own supply chain. Once fully evolved, the authority will also be in a position to decide upon a new long term agreement with the airlines at Bradley responsive to the needs of all parties.

IV. Jobs Impact & Other Benefits

There are many examples where the current structure of airport governance has not been supportive of job growth, economic development and the overall revitalization objectives of the State. This has impeded the State's economic recovery and contributed significantly to the need to subsidize all but one of these airports through the State's Transportation Fund. Properly structured, an airport authority can be much more supportive of these objectives thereby aiding economic recovery and allowing the subsidy requirement to be transferred out of the Transportation Fund, reduced and eventually eliminated under the jurisdiction of the airport authority.

The existing structure of airport governance is not responsive to job growth and economic development opportunities. Dramatic inefficiencies exist within the Department of Transportation's own organizational structure and process flows, as well as with the multiple external layers of oversight by various boards and agencies. Within DOT, four separate bureaus, each with their own management and executive reporting lines, as well as multiple layers of legal counsel, claim jurisdiction over various aspects of airport development. Beyond DOT, the Bradley Board of Directors, Office of Policy and Management, Attorney General's Office, State Property Review Board and potentially other agencies have approval authority over airport development. The length of time between an expression of interest from the private sector and full approval of a contract for an economic development project under this structure is typically a year and sometimes much longer. Over time, this has a significant adverse affect on developer interest and confidence that an economic development project can actually be brought to fruition. Properly structured, an airport authority will streamline the organization and reduce the layers of oversight thereby allowing the airports to be more responsive, and for job growth and economic development initiatives to proceed timely. Developer interest and confidence will return and the economic contributions and service capacity of the airports will expand.

Dissenting Opinions & Other Relevant Items

Additional Transportation Policy Working Group Review Comments

1. Finance – ensure a stable funding stream

Ensuring a stable funding stream to CDOT, adequate to both bring the transportation system up to a state of good repair and to invest in key expansion priorities, is the obvious fundamental challenge. But, it cannot be addressed as a stand-alone issue. Transportation is not an end in itself; it is the means to the end of economic competitiveness and job creation. The way to make the case for greater and more stable transportation funding is to frame it as an investment in economic competitiveness that will stimulate job creation. That isn't done effectively through generalities. I believe the most powerful argument is the one I make in my iTOD piece, which reveals the large development potential at the nodes of the rail system, and relates it to the imperative for the state to nurture an innovation economy.

2. Improve Strategic Planning

It makes no sense to have several stove-piped "strategic planning" units in various state departments. There should be one state strategic plan, focused on exploiting the opportunities in emergent conditions that would integrate transportation, housing, economic development, environmental and education policy and resources. There shouldn't be a strategic plan for CDOT; there should be a strategic plan for the state that identifies the role that CDOT is to play in executing it, the resources required for CDOT to succeed in its role and the priority for investment of its resources based on the most compelling opportunities available to the state.

My take on emergent conditions: water scarcity will advantage relative water-rich regions such as the Northeast Corridor; rising gas prices will advantage our dense development patterns; the re-regulation of financial services will slow growth of that sector and force us to nurture our innovation sectors; economies of scale in innovation require that we network our innovators and exploit the strengths of New York and Boston to our advantage; there are at least 1,000 acres of developable land within walking distance of our key rail nodes (documented in the recently submitted Sustainable communities grant application), which could house 200,000 new residents and 300,000 new jobs at densities of 200,000 sf/acre (the existing downtown densities in Stamford, for example) and 50/50 mix-use (with 1,000 sf per housing unit, 2 people per units, and 3 employees per 1,000 sf of commercial space); these jobs and residents are an attainable share of those will be created in the New York Metro in the next 10-20 years, particularly now that New jersey has shot itself in there foot by canceling the Hudson River tunnel project. Without change to the way we approach policy development our state will continue to duplicate and contradict efforts. The result is an inefficient and less effective use of scarce human resources dedicated to the task of developing sound policies for our state.

3. Passenger Rail – Prioritization and New Strategies

At the highest level of analysis, the key opportunity for Connecticut is to serve as the connective tissue between the economic engines of Boston and New York. The Northeast Corridor mega-region is unique in its configuration of five shoulder-to-shoulder metro regions (Boston, Harford/Springfield, New York, Philadelphia and Baltimore/Washington). The Northeast Corridor mega-region has an opportunity to create sustainable competitive advantage by using high-speed commuter rail to integrate the labor sheds and regional innovation networks of the adjacent metros in the mega-region. Non-stop ultra high-speed rail service between Boston and New York means nothing to Connecticut. But high-speed intermediate service trains using the same HSR right-or-way and making stops in Connecticut would be transformative, enabling us to exploit both the Boston and New York metros and to serve as the connection between them. Our rail strategy should be focused on exploiting this opportunity. And we should make sure that the Northeast Corridor HSR right-of-way alignment and service plan plays out to our advantage.

Regarding the New Haven-Hartford-Springfield Commuter Rail Corridor, CT should also consider whether to adopt the State of Maine's Downeaster's Northern New England Passenger Rail Authority(NNEPRA) model for promoting the NHHS service and getting buy-in by the station communities. The NNEPRA Board has business, economic development and municipal officials on it to promote ridership, quality service, coordinate among the station communities and to promote local businesses/institutions. Local produce & restaurants provide the food service on the Downeaster and local cultural, sports institutions are promoted. Partnering with the private sector, municipalities and COGS must be considering in constructing the stations & their operation to build support within station communities, promote ridership and reduce construction & operating costs to the State.

4. Port Development

The argument is that we need a state port authority and we need to dredge the three ports. Nothing wrong with either point, but those two actions will not in and of themselves create any jobs, other than for the port authority director and the dredging companies.

Ports only create jobs if they are used. What gets them to be used is not just dredging and state coordination, but other specialized infrastructure, a targeted strategy for each port and aggressive marketing of the ports by the port operators and the state.

Our ports are currently used primarily for bulk cargo. Bridgeport was until recently used primarily for bananas and has specialized cold storage to enable that. New Haven is used primarily for petroleum products and scrap metals and has specialized storage facilities for those. New London has always seemed to be in search of a function. There was talk at one point of a focus on paper and wood. Don't know if the facilities were developed to support that or not. One cannot just snap one's fingers and change the function of a port without an investment in the specialized infrastructure to support it.

The majority of the dollar volume use to define the port opportunity is from container cargo, most of which goes through large "load centers" like Port Elizabeth in NJ, which have billions of dollars of specialized infrastructure to handle the containers. Because of congestion getting containers into and out of Port Elizabeth via truck, there has been discussion for some time about putting some of the containers on barges, or some of the truck chases on RO/RO vessels, and using the coastal waterways (e.g. Long Island

Sound) to leapfrog bottlenecks on the highway system. So containers coming into NJ and bound for New England could be transferred to barges or put onto chases and then put on RO/RO vessels and shipped to one of our ports and then trucked north into New England. This could also be done with more distant load centers, such as Halifax or Norfolk or Savannah or even ports in FL. It is even possible to divert domestic truck traffic to the water for a segment of the journey using what would in essence be a truck ferry. This would be an easy fit with Bridgeport as it is already set up to handle ferries. Both of these concepts (load center to feeder port and feeder port to feeder port) are referred to in the industry as "short sea shipping" and I believe that the I-95 Corridor Coalition is doing a feasibility study of it now. I believe that Quonset Point port in RI and the ports of Fall River and New Bedford are chasing this opportunity aggressively. Of those three, RI probably has the edge because it already has the infrastructure in place to support RO/RO vessels, currently used by Audi and VW to import all of their cars into the US.

What function we intend to use a port for determines how deep the channel needs to be. A load center port serving the big container ships needs as much as 65 feet. Oil tankers require different depths depending on size and oil can be lightered onto smaller ship where the depth is too shallow to get in and/or a pipe can extended from the shore to the deeper water, neither of which is ideal. RO/RO vessels need around forty feet and barges around 20 feet. Dredging is expensive so you don't want to dredge any more than you have to.

There doesn’t seem to be any discussion in the port pieces about the intended function/market for the port. Whatever function is intended, it should be reality-checked with the market of port operators and shippers to determine that the intended function has a chance of success.

5. Need to increase transportation investment

Whether referring to “Fix-it First” (or “State of Good Repair”); optimizing bus transit service levels, new/improved rail and fixed guideway projects there is a need to increase investment. While focusing existing resources can accomplish some of the outcomes without additional resources, and must be pursued whether new investment dollars are available or not; the bottom line is that there is insufficient investment in transportation

6. Importance of self funding State Projects

While the state must not turn its back on Federal funding, it must look internally for most of the new investment dollars. “State programs” and “Transp Investment Economic Growth …” papers make a strong case for this. The fact is the competition for federal funds is fierce. The total dollar value of grant applications for the first TIGER grants was 40 times the available funds. While not always at this magnitude, every discretionary grant program has more requests for funds that what is available. At minimum over the next two years and probably much longer federal funding will decline. Bottom line not much federal funding will be available, so to accomplish what is needed will require funding generated in CT. The are other advantages to self funding that were articulated in the papers including much shorter project delivery times which reduce the total capital cost.

7. Utilize Development as a source of revenue

We must resist the temptation to oversell capturing value of new development to fund transportation investment since it can be a source of revenue what does not involve raising taxes or fees; conversely throughout the US we have not fully capitalized on this source of revenue. Once again this has been articulated in multiple papers and needs to be an important element of increasing investment and increasing revenue internally to support this investment.

8. Expanded Transit Investment

The Commuter Rail – Light Rail, Optimizing Levels of Transit Service, Trolley- Bring Back Streetcars all make the case for significant increase in Public Transport. This has been an important theme in various portions of the Malloy Campaign Brief and other papers reviewed have also touched on this. It is important that the value of public transport (alternatives to congestion, access to employment, improved air quality support infill development and combat sprawl, increased job generation per unit of investment, accessibility for senior aging in place and probably a few more benefits that I missed here) be highlighted in the paper. The idea of getting "vintage" trolleys from the 2 CT Trolley Museums really needs to be considered with DECD support.

9. Adding Capacity - Highway or Transit

Adding capacity alone will not reduce congestion in the long run. Reducing population or reduced economic activity is about the only way to reduce congestion. However public transport operating on its own guideway or bus receiving preferential treatment in mixed traffic provide alternatives to congestion and is a reason why additional capacity should be focused here.

10. Breaking Down Silos

Several members support breaking down silos – coordinating transportation, land use, economic development and environmental protection is critical – this should be an important theme.

11. Rail Freight – Shift From Truck to Rail

The overall policy to shift freight movement from roadway to rail needs to be stressed. This is a challenge given the fact that railroads are privately owned (though many of the tracks are state owned) and the economics of rail freight don't make sense for many movements in the state due to limited freight rail service, however given the high number of trucks that travel on CT roads adding significantly to congestion and roadway deterioration, a concerted effort to shift some freight from truck to rail should be part of the Governors policy as it will save money in the long term and improve our quality of life. Working in collaboration with the Freight Railroads,

CDOT should prioritize the rail lines (publically and privately owned) that should be upgraded to the national 286K weight standard and for double-stack clearance. Many states are partnering with railroads to raise bridges/increase tunnel clearances. It is unclear whether STO bonds can be used to upgrade rail - this should be answered once and for all. If not, a small % of existing economic development bonding should be dedicated to this initiative. All at-grade crossings should be reviewed for safety and existing state/federal $ funding used to address serious concerns. In addition, when rehabbing state roads which cross rail, the at-grade crossings must be included in the project – paving/signaling, etc.

12. Analyze the Cost / Benefits of Passenger Rail Service to Bradley

CDOT & DECD should re-analyze the costs/benefits of upgrading the existing freight rail line to Bradley Airport or extending the Griffin Line to Bradley for both passenger and freight rail. In particular, analyzing the benefits of attracting large Convention Center tourist groups and International business air travelers by being able to direct connect from Bradley to Hartford Station via the Griffin Line for Hartford/NYC/Boston service without a bus trip to Windsor Locks. Innovative funding options such as PPP's and a Bi-State authority in building/operating should then be considered.

13. Improve Coordination with DECD and other Departments

The need for CDOT to actively coordinate with DECD and virtually all other State Agencies can't be underestimated. The "silo" management problem in State government has gotten to the point where communication is at a maximum. State managers need clear direction from the new Administration, and State managers need to be re-educated. It is suggested that moving several long time managers from on state agency to another may help jump-start the process of cross-training people and punching holes in the "silos" that threaten to silence all progress.

14. DECD needs to Improve Regional Marketing Efforts and partner with Transportation Providers

Economic growth needs a stronger DECD component for marketing, similar to Massachusetts, New York, New Jersey, and other states that partner with transportation service providers (trucking firms, railroads, airlines, etc) to entice new business to settle in CT. Local tax incentives aren't the only answer. Large railroads (CSX as an example) may provide reduced shipping rates for new customers in areas they seek to increase business. In deciding whether to award economic assistance, DECD should determine whether companies considering relocation to CT will generate a large volume of truck traffic and whether this traffic could be diverted onto rail by spur lines/rehabbing rail lines. DECD $ should be used in this effort.

15. Increase and improve communication with neighboring state DOT's and other Agencies

Connecticut needs to be a better partner and neighbor to benefit from regional planning and transportation project development. Banning state travel to save a relatively small amount of money is dwarfed by comparison of the money CT doesn't get in Federal funding, and by not participating in regional project initiatives. We can't maintain relationships without traveling to neighboring states and to Washington to meet the various federal funding agency counterparts.

16. CSEA Comments regarding DOT Administration and Policy

Long Term Needs – Negative Work Culture

The negative work culture of the Department of Transportation (DOT) has been the most problematic issue plaguing the DOT for more than 25 years. There have been a number of reports addressing this culture, the workforce and staff levels that have been issued throughout the years. Little has been done to change the culture of DOT.

The public's view of DOT is a lumbering agency that is deaf to the voices of the residents of Connecticut and is only interested in being a highway agency. While this view is not completely accurate, it is not far from the truth. Such a view is not held by the agency employees. As a former DOT Principal Engineer, Jay Doody, said, "Engineers can build railroads just as easily as they can build highways. You just need to tell them what you want done."

When DOT's Chief Engineer publicly testified that he would use outside consultants to perform bridge safety inspections even if the outside inspectors were ten times more costly than using state employees, it sends the wrong message to taxpayers and clearly the wrong message to DOT employees. When the top leadership in DOT informed Governor Rell that consulting engineers on construction project do not get paid during the winter shutdown and Governor Rell reported such on a live radio interview, top leadership in DOT have, in effect, had the Governor lie to the public. There is something quite wrong with this leadership and this culture.

Governor-elect Malloy should follow the lead of former Governor O'Neill after the collapse of the Mianus River Bridge. Governor O'Neill went to the public and told them that he was going to raise the gas tax by 25 cents per gallon to fund a ten year infrastructure program to rebuild our state bridges. He raised the tax and empowered frontline DOT engineers and other personnel to implement the program. DOT accomplished Governor O'Neill's bold vision. Unfortunately, Governor Rowland rolled back the tax and squandered the opportunity to improve our infrastructure and to position Connecticut to meet the needs of a changing economy. If in the 1990's, the State of Connecticut had engaged in the construction of high speed rail between Hartford and New York, and between Hartford and Boston, Hartford could have been the hub for backroom operations for these cities.

Long-term Needs/Vision

Governor-elect Malloy should act with the same boldness as Governor O'Neill. He should challenge the DOT to rebuild our crumbling transportation infrastructure including our highway, bridges, ports, and rails. He should boldly announce that within five years, or better yet, by the end of the his first term, that the State will complete double tracking from New Haven to Springfield with a spur to Bradley Airport. This double tracking would be a prelude to high speed rail that will completed by the end of his second term. Governor-elect Malloy should say we plan to make this investment in our new economy by electronic border tolls and higher gasoline tax. This infrastructure program is not only in the long term interest of the residents of Connecticut, but will spur short term economic activity as a way of providing good paying jobs to the residents of Connecticut during our Great Recession.

We do not need five years of planning and discussion, we need immediate action. With the elections results around the country, Connecticut, as one of the few remaining blue states, should position itself to receive federal dollars turned away by red states.

Proposed Actions: Immediate action areas list in order of prioritization

The following are immediate actions that should be taken at DOT:

1. **Flatten the organizational structure of DOT management**. A principal engineer should not have to report through seven layers of management to reach the Commissioner. Some state agencies have two management levels before they reach the Commissioner.

2. **Empower frontline employees to make decisions**. Currently, the process of "running it up the ladder" is not only time consuming but demoralizing for the employees. Employees are going to make mistakes, but they should be mistakes of commission not of omission.

3. As a matter of policy, DOT should conduct cost benefit analysis of current and future contracted out services. The Union's own study shows that there is a permanent workforce over 400 engineering consultants who are not state employees. There is a place for contracting out of services. First, it should be used supplement short-term work that needs to be accomplished on a tight timeframe that would preclude hiring additional staff. Second, contracting out should be used for specialized skills that are not currently within the skill set of existing or future employees. If specialized skills are used repeatedly or over a long period of time, the DOT should hire the staff. For such specialized skills, the DOT may wish to employ the concept we utilized in state service for information technology and that is a classification called a Subject Matter Expert. The Subject Matter Expert would be paid at the same salary grade as the highest bargaining unit classification, principal engineer. This classification would not have the supervisory responsibility of a principal or supervising engineer, but would be the "go-to" employee in a specialized area.

4. **In-source appraisal work in the Right-of –Way Division**. The outsourcing of appraisal work has resulted is expensive litigation to taxpayers. An employee in the civil service will perform their duties in a fashion that is professional and meets the needs of the public and not a political agenda of the agency.

5. **Reestablish an in-house design unit that prepares project that are shovel ready when federal funds become available**.

6. **End (or limit) the costly on-call engineering contracts that feed projects to consulting engineering firms**

Other relevant comments

In 2008, CSEA SEIU Local 2001 engaged in transformational negotiations with the State of Connecticut that involved the professionalization of the engineering series in DOT and voluntarily increasing the standard workweek to forty hours. The unionized professional workforce transformed itself and now it is time to fully utilize the many talented individuals employed by DOT and for DOT to transform itself.

Below is the list of members to this point, we may have a few others.

Al Goff Co-Chair
Brian Mercure Co-Chair

Work Group Member	Current Business/ Professional Title	Primary Transportation Expertise or Interest Area	Secondary Transportation Expertise or Interest Areas
Orest T. Dubno	Vice Chairmen CHFA, Board member of the Connecticut Maritime Coalition, New Haven Representative on the Policy Board for the South Central Regional Water Authority & Financial executive of Gateway Terminal	Financial Management of Port operating terminal, Economic development of Port operations Bottom of Form	Committed to community and serves on many boards and commissions; Bottom of Form
Don Shubert	President-Connecticut Construction Industries Association	Contracts & the Laws Affecting the Construction Industry	Federal & State Transportation Policy
Dr. Floyd Lapp	Exec. Dir. SWRPA	Policy making for mega transit/highway projects, TOD, Congestion pricing	Regional Planning and Transportation policy
Dr. Norman W. Garrick	Associate Professor of Civil Engineering-University of CT.	Sustainable Urban Transportation	Transit, Transit Oriented Development
Ron Kilcoyne	General Manager & Chief Executive Officer-Greater Bridgeport Transit	Transit Operations/ Planning/Management	Transportation & Land Use Planning/Design
Rick Lopes	Senate Democratic Caucus-Legislative Aide to State Senator Donald DeFronzo	Aide to Legislative Chair of Transportation Committee	Aide to Legislative Chair of Bonding Subcommittee
John Filchak	Executive Director of the Northeastern CT Council of Governments (NECCOG)	Public Policy Development & Implementation	Land Use Planning & Regulation Development, Transportation, Municipal Administration, Agriculture
Jim Cameron	President-Cameron Communications Inc.	Chairman-CT Metro North Commuter Council	Communications Consultant
Phil Russell	National Director of Alternative Delivery - HW Lochner	innovative finance and delivery systems	transportation project development and policy
Steven E. Korta	CT. DOT-State Trans. Aviation Administrator	Aviation /Airports	Transportation Issues

Charles F. Roman	Director of Special Projects- Bureau of Finance & Administration	Capital Scheduling & Programming	Design/Construction Development
James A. Fallon	CT. DOT-Director - Office of Quality Assurance	Technology & Process Improvement	Finance & Capital Planning
John D. Freeman	Harbor Point Development - General Counsel	Transportation Oriented Development	Mass Transit/Rail
Kip Bergstrom	Executive Director-Stamford Urban Redevelopment Commission - Founder: Reinventing Stamford	Regional Rail Strategy, Transit-Oriented Development	Short Sea Shipping, Container Market Analysis, Port Infrastructure
Carol Leighton		CT Citizens Trans. Lobby	Coastal Corridor T.I.A.
William Gash	Executive Director Connecticut Maritime Coalition, Inc.	maximize ports development for trade organization, deepwater port operations	
David Kooris	Vice president Regional Plan Association	Public Policy Development & Implementation	Land Use Planning & Regulation Development, Transportation, Municipal Administration, Agriculture