



**SENATE FISCAL OFFICE
REPORT**

GOVERNOR'S FY2013 CAPITAL BUDGET

2012-H-7323

BUDGET ANALYSIS

MARCH 13, 2012

Senate Committee on Finance

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Capital Budget Summary

The Rhode Island capital budget requires a long term perspective: an operating budget typically provides funding for a single year, whereas capital budgets are forward-looking over multiple years. Capital budgets submitted by the end of July 2011 were required to anticipate capital needs from FY2013 through FY2017.

The total capital budget proposed by the Governor for FY2013, across all sources of funding, is \$1.0 billion. This includes 30 different categories of capital expenditures. The following table shows the distribution of capital expenditure by major type of fund (smaller expenditures are consolidated as “other”).

Funding by Source	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017
Federal	\$353.7	\$376.6	\$337.4	\$263.2	\$279.1	\$290.3
Rhode Island Capital Plan (RICAP)	105.3	115.4	124.0	101.7	93.2	95.7
General Obligation Bonds	161.0	119.9	62.9	70.0	58.6	59.8
Revenue Bonds	28.8	48.0	41.1	39.0	38.9	38.9
Revolved Capitalization Grants	21.9	17.7	17.7	18.0	18.1	18.0
Certificates Of Participation	28.5	51.8	36.0	10.6	9.6	8.0
Rhode Island Health and Educational Building Corp.	51.9	66.8	34.8	13.3	5.5	4.2
Land Sale Revenue	2.0	22.5	19.3	3.9	2.3	2.0
Federal Stimulus Funding	36.5	3.9	0.2	0.0	0.0	0.0
Grant Anticipation Revenue Vehicle (GARVEE)	43.7	18.6	7.7	8.2	3.3	0.0
Private Funding	15.3	4.3	0.0	0.0	0.0	0.0
Other	126.8	181.2	154.8	131.7	72.1	56.3
Total	\$975.3	\$1,026.6	\$835.9	\$659.5	\$580.6	\$573.0

Between FY2013 and FY2017, agencies are forecasting a need for a total of \$3.7 billion in capital projects. However, in the out-years (FY2016 and FY2017) many projects are not yet programmed or even anticipated. Despite the five-year nature of the capital budget process, the focus has traditionally been on the current fiscal year and the year or two that follow.

Further explanation is provided for five specific areas of the Governor’s proposed FY2013 Capital Budget in this section: Debt Service and Debt Issuance, Proposed General Obligation Bond Referenda Questions, the Rhode Island Capital Plan (RICAP) Fund, Kushner Authorizations and Fire Code Compliance Projects.

DEBT SERVICE AND DEBT ISSUANCE

Debt service is paid through the Department of Administration (DOA) for most state agencies, but the cost is allocated to the individual agencies. Quasi-public corporations incur bonded debt for their projects through separate authorizations: their debt service costs are not included in DOA.

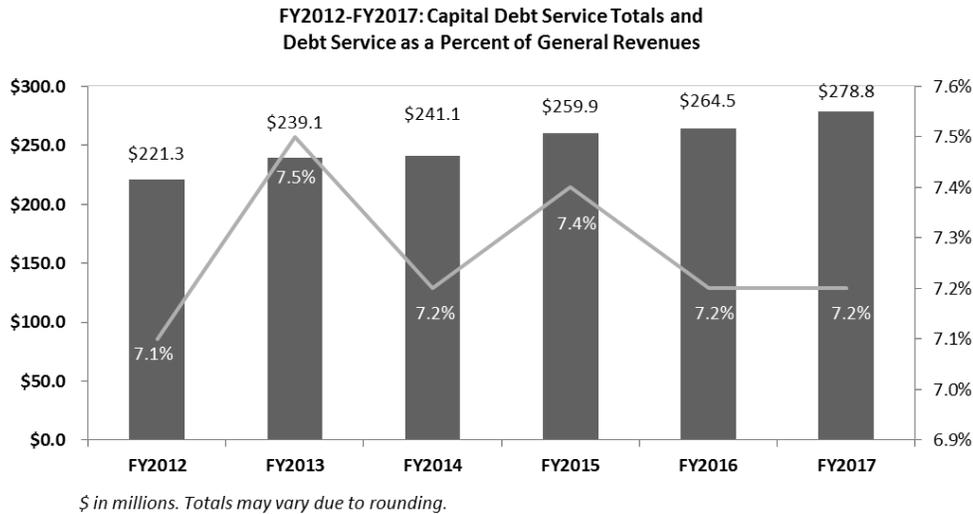
The Public Finance Management Board (PFMB) provides advice and assistance to all state departments, authorities, agencies, boards, commissions, and public and quasi-public corporations having authority to issue revenue or general obligation bonds or notes. The nine-member Board was created in 1986 in response to changes in the federal tax code, which placed limitations on tax-exempt bonding authority.

Debt Guidelines: The PFMB has issued guidelines to monitor state debt: the principal guidelines state that tax-supported debt should not exceed 5.0 percent to 6.0 percent of total personal income for Rhode Islanders, and debt service on tax-supported debt should not exceed 7.5 percent of state general revenue. In FY2012, tax supported debt will represent 4.03 percent of personal income, and in FY2013, this figure is projected to decline to 3.91 percent. In FY2012, debt service as a percent of general revenues was 7.1

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percent. Debt service as a percent of general revenues is projected at the 7.5 percent threshold in FY2013, then below for the forecast period through FY2017.

The following chart shows current and projected debt service, from FY2012 through FY2017: it is probable that the FY2014 through FY2017 figures will change as projects are adjusted.



Credit Rating: General revenue debt service represents 7.1 percent (\$221.3 million) of total general revenue expenditures in FY2012. This number increases to 7.5 percent (\$239.1 million) of total general revenue expenditures in FY2013.

There are generally three types of debt that affect the State’s credit ratings: direct debt, guaranteed debt, and contingent debt. Direct debt is authorized by the voters as general obligation bonds and notes. With regard to direct debt, the State has \$1.2 billion of general obligation tax supported bonds outstanding as of June 30, 2011, and for authorized but unissued debt, the State’s debt totaled \$117.0 million as of January 1, 2012.

Guaranteed debt includes bonds and notes issued by or on behalf of a certain agency. There were no outstanding bonds and no authorized but unissued debt for guaranteed debt as of June 30, 2011. Contingent debts are debts or obligations for a specific agency for which the State has pledged its full faith and credit, this includes eligible mortgages. As of June 30, 2011, outstanding mortgage agreements and other commitments related to contingent debts totaled \$20.8 million. Most of the outstanding debt for this category is related to revenue bonds issued by the Rhode Island Industrial Facilities Corporation.

The following table provides an overview of the State’s credit ratings from all three credit rating agencies: Moody’s Investor’s Service, Fitch Ratings, and Standard and Poor’s Rating Service. Each rating provides an assessment of the credit-worthiness of the State based upon its financial history including repayment and borrowing of previously issued debt as well as the State’s assets and liabilities. For 2008 through 2011, the table reflects the State’s rating from each agency for the majority of the year. For 2012, the ratings are as of January 2012.

Rhode Island Credit Ratings

	2008	2009	2010	2011	2012
Moody's	AA3 (negative)	AA3 (negative)	AA2(stable)	AA2 (stable)	AA2 (negative)
Fitch	AA (negative)/AA-(Stable)	AA- (negative)	AA (negative)	AA- (stable)	AA (stable)
Standard and Poor's	AA (stable)	AA (stable)	AA (negative)	AA (negative)	AA (stable)

In August 2011, Moody's Investor's Service revised the outlook on the State from stable to negative, but affirmed the Aa2 rating on the State's general obligation bonds. Obligations rated Aa are judged to be of high quality and are subject to very low credit risk and the modifier 2 indicates a mid-range ranking of its letter rating category. The outlook was revised downward due to the potential negative impact of rapidly escalating pension costs on the State's ability to increase its liquidity margins, diminish its reliance on one-time measures to balance its budget, and reduce its debt burden. It is important to note that the outlook was assessed prior to pension reform this fall.

In July 2011, Fitch Ratings revised the rating outlook from negative to stable reflecting the State's improved financial position, stabilizing economic indices, longstanding financial controls, and prudent issuance of additional debt and affirmed the AA rating on the State's general obligation bonds. Additionally, Fitch makes note of the prudent management of the issuance of additional debt to low above average debt ratios, down from previously high levels. 'AA' ratings denote expectations of very low default risk and very high credit quality. They indicate very strong capacity for payment of financial commitments.

In May 2011, Standard and Poor's Rating Services (S&P) improved the State's outlook from negative to stable and affirmed the AA ratings on the State's general obligation bonds. The improved S&P ratings outlook reflects the firm's positive view of the state's financial management procedures. S&P also expressed concerns that the state's underfunded pension system will have a negative impact on the state's rating, if funding levels fall further. It is important to note that the outlook was assessed prior to the State's pension reform this fall. According to S&P, the "AA" rating indicates a very strong capacity of the State to meet its financial obligations.

PROPOSED GENERAL OBLIGATION BOND REFERENDA

The Governor proposes that \$201.4 million in funding for the following projects be brought before the voters in November 2012 as general obligation bond referenda. The capital budget submission summarizes planned future expenditures in all categories. The table below summarizes the referenda:

Governor's Proposed November 2012 Bond Referenda		
Question 1	Higher Education	\$109.9
	<i>Nursing Education Facility</i>	65.2
	<i>RIC Capital Improvements</i>	44.7
Question 2	Transportation	21.5
	<i>Highway Improvement Program</i>	20.0
	<i>RIPTA Bus Purchase/Rehabilitation</i>	1.5
Question 3	Clean Water and Drinking Water Infrastructure	20.0
Question 4	Open Space and Recreational Development	25.0
Question 5	Affordable Housing Development	25.0
Total		\$201.4
<i>\$ in millions</i>		

Higher Education

\$109.9 million

The Governor recommends a new \$109.9 million bond referendum for higher education on the November 2012 ballot. Two projects are included.

Nursing Education Facility: The Governor recommends a new bond referendum to construct a new nursing education building in Providence, to be used jointly by the University of Rhode Island (URI) and Rhode Island College (RIC). A total of \$65.2 million in bonds would be placed on the ballot for voter approval for the construction of this facility, estimated to be approximately 120,000 square feet. The amount proposed is not inclusive of land costs and no specific location for the facility has been

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identified. Options using parcels from the relocation of I-195 and different parcels of private land in Providence have been identified in a recent feasibility study as possible locations.

Additionally, the recommended \$65.1 million includes \$5.1 million for enhancements to both institutions for nursing-related education, but that language is not included in the referendum, nor have these improvements been identified. The construction of the nursing facility accounts for \$60.1 million of the total bond financing proposed by the Governor.

The FY2011 to FY2015 capital budget submission from the Board of Governors included \$30.0 million for a new nursing facility at RIC and \$50.0 million for a nursing building at URI. In March 2010, the Governor submitted a Budget amendment to construct a Joint Nursing Facility, located in the Jewelry District (“Knowledge District”) of Providence. The General Assembly did not include the \$60.0 million bond issue for the Joint Nursing Facility on the November 2010 ballot, and instead requested a feasibility study that would offer a look at the nursing program needs of both institutions, including geographic location, issues of merging the programs, and costs. There was concern expressed by faculty and students at both institutions regarding the construction of a joint facility, and proposed project costs did not include land acquisition, estimated to be between \$2.5 and \$5.5 million.

On May 23, 2011, the firm of Robinson, Green, and Berretta (RGB) completed the feasibility study and presented three options and associated costs for constructing a single building. According to RGB, the most cost-effective alternative is a single building constructed on state-owned land with state funding due to a lower cost of financing for the State (as opposed to a private developer). These cost estimates do not include operating and debt or lease costs.

- **Cost-Effective Alternative:** One building constructed with state funding on state-owned I-195 parcels. This alternative does not include costs for state-owned land and assumes the State would absorb the cost of the land, estimated at approximately \$1.3 million (\$60.1 million).
- **Alternative 1:** One building constructed by a private developer on state-owned I-195 parcels. This alternative does not include costs for state-owned land and assumes the State would absorb the cost of the land, estimated at approximately \$1.3 million (\$62.1 million).
- **Alternative 2:** One building constructed by a private developer on private land. This alternative includes \$1.3 million in land acquisition costs and includes 11 different parcels of land in Providence (\$67.3 million).

Analyst’s Note: On March 1, 2012 during a Senate Finance Committee hearing on this project, the Director of the Department of Administration indicated that the Department will also investigate a public/private partnership as an alternative method of funding for this project.

RIC Capital Improvements: The Governor recommends a \$44.7 million bond referendum to modernize and renovate academic buildings at Rhode Island College. A four-phase renovation would include improvements at Adams Library, Craig Lee Hall, Clark Science Hall, and Henry Barnard School at Rhode Island College (RIC). Renovations would include installing new windows, elevators, restrooms, classroom and office enhancements, asbestos removal, power washing, and the sealing of brick and slate walls.

Transportation Infrastructure

\$21.5 million

Highway Improvement Projects: The Governor recommends a total of \$21.5 million transportation referendum on the November 2012 ballot for voter consideration. If approved, \$20.0 million would be allocated for highway improvements to permit the Department of Transportation (DOT) to match federal funds or to provide direct funding for highway, road, and bridge improvements.

Currently, DOT is required to provide a 20.0 percent match to Federal Highway Administration (FHA) funds and, if approved, this referendum, coupled with resources in the Highway Maintenance Trust Fund, would provide for bond financing to provide for that match.

Beginning in FY2014 bond financing will no longer be used for federal matching purposes, and instead fees from the Highway Maintenance Trust Fund (created in the FY2012 Budget) will provide a more sustainable revenue source as the state match for FHA matching. The Highway Maintenance Trust Fund will be funded by increased driver's license fees and registration fees for all vehicles.

In the FY2012 Budget as Enacted, the General Assembly created the Rhode Island Highway Maintenance Trust Fund within the General Fund. The budget article added driver's license and registration surcharges for all vehicles, phased-in over a 3-year period beginning in FY2014, with revenues from the surcharges to be deposited into the Trust Fund. With the surcharges, two-year registrations and driver's licenses will increase by \$30 (\$10 per year for three years), while one-year registrations will increase by \$15 (\$5 per year for three years).

The Governor accelerates implementation of the enacted surcharges. Article 25 requires the full fees beginning January 1, 2013. As indicated in the following table, in FY2013, all surcharge revenues collected would be deposited in the Department of Transportation's Intermodal Surface Transportation Fund (ISTF) for operating expenditures rather than the Rhode Island Highway Maintenance Trust Fund. Beginning in FY2014, a three-year shift of the surcharge revenues from the ISTF to the Rhode Island Highway Maintenance Trust Fund would occur.

Intermodal Surface Transportation Fund	FY2013	FY2014	FY2015	FY2016	FY2017
Increase Biennial Registration Fees by \$30 (1/1/2013)	\$8.9	\$9.0	\$4.5	\$0.0	\$0.0
Increase Annual Registration Fees by \$15 (1/1/2013)	1.8	1.9	0.9	0.0	0.0
Increase Driver License Fees by \$30 (1/1/2013)	2.9	3.0	1.5	0.0	0.0
Intermodal Surface Transportation Fund	\$13.6	\$13.9	\$6.9	\$0.0	\$0.0

RI Highway Maintenance Trust Fund	FY2013	FY2014	FY2015	FY2016	FY2017
Phase-In \$30 Increase in Biennial Registration Fees		\$4.5	\$9.0	\$13.5	\$13.5
Phase-In \$15 Increase in Annual Registration Fees		0.9	1.9	2.8	2.8
Phase-In Increase in Driver License Fees		1.5	3.0	4.5	4.5
RI Highway Maintenance Trust Fund		\$6.9	\$13.9	\$20.8	\$20.8

\$ in Millions

Rhode Island Public Transportation Authority: The Governor also recommends a \$1.5 million bond referendum for RIPTA's vehicle replacement program. Funds would be used to rehabilitate and replace buses and other vehicles that have exceeded their useful economic life. A total of \$65.0 million is recommended by the Governor, with \$1.5 million attributable to this article, from FY2012 through post-FY2017 for bus purchases. Under the Governor's capital budget proposal, Federal Transit Administration (FTA) grants provide for \$51.7 million and \$13.3 million is provided by the State with previously-issued general obligation bonds from authorizations in 2008, 2010, and new bond referenda in November 2012, 2014, and 2016.

Clean Water and Drinking Water Infrastructure

\$20.0 million

The Governor recommends a new bond referendum to develop and improve wastewater and drinking water infrastructure on the November 2012 ballot. A total of \$20.0 million would be allocated to the Clean Water Finance Agency for the Clean Water State Revolving Loan Fund (\$12.0 million) and the Drinking Water State Revolving Loan Fund (\$8.0 million). The funds support wastewater and drinking water projects through low-interest, subsidized loans for local governments to finance eligible infrastructure projects.

Open Space and Recreational Development**\$25.0 million**

The Governor recommends a bond referendum for open space and recreational development on the November 2012 ballot. Historically, the Department of Environmental Management had leveraged state funds with federal funds, local funds, and/or private investments. As of January 2012, there was a total of \$9.0 million in unissued authorized debt for open space and recreational development projects. The Governor's proposal includes \$25.0 million in bonds to be allocated for environmental and recreational purposes to the following projects:

- **Narragansett Bay and Watershed Restoration:** The referendum provides \$4.0 million in funds to protect and restore the water quality, economic viability, and sustainability of Narragansett Bay and other watersheds throughout the state.
- **State Land Acquisition Program – Open Space:** The referendum provides \$2.5 million in funds to purchase land, development rights, and conservation easements throughout the state.
- **Farmland Development Rights:** The referendum provides \$4.5 million in funds to purchase agricultural development rights to active farms in Rhode Island. This program allows the State to purchase the development rights to farms to eliminate the economic pressure on the farmer to sell land for residential or commercial development. From 1985 to the present, the State has protected over 4,000 acres and the Agricultural Preservation Commission is continuing to accept applications for this on-going program.
- **Local Land Acquisition Grants:** The referendum increases funding by \$2.5 million for grants to municipalities, local land trusts, and non-profit organizations to acquire fee-simple titles, development rights, or conservation easements of open spaces throughout the state. The Department of Environmental Management (DEM) can provide funding assistance up to 50.0 percent of project costs and applications are reviewed by the Governor's Natural Heritage Preservation Commission.
- **Local Recreation Development Grants:** The referendum increases funding by \$3.5 million for grants to municipalities to acquire, develop, or rehabilitate local recreation facilities. This includes projects at Roger Williams Park, India Point, and Rocky Point. The Department of Environmental Management (DEM) can provide grant funding assistance up to 50.0 percent of project costs and applications are evaluated by the State Recreation Resources Review Committee.
- **Historic/Passive Local Recreation Grants:** The referendum provides \$1.0 million in grants to municipalities to renovate and/or develop historic and passive recreation areas and parks. Grant funding can provide assistance up to 90.0 percent of project costs through DEM.
- **Local Recreation - Distressed Communities Grants:** The referendum provides \$2.0 million in grants to distressed communities to acquire, develop, or rehabilitate local recreation facilities. DEM can provide grants funds up to 75.0 percent of development and up to 100.0 percent of acquisition costs. Eligible municipalities currently include Providence, West Warwick, Pawtucket, Central Falls, and Woonsocket.
- **State Recreation Facilities:** The referendum provides \$5.0 million for asset protection, infrastructure, and facility improvements at state parks and management areas. These funds target the restoration of facilities at Fisherman's Memorial Campground, Lincoln Woods State Park, and Goddard Memorial State Park.

Affordable Housing Development**\$25.0 million**

The Governor recommends a bond referendum of \$25.0 million on the November 2012 ballot for affordable housing. Additionally, this article enables the Housing Resources Commission to promote affordable housing through redeveloping preexisting structures, new construction, and foreclosure

assistance. This article augments the 2006 authorization of \$50.0 million for similar purposes. Currently, the Office of Housing and Community Development within the Department of Administration oversees the Affordable Housing program, which has been funded by the State in various ways, including the Affordable Housing bond authorized in 2006.

RHODE ISLAND CAPITAL PLAN (RICAP) FUND

The Rhode Island Capital Plan (RICAP) fund was created in 1990 and was originally intended to pay for capital projects, debt reduction, or debt service. When the cap is reached on the State Budget Reserve and Cash Stabilization account (also known as the “Rainy Day fund”), any additional general revenue in excess of the constitutionally established spending cap is deposited into RICAP. Beginning in FY2008, debt service and debt reduction were eliminated as eligible expenditures within RICAP: this change coincided with an increase in the percent of revenue dedicated to the Rainy Day fund. RICAP expenditures are classified as other fund expenditures in the budget and are primarily used for projects related to the State’s physical assets.

The Governor proposes \$115.4 million in RICAP funding in FY2013, a net increase of \$16.6 million from the FY2012 Budget as Enacted (\$98.7 million), and an increase of \$10.2 million from the Governor’s FY2012 Supplemental Budget proposal (\$105.2 million).

Funding within RICAP is allocated as follows in FY2013 through FY2017.

Functional Area	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017	Total	% of Total
Education	\$32.1	\$20.7	\$28.5	\$25.8	\$25.8	\$45.5	\$178.4	28.1%
General Government	28.7	31.0	29.0	20.9	12.7	5.4	127.7	20.1%
Human Services	13.0	18.6	21.3	17.3	16.8	6.8	93.8	14.8%
Natural Resources	8.6	11.1	4.1	5.5	3.3	1.7	34.4	5.4%
Public Safety	19.4	28.9	16.3	9.3	11.6	11.5	97.1	15.3%
Transportation	3.1	5.0	24.8	22.8	23.0	24.8	103.5	16.3%
Total	\$105.0	\$115.4	\$124.0	\$101.7	\$93.2	\$95.7	\$635.0	100.0%

\$ in millions. Totals may vary due to rounding.

The Governor also transfers \$12.6 million of bond premiums received from the sale of the 2011 Series A general obligation bonds from deposit into the Rhode Island Capital Plan fund in FY2012 in Article 1. The Governor proposes to deposit \$6.0 million of the premium receipts into the State’s general fund, and to use the remaining \$6.6 million in receipts for the Technology Investment Fund.

Analyst’s Note: Since the Governor intends the transfer of the bond premium receipts to occur within the FY2012 Budget, Section 15 authorizing the bond premium transfer likely belongs in Article 10 authorizing the supplemental budget and not Article 1 authorizing the FY2013 budget.

State Budget Reserve and Cash Stabilization Account (“Rainy Day Fund”)

In 1990, the Budget Reserve and Cash Stabilization Account, or Rainy Day Fund, was created to establish a fiscal cushion for the State when actual revenues received are less than State expenditures (deficit). The account is funded by limiting annual State general revenue appropriations to a percentage (currently 97.2 percent) of available revenues. When appropriations reach the revenue threshold, the excess is transferred to the Rainy Day Fund.

RIGL 35-3-20 institutes a cap on the balance of the Rainy Day Fund, which has gradually increased over the last several years. In FY2012, the balance of the Fund is capped at 4.6 percent of general revenues. When the limit is reached, excess funds are transferred to the Rhode Island Capital Plan (RICAP) account for capital improvement projects. Beginning FY2013 and thereafter, the Fund cap will reach 5.0 percent of general revenue resources, with general revenue spending limited to 97.0 percent of estimated

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resources. Presumably as the cap increases, less revenue will be transferred from the Fund to the RICAP account each year.

The following table summarizes the multi-year plan to modify the cap.

	Rainy Day Fund Spending Limit	
	Expenditure Limit	Rainy Day Fund Limit
	as % of Revenues	as % of Revenues
FY2007	98.0%	3.0%
FY2008	98.0%	3.0%
FY2009	97.8%	3.4%
FY2010	97.6%	3.8%
FY2011	97.4%	4.2%
FY2012	97.2%	4.6%
FY2013	97.0%	5.0%

RIGL 35-3-20(e) sets forth provisions for the repayment of the Fund; the law states that the fund, “shall be used solely for the purpose of providing such sums as may be required to fund any anticipated general revenue deficit caused by a general revenue shortfall” and that any funds used must be repaid in the second fiscal year following the fiscal year in which the transfer was made.

In FY2009, \$22.0 million was borrowed from the Fund and transferred to the general fund. General law required that \$22.0 million in general revenue be transferred to the RICAP fund in FY2010. The FY2010 repayment was delayed, and the Governor proposed to push out the payment to FY2013. The General Assembly used \$22.0 million in the FY2011 Supplemental Budget to repay the fund, two years prior to the Governor’s proposal.

“KUSHNER” AUTHORIZATIONS

Enacted in 1994, RIGL 35-18 or the Public Corporation Debt Management Act (Kushner Act), requires the General Assembly to approve any general obligation or other debt with a state tie prior to issuance. The legislation is intended to increase the role of the Assembly in the approval of issued debt and increase legislative oversight. The Governor recommends a total of \$278.0 million in Kushner items in FY2012. Adjusting for information provided by the Rhode Island Airport Corporation, the total amount needed is \$12.5 million less, at \$265.5 million.

Kushner Authorizations						
	FY2013	FY2014	FY2015	FY2016	FY2017	Total
COPs						
<i>RIFANS</i>	\$5.0	\$3.5	\$2.0	\$1.0	\$0.0	\$11.5
<i>Integrated Tax System</i>	5.0	5.0	5.0	5.0	5.0	25.0
<i>LEA Technology</i>	6.0	5.0	3.0	3.0	3.0	20.0
Revenue Bonds						
<i>TF Green</i> ¹	21.5	54.3	34.2	26.5	25.0	161.5
<i>Central Landfill</i>	25.0	15.0	0.0	0.0		40.0
<i>Quonset</i>	7.5	0.0	0.0			7.5
Total	\$70.0	\$82.8	\$44.2	\$35.5	\$33.0	\$265.5

\$ in millions. Totals may vary due to rounding.

¹ Source: RI Airport Corporation. Figure does not include the costs of borrowing or short-term borrowing for one project. If included, total potential debt is \$173.3 million.

Information Technology Improvements

\$56.5 million

The Governor recommends \$56.5 million in total project costs, including financing costs, for the implementation of additional modules of the statewide financial system (\$11.4 million); for an integrated tax system (\$24.8 million); and for improvements to the technology infrastructure of local education agencies (\$19.8 million). The Governor funds the project costs from Certificates of Participation (COPs), which are a tax-exempt financing vehicle used by State government to build or purchase public facilities that do not require public approval.

- **RIFANS Implementation:** The Governor recommends \$11.5 million from COPs through FY2016 to implement additional modules of the Rhode Island Financial and Accounting System (RIFANS), for a single integrated system. The additional modules include Planning and Budgeting; Human Resources/Payroll; Projects and Grants; Cash Management and Receivables; and Asset Management.
- **Integrated Tax System:** The Division of Taxation currently has a number of different tax systems and databases to manage and track various tax and fee collections. The systems are antiquated, costly to maintain, and are not inter-operable. The proposed integrated tax system would store all taxpayer information in one centralized system, allowing for improved data analysis between and among taxes. According to the Department, the system would improve revenue collections, taxpayer service, taxpayer compliance, and operational efficiency and transparency. The Governor recommends \$25.0 million in new COPs funding to develop and install the proposed system. The recommendation includes \$5.0 million per year, beginning in FY2013.
- **LEA Technology:** The Rhode Island Department of Education (RIDE) is embarking on several educational reform initiative as included in the Department's Strategic Plan. The Local Education Agency (LEA) Technology Infrastructure project seeks to ensure LEAs are prepared to meet the new requirements of the reform initiatives. The project will focus on student/teacher information system, virtual learning, and technology in the classroom. The goal of the project is to ensure that within each classroom, all students will have the same access to technology. The Governor recommends a total of \$20.0 million in COPs funding over a five year period beginning in FY2013.

Analyst's Note: On March 1, 2012 during a Senate Finance Committee hearing on this project, the Commissioner of Education testified that 68 schools could potentially qualify for over \$4.5 million in matching funds for wireless access infrastructure investments under the E-Rate program.

T.F. Green Improvements**\$174.0 million**

The Governor recommends a total of \$174.0 million in revenue bond authorization for various capital projects from FY2013 through FY2017, including the improvement and extension of runways at T.F. Green Airport. Project costs are also associated with a deicer management system, noise mitigation, land acquisition, and facility developments.

Analyst's Note: According to the Rhode Island Airport Corporation, the Kushner request for improvements at T.F. Green are anticipated to be approximately \$13.0 million less than the Governor's FY2013 budget. The schedule included in the Governor's capital budget is a "worst-case" scenario for the projects at the airport. The Corporation anticipates using previously issued bond proceeds in financing some of the improvements as well as funding from the Federal Aviation Administration. The differences are primarily attributable to the financing of runway expansions and some airport general improvements. See the Rhode Island Airport Corporation Capital Budget Analysis for further detail.

Resource Recovery Corporation Revenue Bonds – Central Landfill**\$40.0 million**

The Governor recommends a total of \$40.0 million in corporation revenue bonds for the Resource Recovery Corporation in FY2013 (\$25.0 million) and FY2014 (\$15.0 million) to fund the design and construction of a leachate pretreatment facility to comply with projected changes in discharge standards for the disposal of wastewater into a public sewer. Currently, the Corporation is in the preliminary stages of planning and designing a new leachate facility to treat nitrogen to comply with standards as established by the Narragansett Bay Commission and the Rhode Island Department of Environmental Management (RIDEM).

Quonset – Davisville Piers Dredging**\$7.5 million**

The Governor recommends a \$7.5 million bond authorization in FY2013 to permit the Quonset Development Corporation to dredge the Port of Davisville. The Port has not been dredged since the piers were first constructed, preventing some larger ships (primarily automobile importers) from entering the port at full capacity. The port will be dredged to a depth of 32 feet, currently some area of the port measure 25 feet in depth, for an area of about 260,000 cubic yards. This requires sampling, testing, and engineering of the Port. In order to finance the debt service associated with the dredging, the Corporation will modify the port tariff by increasing dockage and wharfage charge. Annual projected debt service is estimated at \$911,206 over ten years at an interest rate of 4.0 percent.

FIRE CODE COMPLIANCE PROJECTS

As part of the capital budget submission, a number of projects were included to bring state buildings into compliance with the changes in the state fire code since the 2003 The Station nightclub fire. The passage of the Comprehensive Fire Safety Act of 2003 resulted in the adoption of updated and detailed changes to the state fire code. The intent of the legislation was to:

“make Rhode Island the safest state in the nation in terms of fire safety, to provide for the adoption and implementation of an up-to-date comprehensive system of codes for fire safety and to foster a culture of compliance with standards for fire safety, and to provide for amendments to...existing general laws.”

One result of the application of a more uniform and strict fire code was the increase of costs in the construction and renovation of state facilities. The following table shows the estimated cost of fire-related code improvements and construction projects on the capital budget between FY2013 and FY2017.

Department	Pre-		FY2013	FY2014	FY2015	FY2016	FY2017	Post-	Total
	FY2012	FY2012						FY2017	
Administration	\$2.9	\$1.8	\$1.4	\$1.6	\$1.8	\$1.0	\$1.0	\$1.0	\$12.4
Children, Youth and Families	2.2	1.0	1.0	-	-	-	-	-	4.2
Human Services	-	-	0.4	-	-	-	-	-	0.4
MHRH	2.8	2.1	1.5	1.6	1.2	0.8	0.8	-	10.8
RIDE ¹	3.7	-	1.9	-	-	-	-	-	5.7
Higher Education	13.7	30.1	7.3	1.1	-	5.0	5.0	4.0	66.1
Attorney General	-	-	-	0.2	-	-	-	-	0.2
Corrections	-	0.2	0.2	0.2	0.2	0.2	0.2	0.2	1.4
Military Staff	0.4	0.8	0.2	0.2	0.2	0.0	1.7	-	3.4
Public Safety	6.4	1.3	1.5	-	-	-	-	-	9.2
Transportation	-	0.2	0.3	-	-	-	-	-	0.5
Totals	\$32.1	\$37.4	\$15.6	\$4.9	\$3.4	\$7.0	\$8.7	\$5.2	\$114.3

¹Funding may actually be spread out from FY2013 through FY2017.

Of the \$114.3 million in funds allocated to fire code compliance projects and fire code required design elements, 57.8 percent involves higher education facilities, a reduction of nearly 6.0 percent from the enacted capital plan.

Department of Administration

Funding by Project	Pre-FY2012	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017	Total
DoIT Enterprise Operations Center	\$8.5	\$2.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$10.5
Energy Conservation - Pastore Campus	4.8	11.5	22.9	13.9	-	-	-	53.1
Washington County Government Center	0.6	1.8	0.5	0.5	0.4	0.4	0.4	4.4
Pastore Center Building Demolition	0.0	1.5	2.5	2.5	1.5	0.5	-	8.5
State Buildings - Fire Code Compliance	1.1	0.7	0.3	0.5	0.5	0.5	0.5	4.0
Pastore Center Fire Code Compliance	1.8	1.1	1.1	1.1	1.3	0.5	0.5	7.5
Pastore Power Plant Rehabilitation	31.8	0.8	-	-	-	-	-	32.6
Information Technology Infrastructure	4.7	-	-	-	-	-	-	4.7
Pastore Center Rehab - DOA Portion	1.0	1.0	1.6	1.6	0.5	0.5	0.5	6.7
Building Stabilization Project	-	0.3	2.2	-	-	-	-	2.5
Board Of Elections - New Location	-	0.1	4.4	1.7	-	-	-	6.2
Pastore Utilities Upgrade	2.9	1.3	2.0	2.0	-	-	-	8.3
Pastore Center - Water Tanks And Pipes	1.1	0.5	0.5	0.3	0.2	-	-	2.5
Integrated E-licensing And Consolidation	1.0	-	-	-	-	-	-	1.0
Environmental Compliance	2.3	0.3	0.2	0.2	0.2	0.2	0.2	3.6
Old Colony House	0.8	0.5	0.3	0.1	-	-	-	1.7
State House Renovations	2.7	2.2	3.0	4.5	4.5	0.5	0.5	17.8
Chapin Health Laboratory	0.1	0.5	1.5	1.5	-	-	-	3.6
Pastore Center - Howard Avenue Traffic Improvements	-	-	-	-	-	-	-	-
Zambarano Utilities And Infrastructure	1.8	1.1	1.2	1.8	1.6	0.6	0.5	8.5
Old State House	0.2	0.5	0.5	0.4	-	-	-	1.6
Pastore Center Parking	-	0.2	1.0	-	-	-	-	1.2
Replacement Of Fueling Tanks	0.8	0.5	0.3	0.3	0.3	0.3	0.3	2.8
William Powers Building (Administration)	3.0	0.9	0.7	0.6	0.5	0.3	0.3	6.2
Cannon Building	1.2	1.2	0.2	0.2	0.2	0.2	0.2	3.2
Pastore Cottages Rehabilitation	-	-	0.1	0.1	0.2	0.2	-	0.6
Veterans' Memorial Auditorium	1.3	3.6	4.0	3.9	2.1	-	-	14.8
Renovate Building #81 (Old Eastman House)	-	-	0.2	0.3	-	-	-	0.5
State Office Building	2.6	1.2	1.3	1.3	2.5	4.2	-	13.0
Cranston Street Armory	7.3	0.6	0.8	2.0	2.0	1.5	1.5	15.8
Ladd Center Building Demolition	-	-	-	1.0	2.0	2.0	-	5.0
Station Park	-	-	0.7	0.5	-	-	-	1.2
ESCO Performance Contracting Program	6.1	-	-	-	-	-	-	6.1
Interdepartmental Weapons Range	-	0.2	-	-	-	-	-	0.2
McCoy Stadium Repairs	2.2	1.1	-	-	-	-	-	3.3
RIFANs Implementation	-	-	5.0	3.5	2.0	1.0	-	11.5
Information Technology Investment Fund	-	1.0	6.6	2.0	2.0	2.0	2.0	15.6
Big River Management Area	1.0	0.3	0.1	0.1	0.1	0.1	0.1	1.9
Big River Groundwater Development	0.3	0.2	-	-	-	-	-	0.5
Water Allocation Plan	7.7	0.1	0.1	0.6	0.8	0.6	0.2	10.1
Statewide Emergency Water Interconnections	10.6	2.4	2.0	-	-	-	-	15.0
South Country Groundwater Site Acquisition Program	2.1	3.9	1.6	1.7	-	-	-	9.3
Bristol County Water Treatment Facility	9.4	3.7	1.5	1.0	-	-	-	15.6
Ladd Rubble Pile	-	0.5	-	-	-	-	-	0.5
Affordable Housing	-	-	-	5.0	5.0	5.0	5.0	20.0
Zambarano Wood Chip Boiler	-	0.8	-	-	-	-	-	0.8
Pastore Center Renovations/Relocations	0.9	-	-	-	-	-	-	0.9
Supplemental Water Supplies Development	1.6	-	-	-	-	-	-	1.6
Big River Management Area Flood Mitigation	0.6	-	-	-	-	-	-	0.6
Total	\$125.6	\$50.0	\$70.8	\$56.4	\$30.2	\$21.0	\$12.7	\$366.7
Funding by Source	Pre-FY2012	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017	Total
Certificates Of Participation	\$45.7	\$11.5	\$27.9	\$17.4	\$2.0	\$1.0	\$0.0	\$105.5
Federal Emergency Management Agency	0.4	-	-	-	-	-	-	0.4
Federal Funds	1.6	-	0.5	0.3	-	-	-	2.4
Federal Highway Administration	-	-	0.4	-	-	-	-	0.4
G.O. New Referenda	-	-	-	5.0	5.0	5.0	5.0	20.0
General Revenue	3.2	0.2	0.1	0.6	0.8	0.6	0.2	5.7
Interest Earnings	0.9	-	-	-	-	-	-	0.9
National Guard Bureau - Federal	-	0.3	-	-	-	-	-	0.3
Offset To Avoid Double Counting	-	-	(0.4)	-	-	-	-	(0.4)
Other Funds	0.0	-	-	-	-	-	-	0.0
P.L. 1986 Ch. 289 - Issued	8.9	1.8	-	-	-	-	-	10.6
P.L. 1987 Ch. 417 - Issued	9.3	0.7	-	-	-	-	-	10.0
P.L. 2000 Ch. 55 - Issued	1.3	-	-	-	-	-	-	1.3
P.L. 2004 Ch. 595 - Issued	2.6	7.6	-	-	-	-	-	10.2
P.L. 2004 Ch. 595 - Unissued	-	-	5.1	2.7	-	-	-	7.8
Private Funding	0.4	0.0	-	-	-	-	-	0.4
Restricted Receipt Funds	2.9	1.2	6.6	2.0	2.0	2.0	2.0	18.7
RICAP	48.4	26.8	30.6	28.6	20.4	12.4	5.4	172.5
Total	\$125.6	\$50.0	\$70.8	\$56.4	\$30.2	\$21.0	\$12.7	\$366.7

\$ in millions. Totals may vary due to rounding.

The Divisions of Facilities Management and Capital Projects and Property within the Department of Administration are responsible for the management or oversight of most capital projects undertaken by state agencies and departments in Rhode Island. The Department of Administration FY2013-FY2017 Capital Budget Request consists of 49 separate projects, including projects previously listed under the Water Resources Board.

DolT Enterprise Operations Center

This project involves the purchase and renovation of 50 Service Avenue in Warwick as the new State Data Center. The State Treasury Department and the State Police have located staff at this facility. Total project funding is \$9.8 million, of which \$9.3 million is from RICAP, \$412,340 from restricted receipts, and \$117,660 from other funds. The request includes the final \$2.7 million for FY2012.

The Governor recommends total funding of \$10.5 million, reflecting actual expenditures through FY2012, of which \$9.5 million is from RICAP, \$429,263 from restricted receipts, \$345,009 from general revenue, \$143,730 from private funds, and \$13,158 from other funds. The recommendation includes a final \$2.0 million for FY2012. The Governor's recommendation is \$700,000 more than the Department's request. The additional funds include: \$275,000 for mold remediation, elevator upgrades, and other mechanical upgrades; \$143,730 for an energy efficient HVAC system; and the balance for an emergency generator.

Energy Conservation – Pastore Center and Zambarano Hospital

Section 3 of Article 4 of the FY2009 Appropriations Act authorized the State to retain and execute energy service contracts (lease-purchase agreements) to replace obsolete and energy inefficient equipment for structures located at the Pastore Center complex and at the Zambarano Hospital that would normally be replaced through the capital budget process. Heating, cooling, and other energy-related equipment (including windows) would be upgraded, and the savings from the increased energy efficiency pays for the contract with the Energy Service Company (ESCO). Total expenditures are estimated at \$53.1 million from Certificates of Participation (COPS). Approximately \$4.8 million has been spent to date, and the Department requested \$11.5 million for FY2012, \$22.9 million for FY2013, and \$13.9 million for FY2014. This project is consistent with the enacted capital plan.

The Governor recommends finding as requested.

Washington County Government Center

The Department requests \$5.8 million in RICAP funding for interior and exterior renovations at the Washington County Government Center, including renovations to the third floor as well as fire and safety code mitigation. The building requires new windows, parking improvements, and general cosmetic upgrades. Total projected costs are \$5.8 million, with \$1.6 million requested for FY2012 and out-year funding of \$4.2 million spread between FY2013 and FY2017. The project received a carry-forward of \$46,233 in unexpended funds from FY2011.

The Governor recommends \$4.4 million for the project, a reduction of \$1.4 million from the Department's capital request based on current expenditure projections. The Governor recommends \$1.8 million for FY2012, \$500,000 in FY2013, \$450,000 in FY2014, and \$350,000 for each year from FY2015 to FY2017.

Pastore Center – Building Demolition

The Department requests \$10.5 million in RICAP funding to demolish buildings A and D at the Pastore Center in Cranston. The buildings have been vacant since 1985 and are in complete disrepair. The two structures contain hazardous materials such as lead and asbestos at high enough levels that the Department has declared the structures to be a liability to the State. Once the buildings are removed, the plan for the lots is to landscape and use the space for additional parking for the agencies housed at the Pastore Center. In addition, the Department of Corrections' minimum security expansion project requires demolishing and removing Building D. Total requested project funding is \$10.5 million, with \$1.5 million in FY2012 and \$9.0 million spread from FY2013 to FY2017. The project received a carry-forward of \$494,038 in unexpended funds from FY2011.

The Governor recommends \$8.5 million for the project, a reduction of \$2.0 million from the Department's capital request based on current expenditure projections. The Governor recommends \$2.5 million in FY2013 and in FY2014, \$1.5 million in FY2015 and \$500,000 in FY2016. The Governor removed the \$2.0 million from FY2017.

Analyst's Note: The Department notes that actual costs may exceed estimates once the removal of the buildings and hazardous materials is underway. The amount of hazardous materials to be disposed of is unknown at this time.

State Buildings – Fire Code Compliance

The Department requests \$4.5 million in RICAP funding for fire code compliance renovations for various state buildings, including fire alarms, sprinkler systems and emergency exit measures. Total requested project funding is \$4.5 million, with \$783,106 requested for FY2012 and out-year funding of \$2.3 million spread from FY2013 to FY2017. This project is consistent with the enacted capital plan. The project received a carry-forward of \$133,106 in unexpended funds from FY2011.

The Governor recommends \$3.9 million for the project, a reduction of \$600,000 from the Department's capital request based on current expenditure projections. The Governor recommends \$650,000 in FY2012, \$250,000 in FY2013, and \$500,000 per year in FY2014 through FY2017.

Pastore Center – Fire Code Compliance

The Department requests \$7.5 million in RICAP funding to install new and/or upgraded existing fire alarm and sprinkler systems in Department-managed structures at the Pastore Center and at the Zambarano campus of the Eleanor Slater Hospital. The renovations are required to comply with state fire codes. The buildings are currently occupied and house a variety of state agencies. The ongoing and out-year projects include new systems at the Meyer, Simpson, Virks, Rush, and Pinel Buildings at the Pastore Center, and the Barry and Wallum Lake House in Burrillville. Total requested project funding is \$7.5 million, with \$1.1 million requested for FY2012 and includes out-year funding of \$4.5 million spread from FY2013 to FY2017. The request reflects the FY2011 carry forward of \$340,137.

The Governor recommends funding as requested.

Pastore Center – Power Plant Rehabilitation

The Department requests \$845,825 in RICAP funding to complete the rehabilitation of the power plant at the Pastore Center in Cranston. The Pastore Center has a central power plant capable of co-generating steam and electricity for the various state agencies housed at the Center. However, to meet the expected utility demand resulting from the expansion of state agencies at the Center, the central power plant's 50

year-old boiler requires renovations. Total project funding is \$31.0 million, with the final \$845,825 in RICAP funds to be expended in FY2012. The project is funded using a total of \$1.0 million in RICAP funds and \$30.0 million in Certificates of Participation. The request reflects the FY2011 carry forward of \$175,825. This project is in the enacted capital plan and is expected to be completed by June 30, 2012.

The Governor recommends funding as requested.

Information Technology Infrastructure

The Department requests \$449,356 to complete a \$4.7 million program to modernize the State's information technology (IT) infrastructure. The stated objectives of this modernization are:

- Standardization of the executive branch email
- Consolidation of computer system servers statewide
- Deployment of a centralized service desk
- Enhancement of network cyber security capabilities

Total requested project funding is \$4.7 million, with the final \$449,356 requested for FY2012. The funding source is Certificates of Participation (COPs) and interest earnings. This project is consistent with the enacted capital plan.

The Governor recommends \$4.7 million for the project, but shifts the remaining \$449,356 requested by the Department for FY2012 to the Information Technology Investment Fund capital project to consolidate all technology capital items into one project.

Pastore Center – Rehabilitation DOA Portion

The Department requests \$8.7 million in RICAP funding for maintenance and capital repairs of 16 buildings at the Pastore Center Complex. The buildings currently house a variety of state agencies. The ongoing projects include roof replacement, masonry re-pointing, and window replacements. Total project funding is \$8.7 million, with \$1.8 million requested for FY2012. The FY2012 funding request includes \$774,078 carry forward from FY2011. The Department request includes out-year funding of \$5.9 million spread from FY2013 to FY2017, reflecting an increase of \$2.2 million from the enacted capital plan. The additional funds are requested for FY2016 and FY2017. This project is in the enacted capital plan. The project received a carry-forward of \$774,078 in unexpended funds from FY2011.

The Governor recommends total funding of \$6.7 million reflecting a \$2.0 million reduction from the Department's request, which includes a reduction of \$800,000 in FY2012 and out-year funding of \$4.7 million spread from FY2013 to FY2017. The reduction is based on current expenditure projections.

Building 79 Stabilization Project

The Department requests \$4.5 million in RICAP funding to renovate Building 79 on Howard Avenue in the Pastore Center Complex. The building is vacant. The project includes roof replacement, masonry re-pointing, window replacements, and hazardous materials mitigation. Total project funding is \$4.5 million, with \$300,000 requested for FY2012 and \$2.2 million for FY2013. An additional \$2.0 million in RICAP funding is requested for FY2014 through FY2017. This project is in the enacted capital plan.

The Governor recommends funding as requested for FY2012 and FY2013, but does not include the additional out-year funding as requested by the Department.

Analyst's Note: The Department recently stated that this project will shift over to the Pastore Center – Building Demolition because the structure has been deemed too expensive to renovate.

Board of Elections – New Location

The Department requests \$7.4 million in RICAP funding to relocate the Board of Elections from its present location at 50 Branch Avenue in Providence to either the Pastore Center in Cranston or to another yet-to-be-determined location. The current location is a state-owned structure that requires \$600,000 in HVAC repairs and lacks adequate parking and equipment storage space. Total requested project funding is \$7.4 million, with \$100,000 for FY2012, and \$7.0 million spread from FY2013 to FY2014. This project is in the enacted capital plan.

The Governor recommends total funding of \$6.2 million representing a \$1.2 million reduction from the Department's request. The Governor includes \$100,000 in FY2012 and \$6.0 million spread from FY2013 to FY2014. The Governor's recommendation is based on new estimated costs to purchase a building.

Pastore Center – Utility Upgrade

The Department requests \$8.5 million in RICAP funding to upgrade the electrical distribution system at the Pastore Center in Cranston. The project involves repairing and upgrading the electrical distribution system to support the increase in expected power use at the Center. Many of the structures do not possess the amperage capacity to sustain an increase in electrical use. The request includes \$1.8 million for FY2012 and out-year funding of \$4.0 million spread from FY2013 to FY2014. This project is in the enacted capital plan. The request reflects the FY2011 carry forward of \$530,509.

The Governor recommends \$8.0 million for the project, a reduction of \$500,000 to the Department's capital request based on current expenditure projections. The Governor's recommends the out-year funding as requested.

Pastore Center – Water Tanks and Pipes

The Department requests \$3.2 million in RICAP funding for improvements to the water supply and distribution system at the Pastore Center Complex in Cranston. A current engineering analysis using a computerized hydraulic model indicates that over 80.0 percent of the existing fire hydrants would not provide sufficient water pressure or volume for firefighting. Total requested project funding is \$3.2 million, with \$919,037 to be expended in FY2012 and out-year funding of \$800,000 spread from FY2013 to FY2014. This project is in the enacted capital plan.

Analyst's Note: The Budget Office updated its report on unexpended RICAP funds to include a total carry-forward of \$538,528 from FY2011 into FY2012.

The Governor recommends total funding of \$2.5 million with appropriations of \$500,000 in FY2012 and FY2013, \$300,000 in FY2014 and \$150,000 in FY2015. This represents a \$700,000 reduction from the Department's request based on current expenditure projections.

Integrated eLicensing and Consolidation

The Department requests \$1.0 million in Certificates of Participation (COPs) funding to finish a new licensing software model for the Department of Business Regulation that can be used by multiple agencies and licensing programs. The goal is to establish a single point of use for external license

renewal services and license status checks. Total project funding is \$1.0 million, with the final \$272,473 requested for FY2012. This project is in the enacted capital plan.

The Governor recommends funding as requested.

Environmental Compliance

This project first began in FY1999 to replace or remove fuel storage tanks owned by various state agencies. It has since evolved into the continuous program of environmental compliance maintenance for asbestos and other hazardous material abatement throughout various state-owned structures. Total RICAP funding is \$3.8 million, with \$530,224 requested for FY2012 (including a carry-forward of \$230,224 from FY2011) and \$1.0 million spread from FY2013 to FY2017. This project is in the enacted capital plan. However, an additional \$400,000 has been requested to continue abatement projects in FY2016 and FY2017.

The Governor recommends total funding of \$3.6 million with an appropriation of \$300,000 in FY2012 and future appropriations of \$200,000 per year in FY2013 through FY2017.

Old Colony House

The Department requests \$1.7 million in RICAP funding for ongoing restoration and preservation work at the Old Colony House in Newport. The project involves security and environmental system upgrades. Renovations to the Old Colony House have been ongoing since 2000. Some of the completed renovation work included fire code renovations, window replacement, restroom renovations, heating system replacement, carpet and painting renovations, exterior re-pointing, new elevator, new HVAC system, emergency generator, electrical renovations, and installation of a security system. The remaining scheduled work includes an upgrade to the security system for the building and environmental system upgrades to protect the Gilbert Stuart portrait of George Washington. The request for FY2012 is \$505,277, including a \$305,277 carry forward from FY2011, and out-year funding of \$400,000 spread from FY2013 to FY2014. This project is in the enacted capital plan.

The Governor recommends funding as requested.

State House Renovations

The State House Renovation project includes replacing the 100-year-old heating system, installing a fire sprinkler system in the office and basement areas, and installing a centralized air conditioning system. Renovations are needed to the service entrance and parking lots. The project includes \$17.8 million in RICAP funds, with \$2.2 million requested for FY2012, which includes a carry-forward of \$654,704 from FY2011, and out-year funding of \$13.0 million spread from FY2013 to FY2017. The projects for FY2012 include repointing the west plaza, restoration of entrance doors and the basement fire code/sprinkler system will be completed. This project is in the enacted capital plan.

The Governor recommends funding as requested, but postpones the parking lot expansion project until further notice.

Chapin Health Laboratory

The Department requests \$4.7 million in RICAP funding for continued infrastructure updates at the Chapin Health Laboratory. According to the Department, renovations to the heating ventilation system are necessary to bring the structure up to modern standards to prevent spreading pathogens throughout

the building and to improve energy efficiency throughout the structure. The project involves installing a new boiler system, laboratory exhaust and decomposition room ventilation, lighting upgrades, and HVAC system upgrade. The Department requested \$500,000 for FY2012 and out-year funding of \$4.0 million spread from FY2013 to FY2017. This project is in the enacted capital plan, but now includes an additional \$1.1 million in RICAP appropriations requested for FY2015 through FY2017 for future asset protection projects.

The Governor recommends total funding of \$3.6 million, with \$500,000 for FY2012 and out-year funding of \$3.0 million spread from FY2013 to FY2014. The Governor's recommendation reduces funding by \$1.1 million from FY2015 to FY2017 based on current expenditure projections and given a feasibility study to evaluate the use of the structure is still underway.

Analyst's Note: The Department of Health requested a total of \$85.2 million in RICAP funds to design and build a new State Laboratory and Medical Examiner's Office, replacing the existing 30-year-old Chapin building. The Governor did not recommend funding for this project.

Pastore Center – Howard Avenue Traffic Improvements (New)

The Department requests \$400,000 in Federal Highway Administration funds and \$4.0 million in RICAP funding to fund design, engineering, and construction work for new proposed capital project improvements to Howard Avenue from Slate Hill Road to Pontiac Avenue. The roadway requires major improvements to accommodate the increased traffic expected at the Pastore Center. Total requested project funding is \$4.4 million with the \$400,000 in federal funding requested for FY2013 and RICAP out-year funding of \$4.0 million between FY2014 to FY2017.

The Governor recommends funding as requested.

Zambarano - Utilities and Infrastructure

The Department requests \$8.2 million in RICAP funding for repairs to buildings, equipment, parking, roads, open space, and utilities at the Zambarano facility in Burrillville. Two of the projects involve improvements to protect the surface water supply to meet state health regulations. Additional projects include installing an emergency generator for the Zambarano sewer treatment plant and waterproofing the campus buildings. The request includes \$1.1 million for FY2012 (including a carry-forward of \$222,484 from FY2011) and out-year funding of \$5.7 million spread from FY2013 to FY2017. This project is in the enacted capital plan.

The Governor recommends funding as requested.

Old State House

The Department requests \$1.9 million in RICAP funding for renovations to the Old State House, which houses the Rhode Island Historic Preservation and Heritage Commission. The project consists of exterior and interior work including replacing the boiler and heating system, installing a fire sprinkler system to meet the fire codes, upgrading HVAC and electrical systems and painting and brick repairs. The request totals \$600,000 in FY2012, including a carry-forward of \$100,000 from FY2011, and out-year funding of \$900,000 spread from FY2013 to FY2014. This project is in the enacted capital plan.

The Governor recommends total funding of \$1.6 million, including out-year funding of \$900,000 spread from FY2013 to FY2014. The Governor does not include the carry-forward amount from FY2012.

Pastore Center – Parking

The Department requests \$3.2 million in RICAP funding to update the 2002 parking assessment plan and to provide new parking for employees and visitors at the Pastore Center in Cranston. The current parking at the Pastore Center is poorly positioned and with the increase in state workers at the Center, the parking situation is expected to worsen. The Department requests the parking plan update in order to begin parking improvements. The request includes \$225,000 for FY2012 and out-year funding of \$3.0 million for FY2013 through FY2017. This project is in the enacted capital plan.

The Governor recommends total funding of \$1.2 million, with \$225,000 in FY2012 and \$1.0 million in FY2013 based on current expenditure projections.

Replacement of Fuel Tanks

This \$3.0 million RICAP-funded project first began in FY1999 to replace or remove aged fuel storage tanks owned by various state agencies. The State currently owns 14 fueling stations for state vehicles. In order for the State to remain in compliance with RIDEM and federal EPA requirements, fuel tanks must be replaced every 15 years, essentially making this a continuous project and requiring the establishment of this as a separate project. Lack of compliance will cause the State to incur penalties and fines. The request totals \$691,597 in FY2012, including a carry-forward of \$391,597 from FY2011, and out-year funding of \$1.5 million spread from FY2013 to FY2017. This project is in the enacted capital plan.

The Governor recommends \$2.8 million for this project, a reduction of \$200,000 from the Department's request based on projected expenditures for FY2012.

William Powers Building

The Department requests \$6.2 million in RICAP funding for interior upgrades including carpet and floor covering replacement, restroom renovations, repairs of window leaks, painting, HVAC system, parking garage maintenance, concrete repairs, window seal replacement, and kitchen facility upgrades. The request includes \$857,348 for FY2012, which includes a carry-forward of \$357,348 from FY2011 and out-year funding of \$2.4 million spread between FY2013 to FY2017. The Department requests an additional \$600,000 spread over FY2016 and FY2017 for asset protection. This project is in the enacted capital plan.

The Governor recommends funding as requested.

Cannon Building

The Department requests \$3.5 million in RICAP funding for ongoing renovations to the Cannon Building, including new carpeting and replacement or removal of the roof overhang. The roof overhang work is needed to prevent debris from falling from the roof. The request includes \$1.5 million for FY2012, including a \$280,012 carry forward from FY2011, and out-year funding of \$820,000 spread from FY2013 to FY2017. This project is in the enacted capital plan.

The Governor recommends total funding of \$3.2 million with \$1.3 million for FY2012, and out-year funding of \$820,000 spread from FY2013 to FY2017.

Pastore Center - Cottages Rehabilitation (New)

There are three cottages remaining at the Pastore Center Complex that were previously used as residences for the attending Pastore Center physicians. The Department requests \$600,000 in new RICAP funding to renovate the structures to meet State building codes and to reuse as office space. Currently, the Governor's Commission on Disabilities occupies one of the cottages. The other two cottages are occupied by DCYF's juvenile probation offices. An agreement with the Historic Preservation Commission requires that the three remaining cottages be preserved and reused. Total requested project funding is \$600,000, with \$100,000 for FY2013 and \$500,000 for FY2014.

The Governor recommends funding as requested, but spreads \$500,000 between FY2014 and FY2016.

Veterans' Memorial Auditorium and Office Building

The Department requests \$14.8 million in RICAP funds to renovate the Veterans' Memorial Auditorium and Office Building. The proposed project repairs roof leaks, repairs the HVAC system, and upgrades handicap access and fire safety systems and equipment, security systems, concession equipment, stage and electrical equipment. The request totals \$3.6 million in FY2012, which includes a carry-forward of \$2.2 million from FY2011, and out-year funding of \$10.0 million spread from FY2013 to FY2015. The project is in the enacted capital plan.

The Governor recommends funding as requested.

Renovate Building #81 Old Eastman House (New)

The Department requests \$450,000 in new RICAP funding to renovate Building #81 (Old Eastman House) that is currently vacant and in disrepair at the Pastore Center in Cranston. The project entails the rehabilitation of the structures to meet state building codes and to reuse as unspecified office space. Total requested project funding is \$450,000, with \$150,000 for FY2013 and \$300,000 for FY2014.

The Governor recommends funding as requested.

State Office Building

The Department requests \$13.7 million in RICAP funding for ongoing renovations to the Department of Transportation State Office Building. This has been an ongoing project since 1999 and involves continuing fire and safety code compliance projects as well as bathroom renovations and ceiling repairs. The request includes \$1.5 million to be expended in FY2012, including a carry-forward of \$332,616 from FY2011 and out-year funding of \$9.3 million spread from FY2013 to FY2015. The project is in the enacted capital plan.

The Governor recommends total funding of \$13.0 million for this project, including \$1.2 million in FY2012 and, \$1.3 million in FY2013.

Cranston Street Armory

The Department requests \$15.4 million in RICAP funding for ongoing building stabilization of the former Rhode Island National Guard facility in the City of Providence. Currently the facility houses the offices of the State Fire Marshal and is used as the storage facility for the Board of Elections. The primary stabilization work will focus on the “envelope” of the structure, i.e., work that prevents further structural deterioration caused by the climate. Other work involves electrical upgrades and fire safety and accessibility issues. The request includes \$620,863 in FY2012 and out-year funding of \$7.8 million spread from FY2013 to FY2017. The project is in the enacted capital plan.

The Governor recommends funding as requested.

Ladd Center Building Demolition

The Department requests \$5.0 million in RICAP funding for the demolition of nine structures at the former Ladd School Property in Exeter. The structures are unsafe and have been in a state of disrepair for numerous years. The first expenditure of \$1.0 million is requested for FY2014. The Department request includes out-year funding of \$4.0 million spread from FY2015 to FY2016.

Analyst’s Note: The structures are a liability to the State. A lawsuit against the State, filed by a family whose child was severely injured on the property, was recently dismissed in court. According to Department of Administration personnel, demolition of these building and an adaptive reuse of this state property should be a high priority.

The Governor recommends funding as requested.

Station Park

The Department requests \$1.2 million in RICAP and federal funding to develop a small landscaped urban park on open space adjacent to the Providence Train Station and the State House. This area is often used for outdoor concerts and rallies. The improvements include pathways, electrical services, water irrigation infrastructure, tree plantings, installation of a perimeter fence, lighting, and outdoor benches. The request includes \$700,000 in FY2013 and \$450,000 in FY2014. This project is in the enacted capital plan.

The Governor recommends funding as requested.

ESCO Performance Contracting Program

The Department requests \$6.1 million in COPs funding for the performance contracting program that is replacing or upgrading various heating, HVAC or electrical systems within structures at the William Powers Building and Cannon Building at Capitol Hill as well as lighting and a new boiler at the Veterans’ Home in Bristol. The final \$100,000 is scheduled for FY2012.

The Governor recommends funding as requested.

Interdepartmental Weapons Range

The enacted capital plan includes \$150,000 in RICAP funding for a feasibility study for the construction of an interdepartmental weapons range to benefit state public safety agencies, including the State Police, Capitol Police, Department of Corrections, and Sheriffs. Total requested project funding is \$150,000, in FY2012. This project is in the enacted capital plan.

The Governor recommends funding as requested.

McCoy Stadium

The Department requests \$1.1 million in RICAP funding in FY2012 for ongoing renovation work at McCoy Stadium in Pawtucket. Although the facility is owned by the City of Pawtucket, the state first assisted the City with \$11.0 million in stadium renovations during FY1998 and FY1999 in order for the facility to meet minor league baseball standards. Funding for the renovations was derived from Economic Development Revenue Bonds. In return, the owner of the Pawtucket Red Sox signed a lease to keep the team in Rhode Island. The current lease has been extended to January 31, 2016.

Several outstanding projects were not completed or addressed during the stadium renovation. This included parking area coating, roof repairs, weatherproofing, elevator and HVAC upgrades. The state has spent \$12.9 million to date on renovations for this project. The Department requests \$1.1 million in FY2012. This includes a \$607,809 carry forward from FY2011. There is no requested funding beyond FY2012. This project is in the enacted capital plan.

The Governor recommends funding as requested.

RIFANS Implementation (New)

The Department requests \$11.5 million in new Certificates of Participation (COPs) funds for the RIFANS multi-year implementation project to implement additional finance modules (Planning and Budget, Human Resources, Cash Management and Asset Management) into the existing state accounting system. The Department requests \$5.0 million in FY2013, and additional out-year appropriations from FY2014 to through FY2016.

The Governor recommends funding as requested.

Analyst's Note: The Governor includes an item in Article 7 in the FY2013 Budget to authorize the use of new COPs for the RIFANS Implementation project.

Information Technology Investment Fund (New)

The Department requests \$14.5 million in new Certificates of Participation (COPs) to fund technology initiative projects such as upgrading the email system and the mainframe tape library. The Department requests \$2.5 million in FY2013, \$2.0 million in FY2014, and \$5.0 million each in FY2015 and FY2016.

The Governor recommends total funding of \$15.5 million consistent with the Department's request, but also includes the \$1.0 million restricted receipt appropriation included in the FY2012 Budget as Enacted to fund information technology purchases. The Governor recommends \$1.0 million in FY2012, \$6.6 million in FY2013, \$2.0 million each year from FY2014 to FY2017.

Big River Management Area

The Department requests \$2.1 million in RICAP funds to maintain housing, roads, bridges, and culverts within the Big River Management Area. The request includes \$350,000 in FY2012 and out-year funding of \$700,000 from FY2013 to FY2017. The project is in the enacted capital plan.

Analyst's Note: This project was previously listed under the Water Resources Board when the Board existed as a separate state entity. The Board, staff and its responsibilities were transferred to the Department of Administration as part of the FY2012 Budget as Enacted.

The Governor recommends total funding of \$1.9 million, with \$265,252 in FY2012 and out-year funding of \$520,000 from FY2013 to FY2017.

Big River Groundwater Development

The Department requests \$411,530, of which \$390,330 is in RICAP funds and \$21,200 is general revenues, to continue developing a series of groundwater wells to establish a new public water supply for central Rhode Island. The final \$53,182 in RICAP funds is requested for FY2012.

Analyst's Note: This project was previously listed under the Water Resources Board when the Board existed as a separate state entity. The Board, staff and its responsibilities were transferred to the Department of Administration as part of the FY2012 Budget as Enacted.

The Governor recommends \$517,994 in RICAP funds with a final appropriation of \$186,372 in FY2012 to reflect an adjustment in the pre-FY2012 expenditures.

Water Allocation Projects

The Department requests \$2.3 million in general revenue funding to continue of the joint state-federal Water Allocation Program. The state appropriation will be matched with \$1.6 million in federal funds. The Water Allocation Program consists of 11 statewide water supply plan projects. The Department requests \$103,097 in FY2012 and out-year funding of \$2.2 million from FY2013 to FY2017. The project is in the enacted capital plan.

Analyst's Note: This project was previously listed under the Water Resources Board when the Board existed as a separate state entity. The Board, staff and its responsibilities were transferred to the Department of Administration as part of the FY2012 Budget as Enacted.

The Governor recommends funding as requested.

Statewide Emergency Water Interconnect Projects

The Department requests \$4.3 million derived from general obligation bond proceeds for the Water Facilities Assistance Grant programs that assist communities to establish emergency water connections. The grants reimburses water suppliers 25.0 percent of the cost if the connection benefits one community or provides a 50.0 percent reimbursement if the connection benefits two communities. The Department requests \$500,000 in FY2012 and out-year funding of \$3.8 million covering FY2013 and FY2014. The project is in the enacted capital plan.

The Governor recommends total funding as requested, but includes \$2.3 million in FY2012 and \$2.0 million in FY2013.

Analyst's Note: This project was previously listed under the Water Resources Board when the Board existed as a separate state entity. The Board, staff and its responsibilities were transferred to the Department of Administration as part of the FY2012 Budget as Enacted.

South County Groundwater Protection/Acquisition

The Department requests \$9.5 million in general obligation bond funds for future public water supply groundwater well site acquisitions. The Department requests \$1.4 million FY2012 and out-year funding of \$7.2 million from FY2013 to FY2015. The project is in the enacted capital plan. The Department's request is \$191,281 more than the enacted capital plan.

The Governor recommends total funding of \$9.3 million consistent with the approved plan with \$3.9 million in FY2012 and out-year funding of \$3.3 million from FY2013 to FY2014.

Analyst's Note: This project was previously listed under the Water Resources Board when the Board existed as a separate state entity. The Board, staff and its responsibilities were transferred to the Department of Administration as part of the FY2012 Budget as Enacted.

Bristol County Water Treatment Facilities

The Department requests \$15.7 million in general obligation bond funds to upgrade the Bristol County Water Treatment Facility including the Shad Factory pipeline. The Bristol County Water Authority has not been successful in securing permits for the Shad Factory pipeline project. The Water Resources Board identified an alternative to provide water to the BCWA, by constructing a new water interconnection between the Pawtucket Water Supply Board and the BCWA. The Department requests \$50,000 in FY2013 and out-year funding of \$6.9 million from FY2014 to FY2016. The project is in the enacted capital plan.

The Governor recommends \$15.6 million for this project, a reduction of less than \$100,000 to reflect an adjustment in the pre-FY2012 expenditures. The Governor includes \$3.8 million in FY2012 and \$2.5 million in out-year funding from FY2013 to FY2014 in bond funds for this project.

Analyst's Note: The Department's request differs from the intent of the bond authorization approved by the voters. This may require voter approval or legislation to alter the existing bond authorization. The Department is investigating this issue.

Ladd Rubble Pile (New)

The Governor recommends \$450,000 in FY2012, of which \$200,000 is in RICAP funds and \$250,000 from federal funds to construct a collapsible training structure at the former Ladd School. The structure will be used to train emergency personnel in search and rescue technics. This is a joint state-federal project that was not included in the Department's request.

Affordable Housing (New)

The Governor recommends \$25.0 million from a new general obligation bond to continue the affordable housing initiative begun in 2006. Proceeds from the bond will be used to provide rental and homeownership assistance, through the redevelopment of existing structures, new construction, or foreclosure assistance. In 2006, a \$50.0 million bond measure was approved by the voters. Issuances from the proposed bond are scheduled to be disbursed equally over a five-year period with the final disbursement of \$5.0 million scheduled for post-FY2017.

Zambarano Wood Chip Boiler (New)

The Governor recommends \$750,000 in RICAP funds in FY2012 to purchase and install a wood chip boiler at the Zambarano campus. This project was not included in the Department's capital project request. According to the Department, this was originally a project funded under the American Recovery and Reinvestment Act (ARRA). However, the ARRA funds expired before the project could begin. The project is necessary and the decision was made by the capital committee to include it as a RICAP funded project with the Department of Administration.

Supplemental Water Supplies Development

The Board requested \$30.0 million in new bond authorization, including \$20.0 million in FY2015 and \$10.0 million after FY2016. These funds would be used to construct alternative sources of water and interconnections to create a redundant system to supplement existing sources, as recommended by the Supplemental Water Supplies Feasibility Study Phase I.

The Governor does not recommend funding for this project.

Big River Management Area Flood Mitigation (New)

The Department requests \$71,000 in general revenue funds in FY2012 to repair flood damaged roads, safety barriers and signage within the Big River Management Area. This is a new project.

The Governor does not recommend funding for this project.

PC/Server Client Refresh (New)

The Department requests \$175,000 in new RICAP funding to upgrade the client server architecture network and replace obsolete computer equipment and software throughout the Departments of Administration, Revenue, and BHDDH. Total project funding is requested for FY2013. The project is included in the enacted capital plan.

The Governor does not recommend funding this item as a separate project. Rather, the Governor shifts this project requested by the Department to the proposed Information Technology Investment Fund capital project to consolidate all technology capital items into one project.

Work Order System (New)

The Department requests \$150,000 in new Certificates of Participation (COPs) funding in FY2013 to replace the current paper-based system used by the Division of Facilities Management to request, respond, and manage repair work orders and maintenance with a web based system. The web based system would be used by all state agencies.

The Governor does not recommend funding for this project. The Governor does not recommend funding this item as a separate project. Rather, the Governor shifts this project requested by the Department to the proposed Information Technology Investment Fund capital project to consolidate all technology capital items into one project.

Regional Water Supplies Development (New)

The Department requests \$16.0 million from a new general obligation bond authorization for FY2017. The actual referendum would be placed before the voters on the November 2016 ballot. The project entails creating a water connection between the Kent County Water Authority with the water systems under the Quonset Development Corporation and the North Kingstown Authority. The Department requests \$16.0 million in FY2017. This is a new project.

The Governor does not recommend funding for this project.

Storage Consolidation and Enhancement (New)

The Department requests \$815,000 in new Certificates of Participation (COPs) funding, including \$65,000 in FY2013, to establish a standard information technology storage area network architecture, upgrade two existing storage systems, consolidate storage systems, and install archive record capabilities and other disaster recovery capabilities. The Department requests out-year funding of \$750,000 in FY2014 and FY2015.

The Governor does not recommend funding for this as a separate project, but instead recommends including this and other IT projects in a separate Information Technology Investment Fund.

Department of Labor and Training

Funding by Project	Pre-FY2012	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017	Total
Roof Replacement Project	0.0	1.6	0.0	0.0	0.0	0.0	0.0	1.7
Center General Asset Protection	-	0.4	0.3	0.3	0.4	0.3	-	1.7
Total	\$0.0	\$2.1	\$0.3	\$0.3	\$0.4	\$0.3	\$0.0	\$3.4

Funding by Source	Pre-FY2012	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017	Total
Federal Funds	\$0.0	\$0.4	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.4
General Revenue	0.0	-	-	-	-	-	-	0.0
Other Funds	0.0	0.3	-	-	-	-	-	0.3
Restricted Receipt Funds	0.0	0.2	-	-	-	-	-	0.3
RICAP	0.0	1.2	0.3	0.3	0.4	0.3	-	2.5
Total	\$0.0	\$2.1	\$0.3	\$0.3	\$0.4	\$0.3	\$0.0	\$3.4

\$ in millions. Totals may vary due to rounding.

The Department of Labor and Training's FY2013 to FY2017 capital budget request proposes a revision to the enacted capital plan.

Roof Replacement Project

The Department of Labor and Training requests a total of \$1.7 million in FY2012 to replace three slate roofs on buildings 68, 69, and 71, housing both the Department of Labor and Training and the Department of Business Regulation. The expenditures consist of \$352,816 in federal funds, \$264,674 in other funds, \$792,514 in RICAP funds, \$251,309 in restricted receipt funds, and \$487 in general revenues. The Department reports that the 100-year-old slate roofs leak, causing damage to the office interior and furniture within both Departments.

The Department's request and the revised capital budget are consistent with the enacted capital plan.

Analyst's Note: Because of continued discussion and review as to whether to repair or replace the slate roofs, no work has occurred on this project during the current fiscal year.

The Governor recommends funding as requested.

Center General Asset Protection

The Department's requests \$1.7 million in RICAP funds to initiate a Center General Asset Protection plan. The current plan is comprised of nine projects to address deficiencies throughout buildings 68, 69, and 71 housing both the Department of Labor and Training and the Department of Business Regulation. The Department's request adds a tenth project to the enacted plan. The new project entails the repair of building cornices and trim. Department's request is an increase of \$61,830 from the enacted capital plan. The projects consist of the following:

Asset Protection Plan

Project	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017	Total
Point and seal brick (5 buildings)	\$0	\$525,000	\$525,000	\$0	\$0	\$0	\$1,050,000
New stand and pad (cooling tower)	158,500	-	-	-	-	-	158,500
Window caulking and sill work	-	144,000	-	-	-	-	144,000
Air duct cleaning	5,000	35,000	42,000	-	-	-	82,000
Carpet replacement	25,000	47,000	-	-	-	-	72,000
Repair cornices and trim (4 buildings)	-	61,830	-	-	-	-	61,830
Parking lot and sidewalk repairs	-	60,000	-	-	-	-	60,000
New entrance sidewalk & bollards	-	40,000	-	-	-	-	40,000
Steam room ventilation	10,000	-	-	-	-	-	10,000
Install sump pumps and filter	10,000	-	-	-	-	-	10,000
Total	\$208,500	\$912,830	\$567,000	\$0	\$0	\$0	\$1,688,330

Analyst's Note: The Department's asset protection request for FY2013 shifts funds to those projects deemed critical. This would increase the enacted capital plan expenditures by \$440,330 in FY2013 and by \$256,500 in FY2014, but decreases the enacted capital plan reduces RICAP funds by \$310,500 in FY2015 and by \$262,500 in FY2016.

The Governor recommends total funding as requested but does not recommend the increase in funds for FY2013. Instead, the Governor recommends a "lump sum" appropriation for each year, allowing the Department to prioritize the capital expenditures without designating funds to a specific project.

Department of Revenue

Project	Pre-FY2012	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017	Total
Registry Building	\$17.2	\$0.5	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$17.7
DMV Modernization Project	13.8	1.7	-	-	-	-	-	15.5
Tax Data Warehouse	2.9	0.2	-	-	-	-	-	3.2
Integrated Tax System	-	-	5.0	5.0	5.0	5.0	5.0	25.0
DMV Lift Replacement	-	-	0.1	0.1	0.1	-	-	0.3
Total	\$33.9	\$2.5	\$5.1	\$5.1	\$5.1	\$5.0	\$5.0	\$61.7

Funding by Source	Pre-FY2012	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017	Total
RICAP Funds	\$17.4	\$0.8	\$0.1	\$0.1	\$0.1	\$0.0	\$0.0	\$18.5
COPs Funds	12.1	1.4	5.0	5.0	5.0	5.0	5.0	38.5
Restricted Receipts	4.2	0.4	-	-	-	-	-	4.5
General Revenues	0.2	-	-	-	-	-	-	0.2
Total	\$33.9	\$2.5	\$5.1	\$5.1	\$5.1	\$5.0	\$5.0	\$61.7

\$ in millions. Totals may vary due to rounding.

Registry Building

The Division of Motor Vehicles moved from leased space in Pawtucket to the renovated Forand Building on the Pastore Center campus in August 2010. The project includes the complete renovation and upgrade of the Forand Building, which now houses the main Registry of Motor Vehicles office as well as Operator Control. Total project costs are estimated at \$17.7 million, comprised entirely of RICAP funds. The Department's request includes the final \$519,579 of RICAP funding in FY2012, consistent with the current capital plan (with reappropriations). The FY2012 funding is proposed to increase the capacities of the HVAC systems, and to make several building upgrades improving workflow by reflecting the way the space is used.

The Governor recommends funding as requested.

DMV Modernization Project

The Division of Motor Vehicles is installing a new information technology system (Rhode Island Motor Vehicle System, or RIMS) to run its various databases. Saber (later Electronic Data Systems (EDS), then Hewlett Packard (HP)), the selected vendor, has been working on-site since January 2008, and the initial design phases are complete. User testing occurred in the final quarter of CY2009, and full implementation of the revamped systems was expected to occur late in CY2010. The testing found the module components to be substandard and error-filled. Essentially, the work that was done was scrapped, and the project was reengineered from the ground up. The Department's request indicates that "as modules are delivered over the next six to nine months, the project team will be in a better position to estimate completion." A similar statement was made during the Department's FY2012 budget hearing before the Senate Finance Committee, when the Committee was told an assessment could be made once project components were delivered (expected in August 2011). To date, a comprehensive assessment of the project has not occurred.

The project totals \$15.5 million, of which \$13.8 million has already been spent. The \$15.5 million includes \$11.0 million in Certificates of Participation (COPs) and \$4.5 million in restricted receipts. For FY2012, the Department requests \$1.4 million in restricted receipts and \$357,417 in COPs. The restricted receipts are funded through a \$1.50 transaction fee levied at the DMV, and funds may be used to pay for project-related costs and/or debt service related to the project. Of note, the transaction fee sunsets after 10 years, or when project costs and debt service are paid in full, whichever occurs first.

The Governor recommends the final \$1.7 million in scheduled financing in FY2012, including \$1.4 million in COPs and \$357,417 in restricted receipts. According to Budget Office documents, “no completion date for the project has been set, and no funding has been included beyond FY2012. It is anticipated that both will be determined by the department in the near future.”

Analyst’s Note: While the State will have spent \$15.5 million on the project through FY2012, it is unclear what tangible results have been achieved. The project completion timeline continues to change, and the Special Senate Commission to Study the Division of Motor Vehicles was recently told that completion could still be 2 or more years away. No funding is included in the capital plan after FY2012.

Of note, delays to the RIMS impact other state departments. For example, the FY2011 Budget as Enacted contained \$1.8 million in savings (\$384,638 in general revenue) in the Department of Human Services from the anticipated application of a fraud detection system for benefit payments. The funding was later replaced because RIMS is not yet operational.

Tax Data Warehouse (Phase 2)

The Department of Revenue requests \$2.5 million in RICAP funding for a second phase of the Tax Data Warehouse project. This phase would expand compliance, improve collections, determine audit selection using a data-driven process, and apply a risk-based approach to sales tax audit selections. The Department of Revenue and the selected vendor (Revenue Solutions, Inc.) jointly completed a revenue generation study in FY2009, and determined the following revenue enhancements could be achieved within five years of Phase 2 implementation:

Tax Data Warehouse - Phase 2

Initiative	Revenue Enhancement
Expanded Automated Compliance	\$10.0 to \$14.0 million
Collections Improvements	\$15.0 to \$20.0 million
Data-Driven Audit Selection	\$5.0 to \$10.0 million
Risk-Based Sales Tax Audit Selection	\$8.0 to \$10.0 million
Total 5-Year Return:	\$38.0 to \$54.0 million

The project began in FY2011. For FY2012, the Department requests \$236,105, and then \$500,000 per year from FY2013 through FY2016. The current capital plan contains \$500,000 in FY2011, but no out-year funding.

The Governor includes the \$236,105 in RICAP funding FY2012, but no out-year funding is included in the plan. Budget Office documents indicate that “funding for the project may shift to the newly-created Information Technology Investment Fund, which will be listed in the Department of Administration project section.” The Department of Administration’s Division of Information Technology will establish rules and regulations for funding distributions.

Integrated Tax System (New)

The Division of Taxation currently has a number of different tax systems and databases to manage and track various tax and fee collections. The systems are antiquated, costly to maintain, and are not interoperable. The proposed integrated tax system would store all taxpayer information in one centralized system, allowing for improved data analysis between and among taxes. According to the Department, the system would improve revenue collections, taxpayer service, taxpayer compliance, and operational efficiency and transparency. The Department requests \$25.0 million in new RICAP funding to develop and install the proposed system. The request includes \$5.0 million per year, beginning in FY2013.

The Governor funds the proposal as requested beginning in FY2013, however the project is proposed to be funded using COPs rather than RICAP funding.

DMV Lift Replacement (New)

The Division of Motor Vehicles requests \$300,000 in RICAP funding to replace three heavy-duty vehicle lifts at the Safety and Emission Control Program garage. The lifts are used to provide safety inspections for school buses and public service vehicles, and have been in use for more than 15 years. The Division reports that the lifts are increasingly requiring extensive repairs, and it has concerns for the safety of employees operating the lifts. The request includes \$100,000 per year for FY2013 through FY2015.

The Governor recommends funding as requested.

Corporate Tax Model (New)

The Department requests \$125,000 in new RICAP funding in FY2013 to purchase a Corporate Tax Model that would allow for the simulation of proposed tax changes and model the impacts based on various criteria. The model would illustrate impacts on individual taxpayers, as well the fiscal impact on the State. The model requires an estimated \$20,000 worth of annual software updates, however these would appear in the Department's operating budget.

The Governor does not include funding for the Corporate Tax Model in his capital plan proposal.

DMV Computerized Phone Bank (New)

The Division of Motor Vehicles requests \$150,000 in FY2015 to purchase a computerized phone system to manage information inquiries and issue appointment reminder calls. The system would allow personnel to be redeployed to other areas of the Division. The request does not include an estimate of operational savings from the proposed system.

The Governor does not include funding for the phone bank in the capital plan proposal.

Public Utilities Commission & Division of Public Utilities and Carriers

Funding by Project	Pre-FY2012	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017	Total
HVAC Replacement	\$0	\$200,000	\$0	\$0	\$0	\$0	\$0	\$200,000
Replace Membrane Roof	0	150,000	0	0	0	0	0	150,000
Replace Windows, South & East Sides	0	0	0	73,000	0	0	0	73,000
Replace Windows, North & West Sides	0	0	0	0	76,000	0	0	76,000
Elevator Renovation	0	0	0	0	0	72,000	0	72,000
Replace Handicap Railings and Ramps	0	0	0	0	0	0	75,000	75,000
Total	\$0	\$350,000	\$0	\$73,000	\$76,000	\$72,000	\$75,000	\$646,000

Funding by Source	Pre-FY2012	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017	Total
Restricted Receipt	\$0	\$350,000	\$0	\$73,000	\$76,000	\$72,000	\$75,000	\$646,000
Total	\$0	\$350,000	\$0	\$73,000	\$76,000	\$72,000	\$75,000	\$646,000

The Public Utilities Commission and the Division of Public Utilities and Carriers assessment of public utilities includes an amount not to exceed \$300,000 per fiscal year for capital, asset protection, or maintenance programs for the Division. Assessments on public utilities are placed into a restricted receipt account and used for capital projects.

The Division's FY2013 to FY2017 capital budget request includes two capital projects - vehicle replacement and five asset protection projects. The asset protection projects requested by the Division are included in the enacted capital plan and include the HVAC system replacement (FY2012), the roof replacement (FY2012), the window replacements (FY2014 and 2015), elevator renovations (FY2016), and replace handicap railings and ramps (FY2017). The FY2013 capital plan adds the replacement of the handicap railings and ramps as a new project.

Analyst's Note: The table is adjusted to correct a Budget Office error. The intended recommendation for the asset protection projects is \$350,000 in FY2012, \$73,000 on FY2014, \$76,000 in FY2015, \$72,000 in FY2016, and \$75,000 in FY2017.

Asset Protection

The Division requests the inclusion of five capital repairs that it has designated as asset protection. Estimated cost for the five projects is \$646,000 and is funded with restricted receipts. The funding amounts listed with individual projects represent total funding for each project.

- **Replacement HVAC System:** The present heating, ventilation and air conditioning (HVAC) system on the structure housing the Division at 89 Jefferson Boulevard in the City of Warwick, is over 20 years old and consists of fourteen roof-top units that are failing and require constant repairs. Replacing the HVAC system is estimated to cost \$200,000 and is budgeted to occur in FY2012.

Analyst's Note: According to the PUC, a request for proposal (RFP) was issued but the RFP's status is listed as being investigated. No work on the HVAC system has been performed to date.

- **Replace Membrane Roof:** The Division requests \$150,000 for the replacement of the 9,000 sq. ft. membrane roof housing the Division at 89 Jefferson Boulevard. The roof leaks during heavy rain, causing damage to the ceilings tiles and is creating mold issues. The Division requests the appropriation for this project to occur in FY2012 to coincide with the HVAC System replacement.

Analyst's Note: Some work on the roof occurred, but the full project is delayed until the HVAC project is completed.

- **Window Replacement:** The Division requests \$149,000 to replace windows on the State-owned structure located at 89 Jefferson Boulevard over a two year period. The proposal is to replace windows on the south and east ends of the structure in FY2014 (\$73,000), with the remaining windows on the north and west ends of the structure to be replaced in FY2015 (\$76,000).
- **Elevator Upgrades:** The Division requests \$72,000 in FY2016 to upgrade and modernize the elevator at its facility to avoid operational and maintenance problems.
- **Replace Handicap Railings and Ramps:** The Division requests \$75,000 in FY2017 to replace the 32-year old handicap railings and ramp for safety reasons.

The Governor recommends total project funding of \$1.1 million consisting of \$700,000 in FY2012, \$73,000 in FY2013 and FY2014, \$76,000 in FY2015, \$72,000 in FY2016, and \$75,000 in FY2017 for the various asset protection projects requested by the PUC.

Analyst's Note: The Governor's capital budget recommendation contains a \$423,000 error. The actual recommendation should total \$646,000 reflecting the items and amounts requested by the agency. The Budget Office has acknowledged the error and will be submitting a correction.

Capital - New SUV and Passenger Vehicle

The Division requests \$29,000 in FY2013 to purchase a new sports utility vehicle (SUV) to be used by the Division's inspectors and investigators in conjunction with the State Police for highway safety programs involving public transportation vehicles and utility safety inspections. The Division further requests \$26,000 in FY2013 to purchase a new passenger vehicle to be used by the Chairman of the Public Utilities Commission for commission-related issues. Existing vehicles are nearly ten-years old and are showing signs of wear. The total amount requested for FY2013 is \$55,000. The anticipated funding source for both vehicles is restricted receipts funded by the annual assessment on utilities.

The Governor does not recommend these items as capital budget expenditures. Instead, the Governor recommends the expenditure of \$26,000 for the new vehicle as part of the agency's operating budget.

Quonset Development Corporation

Funding by Project	Pre-FY2012	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017	Total
Port Of Davisville Dredging	\$0.0	\$0.0	\$7.5	\$0.0	\$0.0	\$0.0	\$0.0	\$7.5
Quonset Business Park Development/Improvements	58.4	7.0	-	-	-	-	-	65.4
Total	\$58.4	\$7.0	\$7.5	\$0.0	\$0.0	\$0.0	\$0.0	\$72.9

Funding by Source	Pre-FY2012	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017	Total
P.L. 2004 Ch. 595 - Issued	\$42.5	\$5.5	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$48.0
Private Funding	15.9	1.5	-	-	-	-	-	17.4
Revenue Bonds	-	-	7.5	-	-	-	-	7.5
Total	\$58.4	\$7.0	\$7.5	\$0.0	\$0.0	\$0.0	\$0.0	\$72.9

\$ in millions. Totals may vary due to rounding.

The Quonset Development Corporation (QDC) capital budget request for FY2013 through FY2017 contains five projects totaling \$44.4 million. This reflects the use of funds derived from the \$48.0 million general obligation bond authorization approved in November 2004 (P.L. 2004 Chapter 595). Of the total capital budget request, \$32.1 million reflects expenditures from issued general obligation bonds and \$12.3 million is private (QDC) funding. Private funding refers to expenditures made from end-of-year cash balances of the QDC. The QDC Board obligates all cash balances to additional operating or capital projects for the corporation, in order to “zero out” any end-of-year cash balances. All projects contained in the enacted capital plan are scheduled to be complete in FY2012. The QDC does fund other capital projects through the entity’s end-of-year cash balances. These additional projects do not appear on the enacted capital plan.

Port of Davisville Dredging (New)

The Governor recommends a \$7.5 million revenue bond authorization in FY2013 to permit the Quonset Development Corporation to dredge the Port of Davisville. The Port has not been dredged since the piers were first constructed by the United States Navy, preventing some larger ships (primarily automobile importers) from entering the port at full capacity. While some of the pier areas of the port currently measure 25 feet in depth, this project will increase the port depth to 32 feet over an area covering approximately 260,000 cubic yards. This requires sampling, testing, and engineering of the Port.

In order to finance the debt service associated with the dredging, the Corporation will modify the port tariff by increasing dockage and wharf charges. The QDC will be responsible for the payment of the annual debt service estimated at \$911,206 over ten years at an interest rate of 4.0 percent. The QDC will use increased pier use fees and dedicated annual capital funds derived from the QDC’s fiscal year balances to cover the annual debt service costs.

Quonset Business Park Development and Improvements

The Quonset Development Corporation requested \$7.0 million to complete the general improvements to the business park. The projects entail:

Building Demolition: The QDC has demolished 66 structures at the Quonset Business Park that were deemed economically unfeasible. Before the transfer of ownership to the State, the United States Navy agreed to remove some structures. The United States Navy completed its task and then reduced the value of the land when the State acquired the property to reflect the expense of further demolition. The final projects are expected to be complete in FY2012. Total requested funding is \$6.6 million, with \$6.2 million expended prior to FY2012 and \$417,033 in private funds to be expended in FY2012. The primary funding source is issued general obligation bonds. This project is in the enacted capital plan.

New Internal Roadways: This project involves the construction of 27,625 linear feet of internal roadways in the Quonset Business Park. The work includes new pavement, utility systems, landscaping and signage. The final projects are expected to be complete in FY2012. Total project funding is \$15.9

million, with the final \$1.2 million to be expended in FY2012. The primary funding source has been general obligation bonds. The FY2012 expenditure reflects an expenditure of \$892,411 in private funds and \$271,803 in issued bonds.

Reconstruct Existing Roadways: This project entails reconstructing approximately 13,548 linear feet of existing roadway within the Quonset Business Park that is deteriorating. The project is scheduled to be completed for FY2012. Total project funding is \$7.2 million, with \$3.9 million expended prior to FY2012 and expenditures of \$3.3 million for FY2012. The primary funding source has been general obligation bonds.

Quonset Infrastructure Improvements: The QDC is undertaking improvements to Pier 1 and to install signage within Quonset Business Park. The project is expected to be completed in FY2012. Total project funding is \$11.3 million, with \$9.7 million expended prior to FY2012 and expenditures of \$1.6 million for FY2012. The primary funding source has been general obligation bonds.

The Governor recommends funding as requested.

CAPITAL PROJECTS NOT IN THE GOVERNOR'S CAPITAL PLAN

TIGER Grant Projects

The QDC applied for and received a \$22.0 million Transportation Investment Generating Economic Recovery (TIGER) award from the US Department of Transportation for improvements at Quonset Business Park. The QDC identified five projects for the TIGER award. All of the projects are underway. The projects and their current status are:

Pier 2 Improvements: The installation of 142 piles on the east side of the pier is complete. These piles are required to support the new mobile harbor crane. The on-going work includes installing rebar and piles on the south end of the pier.

Pier 1 Improvements: On-going work includes deck repairs and repairs to the structural supports of the pier.

Davisville Road Improvements and Tidal Drive Extensions: The Davisville Road was resurfaced and a new Tidal Drive roadway was constructed.

Terminals 4 and 5: Terminal 4 has been re-graded and Terminal 5 is under construction.

Mobile Harbor Crane: The crane is under construction with an expected delivery date of June 2012. The crane is a model G HMK 7608 with a lifting capacity of 140 metric tons.

Department of Children, Youth, and Families

Funding by Project	Pre-FY2012	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017	Total
Training School Repairs	-	\$0.9	\$0.2	-	-	-	-	\$1.1
Training School - Generators (new)	-	-	0.4	-	-	-	-	0.4
Training School - Vocational Building (new)	0.0	0.3	-	-	-	-	-	0.3
Training School - Maintenance Building (new)	-	-	0.5	-	-	-	-	0.5
Close Old Training School	-	0.1	-	-	-	-	-	0.1
Groden Center, Mt. Hope								
<i>Fire Towers</i>	-	0.3	-	-	-	-	-	0.3
<i>Building Façade</i>	-	-	0.3	-	-	-	-	0.3
Groden Center, Mt. Hope (new)	-	-	0.1	-	-	-	-	0.1
Fire Code Upgrades - Group Homes	2.2	1.0	1.0	-	-	-	-	4.2
NAFI Center Refurbishment	0.1	0.5	0.5	-	-	-	-	1.1
Total	\$2.2	\$3.1	\$3.0	\$0.0	\$0.0	\$0.0	\$0.0	\$8.3

Funding by Source	Pre-FY2012	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017	Total
RICAP Funds	\$2.2	\$2.9	\$3.0	\$0.0	\$0.0	\$0.0	\$0.0	\$8.1
Other Funds	0.0	0.2	-	-	-	-	-	0.2
Total	\$2.2	\$3.1	\$3.0	\$0.0	\$0.0	\$0.0	\$0.0	\$8.3

Training School Repairs

The Department requests \$1.1 million in RICAP funding in FY2012 for repairs to the new Training School facility to address defects in the construction of both the Slater Youth Development Center (YDC) and the Benton Youth Assessment Center (YAC). Immediate repair needs include:

- \$950,000 to replace flashing to prevent water damage to the roof and insulation at both the YDC (\$600,000) and the YAC (\$350,000).
- \$125,000 to replace a power conduit to the main generator at the YDC.
- The remaining funds are for two cement pads and to address sewer odors at the YDC.

Many of these issues appear to be the result of defects in either the design or construction of the facility. The Department is presently working with the Attorney General's Office in pursuing legal remedy in order to recuperate some or all of the costs associated with these defects. The current capital improvement plan allocates \$900,000 in the current fiscal year for these improvements.

The Governor recommends a total of \$1.1 million in RICAP funds, including \$900,000 in FY2012 and \$195,000 in FY2013.

Training School – Generators (New)

The Department requests \$441,000 in RICAP funds in FY2013 to purchase three (3) generators at the Training School facility. The Department requests two generators for the Slater Youth Development Center (YDC) and one generator is requested for Benton Youth Assessment Center (YAC).

Currently, the generators at the YDC and YAC are “life/safety” generators that power only lights and a portion of the computer and security systems. If power is lost at either facility, some facilities and systems become inoperable or fail to function properly, including the HVAC system and kitchen facilities. The Pastore Complex has a system in place for renting generators in the event of power failures, however, this protocol has proven to be problematic in the past.

The Governor recommends funding as requested.

Training School – Vocational Building (New)

The Department requests \$294,780 in total funding to purchase a prefabricated steel building to be used as a trades shop for the vocational educational program at the Slater Youth Development Center (YDC) within the Training School facility. The Department requests a total of \$214,880 in American Recovery and Reinvestment Act (ARRA) funds, including the final \$200,896 in FY2012. The request also includes \$79,900 in RICAP funds in FY2012. The Department also requests that funding previously allotted to capital projects at the Eckerd Camp E-Hun-Tee be transferred to this project.

The Department was awarded \$214,880 in 2009 in ARRA funds for the construction of a small vocational shop at YDC for the New Hope Diner Project. This project seeks to introduce historical preservation to youthful offenders with the collaboration of non-profit organizations, businesses, and governmental and educational institutions.

The Governor recommends funding as requested.

Training School – Maintenance Building (New)

The Department requests \$535,000 in RICAP funding in FY2013 to construct a maintenance building as part of the new Training School facility to assist transitioning from the old facility. The old facility, which houses current maintenance operations, is in process of being sold. The request would address both components of maintenance operations, shop and warehouse areas. Shop areas would permit the storage of filters, light bulbs, parts, and ceiling tiles as well as provide a location for staff to conduct certain repairs for plumbing, painting, and other functions. Warehouse areas would store all supplies necessary for the proper operation of the facility (food supplies, paper supplies, clothing, shoes, etc.).

The current request includes a prefabricated building (approximately 7,500 to 10,000 square feet) to be constructed on a vacant parcel of land between the YAC and Varley buildings. The building would include a loading dock, shop areas, two offices, and restroom facilities as well as a warehouse operation. In order to support carpentry and welding that may be necessary for facility operations, proper electrical and fire protection will also be required within this building.

The Governor recommends funding as requested.

Close Old Training School

The Department requests \$75,000 in RICAP funding for work (including boarding of windows and capping pipes) necessary to vacate and close the former Training School facility. The current capital improvement plan has no funding scheduled for FY2012 or beyond to assist with the closure of this facility, however, \$75,000 in RICAP funding was scheduled in FY2011. This funding provided for in the FY2011 capital plan was not expended and has been reappropriated to FY2012.

The Governor recommends funding as requested.

Groden Center (Mt. Hope)

The Department requests \$275,000 in RICAP funding in both FY2012 and FY2013 for two projects (described below) at the Groden (Mt. Hope) Center. The current capital improvement plan does not provide funding for these projects in FY2012 or beyond.

- **Groden Center (Mt. Hope) – Fire Towers:** The Department requests \$275,000 in RICAP funding in FY2012 to replace two fire escapes at the Mt. Hope Center. Two existing exterior steel fire ladders will be removed and replaced with two new, enclosed brick stair towers.

- **Groden Center (Mt. Hope) – Building Facade:** The Department request \$275,000 in RICAP in FY2013 funding to repair, replace and refurbish exterior brick, mortar joints and window and door lintels. Water is penetrating the structure causing damage and mold in the interior of the building.

The Governor recommends funding as requested.

Groden Center (Mt. Hope) (New)

The Department requests \$450,000 in new RICAP funding for a feasibility study of the electrical, plumbing, and air conditioning system at the Groden Center Facility on Mt. Hope Avenue. This request also includes funding for the upgrade of the electrical, plumbing, and air conditioning system following the proposed feasibility study. The request includes \$50,000 for the feasibility study in FY2013 and \$400,000 for facility upgrades.

The Governor does not recommend funding as requested for facility upgrades, but includes \$50,000 in RICAP funding in FY2013 for the feasibility study.

Fire Code Upgrades – Youth Group Homes

The Department requests \$4.4 million in RICAP funding through FY2013 to assess and upgrade fire protection systems at all 111 youth group homes and facilities throughout the State. The upgrades are needed to meet new fire code mandates adopted in February 2004. The request includes RICAP funding of \$1.3 million in FY2012 and \$1.0 million in FY2013.

The fire safety upgrades include architectural design plans and approvals, installation of sprinkler systems at all 111 locations, installation of hardwired smoke detectors, enclosure of heating systems in certain facilities, installation of second and third floor alternative egress stairs at 17 locations, and well-water booster systems installations at 14 locations. The project was originally scheduled to be completed in FY2012 at a cost of \$5.7 million. The current capital improvement plan allocates \$1.0 million in FY2012 and \$1.0 million in FY2013 in RICAP funds for fire code upgrades.

The Governor recommends funding as approved in the current capital plan.

NAFI Center Refurbishment

The Department requests \$1.1 million in RICAP funding to undertake electrical and fire safety repairs at the North American Family Institute (NAFI) State-owned group home facility. The facility houses a residential treatment program for up to 22 youths at a time. The Department has spent \$61,200 through FY2011 and requests \$530,000 in FY2012 and \$500,000 in FY2013. The current capital improvement plan allocates \$530,000 in FY2012 and \$500,000 in FY2013 in RICAP funding.

The Governor recommends funding as requested.

Eckerd Camp E-Hun-Tee

The Department requests to remove this project from its list of capital projects in FY2012. Due to reduced populations at E-Hun-Tee, the Department has notified the program it will be closing. There is presently \$65,000 in FY2011 and \$85,000 in FY2012 in RICAP funding allocated to install DEM-approved septic systems and hand washing facilities at Camp E-Hun-Tee, a residential rehabilitation facility located in the Arcadia Land Management Area in Exeter. Camp E-Hun-Tee served as a residential rehabilitation facility for up to 50 boys between the ages of 11 and 16. Camp residents were using portable, chemical toilets; however DEM and DOH require that the facility install septic-based toilets as well as hot/cold hand washing facilities. The Department requests that the funding previously allocated to this project be redistributed to the Vocational Building Project.

The Governor eliminates the funding for this project, consistent with the Department's request.

Sprinkler Head Retrofit

The Department requests \$36,000 in RICAP funding in FY2012 to replace 148 sprinkler heads in resident rooms at the Training School. The current sprinkler heads are easily tampered with, and several have been damaged by residents, causing significant water damage. Since the school was constructed, a new, more tamper-resistant flush-mounted sprinkler head has come on the market, and DCYF plans to replace the easily-accessible heads with the new model. The current capital improvement plan has no funding scheduled for FY2012 or beyond for these improvements.

The Governor does not recommend funding as requested.

Department of Human Services

Funding By Project	Pre-FY2012	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017	Total
Blind Vending Facilities	\$0.5	\$0.2	\$0.2	\$0.2	\$0.2	\$0.2	\$0.2	\$1.5
Renovate Home Entrance	0.0	0.0	-	-	-	-	-	0.1
Renovate Nursing Unit N-5, N-6, N-7	0.0	2.3	-	-	-	-	-	2.3
Renovate Nursing Units N-2 and N-3	-	-	-	0.7	0.7	-	-	1.4
Town Water Connection for Sprinkler System	-	0.4	-	-	-	-	-	0.4
Upgrade Electrical System	0.1	0.4	-	-	-	-	-	0.5
Veterans' Cemetery Columbarium	-	0.5	0.4	-	-	-	-	1.0
Veterans' Home - HVAC System Upgrade	2.8	-	0.1	-	-	-	-	2.9
Total	\$3.4	\$3.8	\$0.7	\$0.9	\$0.9	\$0.2	\$0.2	\$10.0

Funding By Source	Pre-FY2012	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017	Total
Restricted Receipts	\$1.5	\$3.1	\$0.1	\$0.7	\$0.7	\$0.0	\$0.0	\$6.2
Federal Funds	1.4	0.5	0.4	-	-	-	-	2.3
RICAP Funds	0.5	0.2	0.2	0.2	0.2	0.2	0.2	1.5
Total	\$3.4	\$3.8	\$0.7	\$0.9	\$0.9	\$0.2	\$0.2	\$10.0

\$ in millions. Totals may vary due to rounding

Blind Vending Facilities

DHS requests \$1.3 million to renovate and/or construct of vending facilities at state buildings, as allowed under the provisions of RIGL 40-9-11, which was initially enacted in 1948 to take advantage of federal funding for vocational rehabilitation programs for the blind. The project includes \$165,000 annually to ensure that a minimum of one vending location operated by the legally blind can be created or renovated in a State facility each year. In FY2011, RICAP funding was used to construct a facility at the new Division of Motor Vehicles facility in Cranston. In FY2012, the Department plans to renovate the Coffee Plus at both the Licht and Garrahy judicial buildings. The entire project is also extended to continue into FY2017.

The Governor recommends \$165,000 per year for FY2012 through FY2017.

Renovate Home Entrance

The Department requests \$50,000 to renovate the front entrance of the Veterans' Home in Bristol. The current entrance, built in 1954, is uncovered; a covered front entrance would enhance the safety and accessibility of the home. The funding would be made available through existing restricted receipt accounts, which are accrued through fees charged to the veterans living at the facility. The project was proposed in FY2009 and budgeted for FY2010, but has been delayed due to changes in leadership and review of capital priorities at the Veterans' Home. In FY2011, architectural and engineering services were procured.

The Governor recommends \$49,140 in FY2012 to fund this project.

Renovate Nursing Units N-5, N-6, and N-7

The Department requests a total of \$2.3 million in restricted receipt funding in FY2012 to complete renovations to three nursing units at the Veterans' Home in Bristol. The nursing units were constructed in 1976 and require renovations to resident rooms, corridors, bathrooms, and auxiliary rooms. After consultation with an architect, the Department estimates the cost of renovating each unit to be \$780,000 each. Construction began on Unit N-7 in summer 2011.

The Governor recommends funding as requested.

Renovate Nursing Units N-2 and N-3

The Department requests \$1.4 million to renovate Nursing Unit N-2 and N-3 at the Veterans' Home in Bristol for FY2014 – FY2015. The funding would be made available through existing restricted receipt accounts, which are accrued through fees charged to the veterans living at the facility. These units were constructed in 1989 and 1969, respectively, and require significant repair and renovation in order to maintain compliance with state and federal safety codes. They currently function as locked units for residents with Alzheimer's disease. The timeframe of this project is relatively slow since it will require that all residents be moved to N-2 while work on N-3 is underway and then be moved to N-3 while work on N-2 is underway.

The Governor recommends funding as requested.

Town Water Connection for Sprinkler System

The FY2012 Budget as Enacted provided \$15,000 for engineering costs related to installing a connection to the Town of Bristol water supply. After modest renovations improved the availability of emergency water supply and based on the engineering work that has been performed, the water supply currently appears to be adequate. Nonetheless, the Department is still including this project as originally proposed and will be conducting an additional assessment to determine if an alternative source of emergency water is still necessary. The time lines for construction are pushed out to FY2013-FY2014.

The Governor recommends \$350,000 in FY2012 to complete the upgrades.

Analyst's Note. In its capital budget, the Department noted that after modest renovations, the emergency water supply appears adequate. Despite this satisfactory improvement, the Governor recommends funding additional components of this project.

Upgrade Electrical System and Fire Alarm System

The Department requested \$525,000 in FY2012 to upgrade electrical and fire alarm systems at the Veterans' Home in Bristol. Funding is available through existing restricted receipt accounts that are accrued through fees charged to the veterans living at the facility. In FY2011, the fire alarm system was upgraded to meet updated fire code. In FY2012, modifications will be made to the emergency electrical distribution system to meet updated code and will include the relocation of existing generators to allow for continuous operation of power in the event of an electrical outage.

The Governor recommends funding as requested.

Veterans' Cemetery Columbarium (New)

The Department requests a total of \$960,000 to construct a new columbarium that will contain 2,000 niches for families who select a cremation rather than a burial for their deceased. The project, to be located near two existing columbarium, is part of the federally approved Master Plan for the Cemetery and qualifies for 100.0 percent federal reimbursement. At current rate of usage, existing niches would be full by the end of 2012.

The Governor recommends funding as requested with \$515,000 in FY2012 and \$445,000 in FY2013.

Veterans' Home HVAC System Upgrade

The Department requests \$100,000 in FY2013 to complete upgrades to the heating, ventilation, and air conditioning (HVAC) systems at the Veterans' Home in Bristol. The funding would be made available through existing restricted receipt accounts, which are accrued through fees charged to the veterans living at the facility. The FY2012 budget had funded this project but construction has not begun as the Department is waiting until after the renovations to N-5, N-6 and N-7 are finished in FY2013 to begin the HVAC system upgrade.

The Governor recommends funding as requested.

Department of Behavioral Healthcare, Developmental Disabilities and Hospitals

Funding by Project	Pre-							
	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017	Total	
Hospital Consolidation	\$0.8	\$0.6	\$5.5	\$11.0	\$8.6	\$10.0	\$0.0	\$36.5
MR Community Facilities - Capital Repair	6.8	1.2	1.3	1.5	1.7	1.7	1.7	15.9
Mental Health Residences (Housing Development)	9.4	0.5	0.8	0.8	0.8	0.8	0.8	13.9
DD Private Waiver Community Facilities Fire Upgrades	4.7	1.8	1.6	1.9	1.0	-	-	11.0
MR/DD Residential Development	4.5	1.0	1.0	1.0	1.0	1.0	1.0	10.5
Regan Building Renovations	3.2	2.0	1.0	0.5	0.6	0.6	0.5	8.2
Regional Center Repair/Rehabilitation	3.1	0.8	0.8	0.8	0.8	0.8	0.8	7.7
Barry and Simpson Hall Repairs/Renovations	-	0.5	2.0	3.0	1.5	-	-	7.0
Community Facilities - Fire Code Upgrades	1.6	1.3	0.8	0.8	0.8	0.8	0.8	6.7
Mental Health Community Facilities/Capital Repair	4.0	0.4	0.3	0.3	0.3	0.4	0.4	6.1
Zambarano Buildings	2.2	0.3	0.7	0.1	0.1	0.1	0.1	3.7
Substance Abuse Facilities Asset Protection	1.1	0.3	0.3	0.3	0.3	0.3	0.3	2.9
BHDDH Management Information System	0.2	1.0	-	-	-	-	-	1.2
Mental Health Residences - Furniture	0.0	0.0	0.0	0.0	0.0	0.1	0.1	0.3
Total	\$41.6	\$11.7	\$16.1	\$21.9	\$17.4	\$16.4	\$6.4	\$131.5

Funding by Source	Pre-							
	FY2011	FY2012	FY2013	FY2014	FY2015	FY2016	Total	
RICAP Funds	\$25.1	\$9.7	\$15.2	\$20.9	\$16.9	\$16.4	\$6.4	\$110.6
G.O. Bonds	12.9	0.3	-	-	-	-	-	13.2
Federal Funds	3.6	1.8	0.9	1.0	0.5	-	-	7.7
Total	\$41.6	\$11.7	\$16.1	\$21.9	\$17.4	\$16.4	\$6.4	\$131.5

Hospital Consolidation

This project provided for the renovation of the Mathias and Varley buildings at the Pastore Center in order to accommodate the need for building code upgrades and to move adult psychiatric facilities closer to the central medical series at the Regan building.

The Department's current request replaces the prior proposal to renovate existing buildings with a plan to construct a new three-story building of approximately 77,000 thousand square feet that would house an adult psychiatric unit (75 beds), a psychiatric forensic unit (52 beds), a psycho-geriatric unit (25 beds) and would include additional space for records storage and supplies. Total patient population will be 140 patients, plus an additional 10 isolation rooms.

In addition to more centrally locating adult psychiatric facilities, the advantages to the plan to construct rather than renovate include having state of the art facilities versus upgrades to sixty-year-old buildings, having full-sized rooms that meet current hospital standards versus seeking waivers for undersized rooms, a smaller footprint to allow for more parking, staffing efficiencies and improved patient safety. The newly constructed facility will increase the number of beds for psycho geriatric patients who require both medical and psychiatric treatment.

The cost for construction, furnishings, fixtures and equipment and for the demolition of the Varley Building is \$36.5 million RICAP funds. This represents an increase of \$8.3 million over the enacted plan that was based upon the plans to renovate rather than construct. The current request is for \$630,000 in FY2012 and \$5.5 million in FY2013 with the bulk of funding, or \$21.0 million, requested for FY2014 and the balance of funding, or \$8.6 million, requested for FY2015.

The Governor recommends funding as requested in FY2013 but reduces funding in FY2014 to \$11.0 million. The Governor recommends \$8.6 million in FY2015 and \$10.0 million in FY2016.

MR Community Facilities – Capital Repair

The Department requests \$9.0 million over six years from RICAP funding for emergency repairs and asset protection at the 178 group homes that serve as community residences for those with developmental disabilities throughout the State and nine workshops that provide activities and training to developmentally disabled residents. The State owns and operates 38 locations, while 149 are privately operated. As part of the contracts with providers to operate the community residences, the State is obligated to maintain all of the facilities. The Department's request for FY2012 is \$1.1 million and \$1.3 million for FY2013. Types of repairs include HVAC, boiler systems, exterior and interior painting, flooring, and electrical and septic repairs.

The Governor recommends funding as requested inclusive of a FY2011 carry forward into FY2012.

Mental Health Residences (Housing Development)

The Department requested a total of \$4.5 million in RICAP funding over the six-year period for housing provided to mentally challenged individuals as part of a program known as Thresholds, which is administered with Rhode Island Housing. The Thresholds program helps non-profit groups to purchase and rehabilitate apartments and homes to provide supportive services and enable those with mental health disabilities to live in the community. The Department's maintains enacted funding for FY2012 through FY2016 and requests an additional \$800,000 funding for FY2017.

The Governor recommends funding as requested.

Developmentally Disability Private Waiver Community Facilities Fire Code Upgrades

The Department requested a total of \$5.9 million between FY2012 and FY2015 to upgrade the existing fire alarm and sprinkler systems in community residences licensed by the Division of Developmental Disabilities. The upgrades are required under the state fire code. In FY2011, the Department worked in conjunction with the Fire Safety Code Board to develop a plan for the upgrades with approximately \$6.9 million funded through federal Medicaid matching funds and \$4.1 million is requested through RICAP funding. Fire code upgrades began in FY2006: through the end of FY2012, 133 group homes received upgraded fire alarms and 19 sprinkler systems had been installed or upgraded, with only those projects that had been previously authorized completed during FY2011. There are currently 5 projects in progress (at purchasing) and 25 projects in the process of completion.

In FY2012, the Department requests \$1.4 million, with \$908,404 from federal sources and \$512,724 from RICAP. For FY2013, the Department requests a total of \$1.6 million with \$854,591 RICAP funds and \$761,351 in federal funds. Since these upgrades are funded through Medicaid, any changes to the FMAP will impact the federal cost-share of these projects.

The Governor recommends funding as requested, inclusive of a FY2011 carry forward into FY2012..

Mental Retardation/Developmental Disabilities Residential Development

The Department requested a total of \$6.0 million in RICAP funding for FY2012 through FY2017 to help develop housing for mentally and developmentally-disabled individuals as part of two programs: Thresholds and Access to Independence, both of which are administered with Rhode Island Housing. This funding is distinguished from funding for Thresholds under the Mental Health Residences: the funds are not intended to develop new units, but to provide modifications to existing homes to allow clients to stay in their homes, and it provides asset protection for existing units developed to support those with disabilities in the community. The Department requested \$800,000 each year from FY2012 through FY2017.

The Governor recommends funding as requested.

Regan Building Renovations

The Department requested a total of \$5.0 million for continued maintenance at the Pastore Medical Center for FY2012 through FY2017. The Department requested \$1.2 million in FY2012 and \$2.0 million in FY2013. The project includes electrical work, installing a generator and replacing ceiling and floor tiles in the Regan buildings as well as for the replacing medical equipment at Eleanor Slater Hospital.

The Governor recommends total funding as requested but recommends \$2.0 million for FY2012 and \$1.0 million for FY2013.

Regional Center Repair/Rehabilitation

The Department requested a total of \$4.5 million from RICAP funds for FY2012 through FY2017 to address capital repairs at the 11 state-owned regional workshop centers. Repairs include parking lot repaving and restriping, window, bathroom, and HVAC upgrades. Funding is required to maintain the state-owned assets and to modify the structures to meet the needs of the populations they serve. Examples of regional centers include the Trudeau Centers, the Orleans Center, and the Fogerty Center. The Department requested \$750,000 annually from FY2012 through FY2017.

The Governor recommends funding as requested.

Barry and Simpson Hall Repairs/Renovations (formerly Eleanor Slater Hospital – HVAC and Elevators)

The Department requested a total of \$6.9 million in RICAP funds for this project, which includes HVAC upgrades and repair of other environmental deficiencies in both Barry and Simpson Halls. The buildings were built in 1930 and do not have air conditioning or adequate ventilation. Carpet in several areas is more than 15 years old, and pipe insulation must be replaced in many locations. The Department requested \$2.3 million for FY2012 and \$1.6 million in FY2013 and \$3.0 million in FY2014 to complete renovations.

The Governor recommends funding of \$500,000 in FY2012, \$2.0 million in FY2013, \$3.0 million in FY2014 and \$1.5 million in FY2015 for a total of \$7.0 million.

Community Facilities – Fire Code Upgrades

The Department has requested a total of \$4.8 million for FY2012 through FY2017 to upgrade the existing fire alarm and sprinkler systems in residences, day programs, and hospital units operated by the Division of Developmental Disabilities and Behavioral Health Services. The upgrades are required under the state fire code: previously granted waivers to the code were revoked in February 2004. The Department has been working with the Fire Safety Code Board to develop a plan for the upgrades. There is no federal Medicaid reimbursement available for these facilities, so the Department requests the total cost through RICAP funding.

The Department requests \$1.0 million in FY2012 and \$750,000 per year in FY2013 through FY2017.

The Governor recommends funding as requested, inclusive of a FY2011 carry-forward amount into FY2012.

Mental Health Community Facilities/Capital Repair

The Department requested funding from RICAP of \$2.0 million in FY2012 through FY2014 for emergency repairs and asset protection at the 30 group homes, 12 outpatient facilities, and one regional work center that serve those with mental health impairment throughout the State. Types of repairs include HVAC, boiler systems, exterior and interior painting, flooring, and electrical and septic repairs. The Department requests \$300,000 per year FY2012 through FY2015 and requests \$400,000 in FY2016 and FY2017.

The Governor recommends funding as requested, inclusive of a FY2011 carry-forward amount into FY2012.

Zambarano Buildings

The Department requested a total of \$1.7 million in RICAP funding for FY2012 through FY2017 to renovate and update buildings at the Zambarano Hospital Campus in Burrillville which range in age from 50 years to 80 years. Projects replacing insulation and ceiling tiles require abatement before other projects can proceed. The majority of request funds will be used to replace windows, lavatory tiles and plaster ceilings at Wallum Lake House.

The Governor reduces funding by \$250,000 for FY2012 but recommends funding as requested for FY2013 through FY2017.

Substance Abuse Facilities Asset Protection

The Department requested a total of \$1.8 million in RICAP funding between FY2012 and FY2017 to address maintenance and renovation needs of the 11 community facilities that house substance abuse clients or programs. In addition to the typical work that is completed on an annual basis, other projects being considered are work on the building envelope at the Bridgemark facility in Warwick, and chimney repair at MAP Behavioral Health Services facility in Providence. The Department requests \$300,000 annually from FY2012 through FY2017.

The Governor recommends funding as requested.

BHDDH Management Information System

The FY2012 Budget as Enacted included a total of \$799,416 previously approved bond and federal funds to consolidate existing payment systems for those receiving developmental disability (DD) services. This system was implemented in July 2011. The Department requests funding for the planning, procurement and implementation of a management information system (MIS) that integrates all of the Department's divisions along with the necessary administrative, case management, clinical, financial and reporting components. This new system would ensure compliance with accreditation and regulatory agencies, and would allow for centralized decision support, data collection and analysis, a provider portal and case management tools.

For FY2012, the Departments requests \$780,384 in federal funds and \$260,128 in approved bond proceeds which is to be supplemented by \$600,000 RICAP funds. The Department requests \$3.2 million RICAP funding for both FY2013 and FY2014, and total project spending through FY2017 equaling \$13.2 million.

The Governor recommends the use of federal funds and approved bond proceeds as requested for FY2012 but does not recommend RICAP funding for FY2012 through FY2017.

Mental Health Residences – Furniture

The Department requested a total of \$254,000 in RICAP funding to provide furniture to support the move of behavioral healthcare clients from indigence to supervised or supported apartments. It also funds the replacement of furniture, as needed, in state-owned group homes. The Department requested a reduction in the total and \$25,000 for FY2012, \$32,000 in FY2013, \$40,000 in FY2015, \$55,000 in FY2016 and FY2017.

The Governor recommends funding as requested.

Governor's Commission on Disabilities

Funding by Project	Pre-FY2012	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017	Total
Handicapped Accessibility - Facility Renovations	\$2.8	\$0.3	\$0.3	\$0.3	\$0.3	\$0.3	\$0.3	\$4.3
Total	2.8	0.3	0.3	0.3	0.3	0.3	0.3	4.3

Funding by Source	Pre-FY2012	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017	Total
RICAP Funds	\$0.8	\$0.3	\$0.3	\$0.3	\$0.3	\$0.3	\$0.3	\$2.3
G.O. Bonds	2.0	0.0	-	-	-	-	-	2.0
Total	\$2.8	\$0.3	\$0.3	\$0.3	\$0.3	\$0.3	\$0.3	\$4.3

Handicapped Accessibility – Facility Renovations

The Governor's Commission on Disabilities coordinates the expenditure of capital improvement funding for projects to bring State governmental facilities into compliance with the Americans with Disabilities Act (ADA). The Commission notes in its FY2013 capital plan request that at the current rate of investment in infrastructure improvements, the State will not reach compliance until 2052.

The proposal consists of one line item, covering numerous facilities throughout the State. Improvements typically include rest room upgrades; interior and exterior entry upgrades, including automated door openers; parking enhancements, including the installation of curbcuts and ramps; Braille and directional signage; and other improvements. The improvements include upgrades at Rhode Island institutions of higher education, the State House, recreation facilities, RIPTA Commuter Park and Ride Projects, railroad station projects, John O. Pastore Center, and other Capitol Hill projects.

The Commission requests a total of \$30.8 million in funding for their capital improvement plan. The Commission's request includes a total of \$5.2 million in RICAP funds including \$467,000 in FY2012, \$250,000 in FY2013, and \$3.7 million post FY2017. The request also includes \$34,968 in general obligation bond funds in FY2012. The Commission requests that a \$20.0 million general obligation referendum be placed on the November 2012 ballot. If approved, the Commission would spend \$5.0 million annually from FY2013 through FY2017. The current capital improvement plan allocates RICAP funding in the amount of \$250,000 each year beginning in the current fiscal year through FY2016.

Analyst's Note: Following the submission of the capital request, the Commission presented additional data regarding the final cost estimates for infrastructure improvements at URI's Kingston Campus and RIC's Providence Campus. The updated cost estimates identified \$598,165 in savings from the initial request, however, approximately \$2.9 million is requested for improving accessibility at URI and RIC. The update also includes two options to consider with regard to bond referenda for a total of \$30.0 million in general obligation bonds funds from FY2012 through FY2016. The latest capital request includes an additional \$9.8 million in RICAP funding from the current plan, and totals \$6.4 million more than the original request.

The Governor does not recommend funding as requested. The Governor includes total project funding of \$4.3 million, with \$1.5 million of RICAP funding from FY2012 through FY2017. The Commission requested a \$20.0 million general obligation referendum for the November 2012 ballot. The Governor does not recommend the referendum and instead includes \$160,000 in FY2012 RICAP funding for a comprehensive statewide architectural and engineering study of all state-owned facilities for handicapped accessibility compliance.

The final study was completed in January 2012 and provides cost estimates to remove handicapped access barriers at state-owned facilities. The study indicated 125 out of 138 facilities are out of compliance with the Americans with Disabilities Act Accessibility Guidelines and estimates the cost to bring all facilities into compliance to be \$23.9 million.

Based upon the information provided by four architectural firms hired to conduct the study, the Commission's Accessibility Committee prioritized the facilities and established a six-phase plan to conduct the renovations. The estimates will inform the Commission's subsequent request for future bond referenda, possibly for the November 2014 ballot. According to documents provided by the Commission regarding the study, the total future general obligation bond request(s) would be \$23.7 million, and the remainder of the renovations would be supported by RICAP funds (\$340,000) and by agencies located within a number of the buildings in need of renovation (\$762,150).

Elementary and Secondary Education

Funding by Project	Pre-FY2012	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017	Total
Chariho Career and Technical Center	\$1.2	\$0.4	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$1.6
Newport Career & Tech. Projects	0.0	0.9	0.3	-	-	-	-	1.2
Cranston Career & Tech. Projects	0.0	0.9	0.4	0.6	0.0	-	-	1.9
Warwick Career & Tech. Projects	-	0.5	0.2	0.5	0.5	-	-	1.7
Woonsocket Career & Tech. Projects	-	0.5	0.3	0.5	0.4	-	-	1.7
East Providence Career & Tech. Projects	0.1	0.8	-	0.2	-	-	-	1.1
State Owned Schools - Renovations/Repairs	14.9	0.1	0.1	-	-	-	-	15.0
ITI - Comprehensive Education Information System	6.9	0.3	0.3	0.2	-	-	-	7.6
LEA Technology Infrastructure	-	-	6.0	5.0	3.0	3.0	3.0	20.0
Davies Career and Tech. School - HVAC	1.5	0.4	0.3	-	-	-	-	2.2
Metropolitan Career and Tech HVA	-	-	0.8	0.8	0.8	-	-	2.5
Davies Career And Tech. School - Roof Repair	1.5	1.5	-	-	-	-	-	3.0
Met School Asset Protection	-	-	-	0.1	0.1	0.2	0.2	0.6
Davies Career And Tech. School- Asset Protection	0.2	0.6	0.4	0.4	0.4	0.3	0.3	2.7
Metropolitan Career And Tech - East Bay	0.1	2.5	3.6	2.6	-	-	-	8.8
Metropolitan Career And Tech - Public Street	28.3	1.1	-	-	-	-	-	29.4
School For The Deaf - Renovation/New Construction	30.0	1.3	-	-	-	-	-	31.2
Total	\$84.6	\$11.8	\$12.5	\$10.9	\$5.3	\$3.5	\$3.5	\$132.2

Funding by Source	Pre-FY2012	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017	Total
Certificates Of Participation	\$31.0	\$1.6	\$6.3	\$5.2	\$3.0	\$3.0	\$3.0	\$53.0
Federal Funds	4.6	-	-	-	-	-	-	4.6
P.L. 1994 Ch. 70 - Issued	28.3	0.7	-	-	-	-	-	29.0
P.L. 2004 Ch. 595 - Issued	14.9	0.1	0.1	-	-	-	-	15.0
Private Funding	-	0.2	-	-	-	-	-	0.2
RICAP	5.8	9.3	6.2	5.7	2.3	0.5	0.5	30.4
Total	\$84.6	\$11.8	\$12.5	\$10.9	\$5.3	\$3.5	\$3.5	\$132.2

\$ in millions.

In the FY2004 Budget as Enacted, the State began to take steps to encourage school districts to take ownership of the local career and technical centers by amending the School Housing Aid law to increase the share ratio by 4.0 percent for renovations to these buildings and by approving a voter referendum for \$15.0 million in general obligation bonds for the repair and renovation of these buildings.

The Department's request includes eight projects for the state-owned, locally-operated career and technical centers. Under agreements between the department and the individual school districts, the following districts have or will take ownership of their building: Chariho took ownership in the summer of 2011. Newport is scheduled to take ownership in the summer of 2012, and East Providence in the summer of 2013. Woonsocket, Warwick and Cranston do not have agreements in place; however, the Department is working to facilitate the transfer. The remaining two projects are not district specific, but relate to a repair assessment of all the schools completed in FY2006.

Chariho Career and Technical Center

The Department requests \$1.6 million for health and safety renovations and repairs to the Chariho Career and Technical Center. Prior to taking ownership, the district requested that the facility be in a good state of repair. Chariho was allocated nearly \$3.0 million from the \$15.0 million general obligation bond, authorized in 2004, nearly half of these funds were used for the new heating, ventilation, and air conditioning system. The remaining funds were used for fire code upgrades and to correct a drinking water issue at the facility. The enacted capital plan contains \$1.2 million in FY2011 and \$400,000 in FY2012. The Department transferred the final payment and the property to the district in the summer of 2011. Funding is requested consistent with the enacted plan.

The Governor recommends funding as requested.

Newport Career and Technical Projects

The Department originally requested \$1.0 million in RICAP funds to replace the roofing system at the Newport Career and Technical Center. The existing membrane roofing system leaked, causing damage that promotes mold and mildew, which impacts the indoor air quality. Water leaks have also compromised the structural integrity of the roof framing system. The additional damage resulted in the project costs increasing to \$1.2 million. The enacted capital plan contains \$1.2 million in FY2012, including a \$400,000 carry forward from FY2011 and \$800,000 appropriated in FY2012. The Department shifts funding into FY2013 due to project delays. The district is scheduled to take possession in the summer of 2012 (FY2013).

The Governor recommends funding as requested.

East Providence Career and Technical School Projects

The Department has a contract with the East Providence School District to transfer ownership of the local career and technical facility to the District, but the facility must be in a good state of repair prior to transferring ownership from the State. The enacted capital plan contains \$1.1 million in RICAP funds for this project, including \$950,000 in FY2011 and \$150,000 in FY2012 (\$1.0 million is available in FY2012 with the carry forward). In order to honor the transfer agreement negotiated with the district, the Department requests \$1.1 million including of \$65,141 in FY2011, \$859,859 in FY2012 and \$175,000 in FY2014. The district is scheduled to take ownership in the summer of 2013 (FY2014).

The Governor recommends funding as requested.

Cranston Career and Technical School Projects

The Department requests \$2.1 million in RICAP funds to conduct code-required life and fire safety repairs and replacement of the 35-year-old heating, ventilation and air conditioning (HVAC) system at the Cranston Career and Technical Center. The enacted capital plan contains \$1.7 million for this purpose, including \$890,000 in FY2012 and \$630,000 in FY2013. The Department requests an additional \$500,000 in RICAP funds to induce the district to take ownership of the facility, since there is not an agreement currently in place. The request provides RICAP funding as follows: \$15,600 in FY2011, \$890,000 in FY2012, \$350,000 in FY2013, \$533,451 in FY2014, and \$400,000 in FY2015.

The Governor recommends \$1.9 million in RICAP funds for the total project cost. The recommendation reflects an increase of \$200,000 over the FY2012 Budget as Enacted and provides that, following the transfer of the facility to the district, further renovations are to be financed locally and partially reimbursed through the Housing Aid program. The current moratorium on new school housing projects is due to expire in FY2016 at which time projects that are not needed for health and safety reasons will be eligible for consideration by the Board of Regents.

Warwick Career and Technical School Projects

The Department previously requested RICAP funds to replace the roofing system at the Warwick Career and Technical Center. The existing membrane roofing system is over 20 years old, and water leaks have compromised the structural integrity of the roof framing system. The enacted capital improvement plan contains \$688,036, including \$200,000 in FY2012 and \$230,000 in FY2013. The Department requests an additional \$1.0 million, for a total of \$1.7 million, to induce the district to take ownership of the facility, since there is not an agreement currently in place. The request provides RICAP funding as follows: \$458,036 in FY2012, \$230,000 in FY2013, \$500,000 in FY2014, and \$500,000 on FY2015.

The Governor recommends funding as requested.

Woonsocket Career and Technical School Projects

The Department requests \$1.7 million in RICAP funds to replace the roofing system and meet building code requirements at the Woonsocket Career and Technical Center. The roof has been patched multiple times but continues to leak. The leak is damaging ceilings that were recently fixed and causing damage to flooring, furniture, fixtures and equipment. This year's request has been increased by \$500,000, for a total of \$1.7 million, to induce the district to take ownership of the facility, since there is not an agreement currently in place. The request matches the enacted plan for FY2012 and FY2013, and increases total funding by \$500,000 beginning in FY2014.

The Governor recommends funding as requested.

State-Owned Career and Technical Schools – Renovations and Repairs (Priority 1)

The Department was authorized to use \$15.0 million in general obligation bond funds to address high priority renovations and repairs to the state's career and technical centers with project completion in FY2011. Renovations were categorized as priority 1 (to be performed immediately), priority 2 (to be performed within one to five years), and priority 3 (to be performed within five to ten years). Project delays have caused the Department to request \$60,000 in authorized general obligation bond proceeds in FY2012 and \$62,514 in FY2013.

The Governor recommends total funding as requested, but adjusts FY2013 to reflect the remaining balance of bond proceeds.

State-Owned Career and Technical Schools – Renovations and Repairs (Priority 2 & 3)

The Department requests \$10.2 million in RICAP funds to continue repair work at state-owned career and technical schools, noting that the general obligation bond funds provided for Priority 1 renovations and repairs only addressed about 40.0 percent of the need. This funding will be used for Priority 2 and Priority 3 items as identified in a facilities assessment conducted by Robinson, Green and Beretta. Priority items include addressing Americans with Disabilities Act of 1990 (ADA) compliance, accessibility issues, intercom and security systems, door and window repairs, new flooring based on need and plumbing repairs. Funds are requested as follows: \$4.0 million in FY2014, \$4.0 million in FY2015, and \$2.2 million in FY2016. These funds are not included in the enacted capital plan.

The Governor does not recommend funding for this project.

Comprehensive Education Information System

The Comprehensive Education Information System (CEIS) innovative schools initiative integrates state and local school information systems to comply with the mandates of No Child Left Behind and to assess how well Rhode Island schools are meeting their mandates for student achievement. RIDE has received authorization for \$3.0 million in certificates of participation (COPs) funding for this project. To date, the Department spent \$4.6 million in federal funds and \$2.3 million of the authorized COPs funding on this project. The balance of the COPs funding will be used to implement and maintain the School Interoperability Framework (SIF) data collection system. This system uses nationally recognized standards in educational data elements to allow different databases to communicate with each other for the purposes of transferring and verifying data.

Funding will also be used to construct a data warehouse to be the Department's repository for electronically stored data, as well as a statewide directory for the data warehouse, the Adult Basic Education Information System, and a dry fire suppression system for the technology room at the Shepard Building. The enacted budget contains \$3.0 million in COPs and \$4.6 million in federal funds for this project. The Department requests federal funding as enacted but pushes the COPs funding into FY2014, requesting \$274,000 in FY2012, \$274,000 in FY2013, and \$190,809 in FY2014.

The Governor recommends funding as requested.

LEA Technology Infrastructure (New)

The Department proposes a new project to build four data platforms to manage the information needed to track student, teacher and school performance. The Department requests \$20.0 million in certificates of participation (COPs) funding to address the varied states of LEA technological ability to meet the requirements of the reform being implemented through the Race to the Top grant, including student/teacher information systems, virtual learning, and technology in the classroom. The proceeds from the certificates would primarily be used to extend the wireless access in classrooms across the state. The proposal also includes a matching request for private funds for the purchase of electronic devices, computer labs, mobile computer carts, and other equipment. The Department to requests \$20.0 million in COPs funding, including \$6.0 million in FY2013, \$5.0 million in FY2014, and \$3.0 million each year in FY2015 through FY2017.

As provided in Article 7, the Governor recommends funding as requested. The Department reports that only 23.8 percent of classrooms in the state have total wireless access, and while most classrooms have wired access to the internet, it is usually limited. The \$20.0 million Technology Infrastructure Capital Bond will expand access to all classrooms over the next three to five years.

The Department testified that there is the potential for federal matching funds under the Priority 2 funding category of the E-Rate program. Priority 2 funding is available for "internal connections" used to access the internet from classrooms within eligible schools. Eligibility is limited to schools where 75.0 percent or more of the students qualify for the federal free or reduced lunch program. Eligible schools would receive matching federal funds equal to 90.0 percent of the component costs. The following table shows the preliminary bond and federal E-Rate match distribution by district.

Elementary and Secondary Education Wireless Access Cost Analysis

Projected Wireless Components

Required

District	Number of Schools	Instuctional Areas with Access Points	Access Points	CAT5 Cabling	Power over Ethernet		Total Cost	Bond Allocation	Federal E-Rate Match
					Switches	Routers			
Barrington	6	44	230	17	21	6	\$537,100	\$537,100	\$0
Block Island	1	10	12	2	3	1	54,100	54,100	-
Bristol Warren	6	26	238	0	24	6	555,500	555,500	-
Burrillville	5	161	33	0	12	5	220,250	220,250	-
Central Falls	6	54	6	0	6	6	184,500	18,450	166,050
Chariho	6	38	94	51	18	6	363,800	363,800	-
Coventry	7	51	315	0	32	7	712,750	712,750	-
Cranston	24	265	451	104	61	24	1,469,450	1,309,340	160,110
Cumberland	9	29	290	44	39	9	776,200	776,200	-
East Greenwich	6	67	67	67	18	6	334,850	334,850	-
East Providence	12	20	477	12	57	12	1,156,350	1,156,350	-
Exeter-West Greenwich	5	109	64	64	18	5	305,200	305,200	-
Foster	2	7	8	0	4	2	78,000	78,000	-
Foster-Glocester	1	12	16	0	6	2	92,000	92,000	-
Glocester	2	7	8	0	4	2	78,000	78,000	-
Jamestown	2	26	17	0	4	2	89,250	89,250	-
Johnston	8	30	169	0	35	8	568,750	568,750	-
Lincoln	6	34	228	0	32	6	579,000	579,000	-
Little Compton	1	11	15	10	3	1	60,250	60,250	-
Middletown	5	69	154	0	18	5	398,500	398,500	-
Narragansett	3	33	100	47	17	3	290,600	290,600	-
Newport	6	20	136	0	28	6	446,000	377,375	68,625
North Kingstown	8	28	287	128	43	8	790,650	790,650	-
North Providence	9	54	155	65	31	9	577,750	577,750	-
North Smithfield	4	45	129	46	17	4	351,550	351,550	-
Pawtucket	15	174	324	324	39	15	1,052,700	499,605	553,095
Portsmouth	4	133	96	92	11	4	297,100	297,100	-
Providence	37	111	901	897	104	37	2,788,250	408,875	2,379,375
Scituate	5	27	92	5	18	5	322,500	322,500	-
Smithfield	6	23	165	103	25	6	499,650	499,650	-
South Kingstown	8	44	213	28	29	8	605,150	605,150	-
Tiverton	5	34	119	0	16	5	345,750	345,750	-
Warwick	23	17	815	20	91	23	2,009,250	2,009,250	-
West Warwick	6	99	11	11	7	6	198,550	198,550	-
Westerly	6	97	181	35	16	6	458,750	458,750	-
Woonsocket	11	62	176	87	33	11	669,600	341,865	327,735
State Sschools	5	46	174	174	16	5	466,700	379,175	87,525
Charter Schools	18	132	234	234	44	18	1,015,700	658,355	357,345
LEA Total	300	2250	7200	2667	1000	300	\$21,800,000	\$17,700,140	\$4,099,860
Administration							500,000	500,000	-
Replacement Costs							2,300,000	1,867,370	432,630
Total Bond Proceeds							\$24,600,000	\$20,067,510	\$4,532,490

Source: Rhode Island Department of Education

Davies Career and Technical School – HVAC

The Department requests \$4.0 million in RICAP funds to replace and repair the HVAC system at the Davies Career and Technical Center. The existing equipment is over 30 years old and is inefficient and contributing to air quality issues in a number of areas in the building. Additionally, portable space heaters used in some classrooms were deemed to be unsafe during a recent fire inspection.

In FY2010, the architectural and engineering work led to changing the scope of the project from an electric-based heating/cooling solution to an energy-efficient hydronic heating and split cooling system. The enacted capital plan includes a total project cost of \$2.2 million in RICAP funds, providing \$1.5 million prior to FY2012 and \$668,853 in FY2012 (including carry forward from FY2011) to complete the project. The request is for a total project cost of \$4.0 million, an increase of \$1.9 million over the enacted, including \$750,000 in FY2013.

The Governor does not recommend the expanded scope of the project to a hydronic system. Consequently, the Governor recommends total project cost of \$2.2 million as provided in the FY2012 Budget as Enacted but extends the funding into FY2013 due to delays in construction.

Metropolitan Regional Career and Technical School (MET) – HVAC (New)

The Department requests \$2.5 million in new RICAP funding to replace and repair the HVAC system for five buildings at the MET School's Peace Street and Public Street campuses. The HVAC equipment at the Public Street campus was installed in 2000-2001. Due to the "value engineering" of the system's original design and balancing, many of the controls and systems are unable to work together efficiently. Despite measures to correct problems, heating, cooling and air quality issues still persist. In FY2011, the MET School has spent over \$65,000 in HVAC repairs and has still had to use space heaters and operate without heating/cooling in one or more building. RISE Engineering, in conjunction with the State of Rhode Island Office of Energy Resources, conducted a preliminary audit of the HVAC systems in 2009. The audit confirmed that the systems were inefficient and that units were operating 24/7 with no ability to control them. In FY2011, the MET School procured an investment grade audit of the HVAC systems. The MET School is awaiting the results of this audit and, contingent upon the findings, hopes to procure services and complete repairs and replacements late in FY2012.

The request is for total project costs of \$2.5 million in RICAP funding including \$833,333 in FY2012, \$833,333 in FY2013, and \$833,334 in FY2014.

The Governor recommends funding as requested.

Davies Career and Technical School – Roof Repairs

The Department requests \$1.7 million in RICAP funds to repair the roof at the Davies Career and Technical School. Roof replacement is needed in several areas, for both the original structure built in 1972 and the 1993 addition, including the auto electrical and woodworking shops, the administration and science wing, modular building, shop classes, kitchen and mechanical room areas, graphic arts and academy of information technology (AOIT) shop areas, gymnasium and locker rooms, and the science building. The enacted budget provides \$3.0 million for this project, including \$1.5 million in enacted and carry-forward funding in FY2012.

The Department requests \$1.7 million for this project including \$1.5 million prior to FY2012 and \$228,000 to complete the project in FY2012.

The Governor recommends funding as provided in the FY2012 Budget as Enacted, adjusted for the carry forward in FY2012.

Metropolitan Regional Career and Technical School (Met) – Asset Protection

The Department requests \$900,000 in RICAP funding (\$150,000 annually from FY2012 through FY2017) for asset protection for the Met School. The Department indicates that as two of the buildings are nearing 10-15 years in age, they will soon need repairs to major systems. The majority of these funds will be used to repair cracks and frost heaves in the walkways and basketball court and the replacement of doors, door hardware and locks. The enacted budget provides \$300,000 in RICAP funding (\$100,000 annually from FY2014 through FY2016) for this project.

The Governor recommends funding as provided in the FY2012 Budget as Enacted and adds RICAP funding of \$200,000 annually in FY2016 and FY2017, providing \$600,000 in total RICAP funding over this period.

Davies Career and Technical School - Asset Protection

The Department requests \$3.0 million, including \$2.9 million in RICAP funds and \$162,875 in private funding for asset protection for the Davies School. The request provides \$876,101 (\$713,226 in RICAP funds and \$162,875 in private funding) in FY2012, \$790,011 in FY2013, \$520,000 in FY2014, \$350,000 in FY2015, \$150,000 in FY2016 and \$150,000 in FY2017. Needed repairs include replacing lighting fixtures, re-paving driveways and parking lots, replacing windows, purchasing and installing a security system, and waterproofing and sealing of cement. The private funds are from National Grid grant incentives for energy efficiency projects. The enacted capital plan provides total project cost of \$1.9 million in RICAP funds, including \$448,421 (including the carry forward) in FY2012, \$425,000 in FY2013, \$425,000 in FY2014, \$200,000 in FY2015 and \$200,000 in FY2016.

The Governor recommends \$2.7 million in total project costs including \$2.5 million in RICAP funds and \$162,875 in private funds. Relative to the FY2012 Budget as Enacted, this represents the addition of private funds in FY2012 and a total increase of \$625,000 in RICAP funds, including \$225,000 in FY2015, \$100,000 in FY2016 and \$300,000 in FY2017.

Metropolitan Regional Career and Technical School (Met) – East Bay

The Department requests \$8.8 million in RICAP funds for the study, design and construction of the East Bay Met School, including \$2.5 million in FY2012, \$6.0 million in FY2013, and \$178,775 in FY2014. The enacted capital plan provides \$8.8 million for this project, including \$2.0 million in FY2012, \$3.6 million in FY2013, and \$2.6 million in FY2014.

The Governor recommends funding as provided in the FY2012 Budget as Enacted, adjusted for the carry forward into FY2012.

Metropolitan Regional Career and Technical School (Met) – Public Street

The Department requests \$29.4 million to design and construct a new Entrepreneurial Center at the Public Street campus of the Met School. This building will act as a business incubator for student driven projects, as well as workrooms, offices, conference spaces. The request includes \$29.0 million in authorized general obligation bond proceeds, including \$28.3 million spent prior to FY2012 and \$712,073 million in FY2012, and \$425,927 in RICAP funds in FY2012. The project is scheduled for completion in FY2012. The requested RICAP funds are not included in the enacted capital plan.

The Governor recommends funding as requested, adding \$425,927 in RICAP funding in FY2012 to complete the project.

School for the Deaf – New Facility Construction

The Department requests \$31.2 million for the construction of a new School for the Deaf. This school was constructed on the site of the old school at Corliss Park in Providence. The 2008 General Assembly approved \$30.0 million in certificates of participation (COPs) funding plus an additional \$1.2 million in RICAP funding for a 71,000 square foot facility, including site development, architectural and engineering fees, legal fees, construction costs, furniture, fixtures and equipment. Construction of the school was completed in August 2010, and the school was occupied by students and faculty in September of 2010. The Department's current request pushes \$900,000 in COPs funding into FY2012 to construct an outbuilding/garage and to make the final payments to the contractor and architect, but does not include any additional funding.

The Governor recommends total funding as requested, adjusted for the carry forward into FY2012.

Higher Education

The proposed capital budget for Higher Education totals \$1.2 billion between FY2013 and FY2017 and would allocate funding between 70 projects, of which 60 are classified as continuing projects and 10 are new. Of the 70 projects, 45 are located or managed at the University of Rhode Island (URI), 18 at Rhode Island College (RIC), 7 at the Community college of Rhode Island (CCRI). Asset Protection funds are requested at all three institutions. The following analysis is divided into sections and organized according to the priority ranking of the project, by institution.

The Governor recommends \$776.7 million for 55 projects, including \$231.3 million in Rhode Island Capital Plan (RICAP) funds between FY2012 and FY2017.

SYSTEM WIDE

URI, RIC, CCRI – Asset Protection

Project	Pre-FY2012	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017	Total
URI	\$46.6	\$7.0	\$7.2	\$7.4	\$7.5	\$7.7	\$7.9	\$91.3
RIC	18.4	4.6	3.1	3.1	3.2	3.3	3.4	39.0
CCRI	11.3	2.1	2.1	2.1	2.1	2.2	2.2	24.0
Total	\$76.3	\$13.7	\$12.3	\$12.6	\$12.9	\$13.2	\$13.4	\$154.3

\$ in millions. Totals may vary due to rounding.

Asset Protection projects are budgeted from RICAP funds and are used to maintain and repair facilities, including roads, buildings, and infrastructure. The asset protection program includes a number of projects at various facilities, and allows each school to shift funding based on current priorities.

The Governor recommends a total of \$78.0 million in asset protection funding for URI, RIC, and CCRI from FY2012 to FY2017. The General Assembly has, in the past, programmed an annual increase in RICAP funding for Higher Education Asset Protection: this annual increase is included in the Governor's recommendation and corresponds to the approved capital budget.

General Obligation Bonds

The Board of Governors includes seven general obligation bond requests in its proposed FY2013-FY2017 capital budget. These requests require voter approval as a referendum question in a general election. The seven requests include renovations for the URI Fine Arts Center (\$65.0 million); Joint Nursing Building (\$65.2 million); the URI College of Engineering Quadrangle (\$102.5 million); Historic Quadrangle Buildings Renovation (\$58.1 million); RIC Modernization and Rehabilitation of Academic Buildings, Phase I (\$44.7 million); CCRI Knight Campus Residences (\$31.6 million); and CCRI Athletic Facility (\$12.8 million).

The Governor recommends four future general obligation bond requests totaling \$277.4 million, as follows (more detail in individual school sections):

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	2012	2014
URI		
Joint Nursing Building	\$65.2	
College of Engineering		\$102.5
Fine Arts Center Renovation		65.0
RIC		
Modernization and Rehabilitation, Academic Buildings I	44.7	
Total	\$109.9	\$167.5

UNIVERSITY OF RHODE ISLAND

Funding by Project	Pre-FY2012	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017	Total
Asset Protection	\$46.6	\$7.0	\$7.2	\$7.4	\$7.5	\$7.7	\$7.9	\$91.3
Center For Biotechnology & Life Sciences	54.0	5.5	-	-	-	-	-	59.5
College Of Pharmacy Building	33.8	41.4	-	-	-	-	-	75.2
Fire Safety & Protection Auxiliary Enterprises	4.5	5.3	7.3	1.1	-	-	-	18.2
Fire Safety & Protection Academic & Administrative	3.5	9.0	-	-	-	5.0	5.0	22.5
Energy Conservation/Performance Contract Phase I	17.0	1.3	-	-	-	-	-	18.3
Energy Conservation/Performance Contract Phase II	-	5.1	4.3	3.3	-	-	-	12.6
Ranger Hall Renovation Phase I	1.6	1.6	1.5	-	-	-	-	4.6
New Chemistry Building	2.4	14.4	39.0	10.0	-	-	-	65.8
Nursing Education Center	0.2	0.0	-	5.2	30.0	30.0	-	65.4
North District Infrastructure & Program Support	1.1	6.8	1.5	1.0	-	-	-	10.3
Tyler Hall Renovation	3.7	0.3	-	-	-	-	-	4.0
College Of Engineering - Advanced Planning	-	0.3	-	-	-	-	-	0.3
Roger Williams Commons Wellness Center	0.9	6.8	3.3	-	-	-	-	11.0
Hillside Residence Hall	7.0	33.2	5.6	-	-	-	-	45.8
Student Athlete Development Center	0.0	1.7	1.6	-	-	-	-	3.3
Repaving & Road Construction	0.6	5.9	7.2	-	-	-	-	13.7
Rodos Hellenic Center	0.5	1.4	2.3	-	-	-	-	4.2
Facilities Services Sector Upgrade	0.0	0.4	3.2	4.6	-	-	-	8.3
Behavioral Change Lab	0.3	2.6	-	-	-	-	-	2.8
Fine Arts Center Advanced Planning	-	0.4	-	-	-	-	-	0.4
Biological Resources Lab	-	-	1.7	6.0	5.4	3.9	-	16.9
Utility Infrastructure Upgrade Phase I	-	-	5.9	4.1	-	-	-	10.0
Kingston Campus Parking Garage	-	-	2.7	13.2	-	-	-	15.9
GSO Campus Building Renovation - Advanced Planning	-	-	0.3	-	-	-	-	0.3
Fine Arts Center Renovation & Addition	-	-	-	-	-	2.3	18.6	20.9
Engineering - Building Renovations	-	-	-	-	-	3.0	16.3	19.3
Utility Infrastructure Upgrade Phase II	-	-	-	-	-	1.6	4.2	5.8
GLBT Center	-	0.1	0.9	0.5	-	-	-	1.5
Butterfield Dining Hall Expansion	-	0.5	7.1	-	-	-	-	7.6
Fogarty, Morrill, & Pastore - Advanced Planning	-	-	0.2	-	-	-	-	0.2
Roger Williams Complex - Advanced Planning	-	0.1	-	-	-	-	-	0.1
Total	\$177.8	\$151.1	\$102.7	\$56.3	\$42.9	\$53.4	\$52.0	\$636.2
Funding by Source	Pre-FY2012	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017	Total
RICAP	\$50.0	\$13.6	\$8.2	\$7.4	\$7.5	\$12.7	\$12.9	\$112.2
Certificates Of Participation	17.0	6.4	4.3	3.3	-	-	-	30.9
Federal Funds	2.2	2.7	-	-	-	-	-	4.9
Federal Stimulus Funding	3.5	9.0	-	-	-	-	-	12.5
G.O. New Referenda	-	-	-	5.2	30.0	35.3	34.9	105.4
General Obligation Bonds	84.4	46.4	38.8	10.0	-	-	-	179.6
Private Funding	3.7	13.6	4.3	-	-	-	-	21.6
RIHEBC Bonds	15.1	51.9	32.3	29.9	5.4	5.5	4.2	144.2
University/College Funds	1.8	7.7	14.7	0.6	-	-	-	24.8
Total	\$177.8	\$151.1	\$102.7	\$56.3	\$42.9	\$53.4	\$52.0	\$636.2

Center for Biotechnology and Life Science (CBLS)

This \$59.5 million project involves the construction of a 140,000 square foot building at URI, including teaching and research facilities, and the demolition of an existing structure. \$49.4 million in general obligation bond funds, as well as \$1.9 million in Slater Economic Development Funds, \$1.9 million in federal funds, \$1.1 million in RICAP funds, and \$189,405 in Certificates of Participation have been expended prior to FY2012 for this project. The Board of Governors requests the remaining general obligation bond authorization of \$607,083 and RICAP funds of \$4.5 million in FY2012 to support the build out of the shelled space on the fourth floor of the building. The capital budget, as approved, includes partial completion of the interior in FY2010 (\$2.8 million), an additional \$4.5 million in private funding in FY2011 and FY2012, and complete exhaustion of the general obligation bond funding prior to FY2011. The CBLS is already in use as a classroom and meeting space: completion of the fourth floor will expand office and laboratory facilities.

The Governor recommends \$5.5 million in FY2012 to complete the build-out of the facility, \$4.8 million in RICAP funds, \$607,083 in previously issued general obligation bond proceeds, and \$124,027 in University/College Funds.

College of Pharmacy Building

In November of 2006, voters approved a bond referendum of \$65.0 million to construct a new College of Pharmacy Building on the URI Campus. In addition, \$10.2 million in donations were received from private donors to complete the facility, which is scheduled to open in the Spring of 2012. This new facility will house teaching laboratories, classrooms, research laboratories, faculty, staff and administrative offices, outreach programs, and the Rhode Island State Crime Lab. The Board requests \$31.5 million in unissued bond proceeds, as well as \$9.9 million in private funding in FY2012 to complete this project. The approved capital budget included \$5.0 million in federal American Recovery and Reinvestment Act of 2009 (ARRA) funding, but the competitive grant was not received and has been removed from the Board's request.

The Governor recommends funding as requested.

Fire Safety and Protection Auxiliary Enterprises

The Board of Governors requests \$18.2 million in RIHEBC bond funding to install sprinkler systems and upgrade existing fire alarm systems in all of the University's auxiliary buildings. Auxiliary facilities include dining halls, retail facilities, and other non-residential, non-academic buildings. The project has already received \$4.5 million in RIHEBC bond funding, and the Board requested additional RIHEBC bond funding including: \$5.3 million in FY2012, \$7.3 million in FY2013, and \$1.1 million in FY2014. This project has been accelerated from the approved schedule to be completed in conjunction with the Fire Safety and Protection project for Academic and Administrative Buildings (see below).

The Governor recommends funding as requested.

Fire Safety and Protection Academic and Administrative Buildings

The program received \$3.5 million in federal ARRA funding in prior to FY2012. The Board of Governors requests an additional \$9.0 million in federal ARRA funding in FY2012 to install sprinkler systems and upgrade existing fire alarm systems in all of the University's academic and administrative buildings. In addition, the Board of Governors requests \$14.3 million in RICAP funding to complete the upgrades to academic and administrative buildings in order to meet the State Fire Code. Total funding for this project between FY2010 and FY2015 would be \$26.8 million, with the federal ARRA funds to be expended by June 30, 2012.

The Governor recommends ARRA funding as requested; however, RICAP funding of \$14.0 million is recommended for this project from FY2016 through FY2018, which is \$300,000 less than requested.

Energy Conservation Performance Control Contract – Phase I

The Board of Governors requests \$18.1 million in Certificates of Participation (COPs) for projects related to an Energy Performance Contract with an Energy Service Company (ESCO), Noresco, to purchase energy saving improvements for buildings and infrastructure. Performance contracting is structured so that the cost of implementing the energy conservation measures is recovered from the cost avoidance achieved by the performance measures. Prior to FY2012, \$17.0 million was received for projects at the Memorial Union, the Athletic Complex, the Narragansett Bay Campus, the Providence

Campus of Continuing Education, and projects for Housing and Residential Life. A number of energy and water conservation projects on the Kingston Campus are underway, and the Board requests \$1.3 million for FY2012 in COPS funding to complete this phase of the project.

The Governor recommends funding for this project as requested.

Energy Conservation Performance Control Contract – Phase II

The Board of Governors requests \$12.6 million in Certificates of Participation (COPs) for projects related to an Energy Performance Contract with an Energy Service Company (ESCO), Noresco, to purchase energy saving improvements for buildings and infrastructure. Performance contracting is structured so that the cost of implementing the energy conservation measures is recovered from the cost avoidance achieved by the performance measures. Phase II of this project includes installing a mid-line condensate pump station to improve condensate return, building a co-generation turbine to take advantage of excess steam production during periods of high steam use, replacing leaking steam lines, replacing air handling units on the Fine Arts Building, converting electrical heat to gas operation on the Narragansett Bay Campus, and installing energy management control systems at various buildings across the University. The Board requested \$5.1 million in FY2012, \$4.3 million in FY2013 and \$3.3 million in FY2014 in COPs funding for this program.

The Governor recommends funding as requested.

Ranger Hall Renovations

This \$4.7 million project involves the complete rehabilitation and restoration of Ranger Hall at URI, a 36,000 square foot, four-story granite block laboratory constructed in 1913. Phase I of the project focuses on roof replacement, exterior renovations, and accessibility and totals \$4.7 million. This project has received \$1.6 million in issued general obligation bond authorization funding prior to FY2012. The Board requested an additional \$1.3 million in issued general obligation bond funds in FY2012, along with \$1.0 million in funds raised by the University, and the remaining \$840,249 in bond funding in FY2013. The request delays the completion of Phase I from FY2012 (as projected in the approved capital budget) to FY2013.

The Governor recommends funding of \$1.3 in general obligation bond authorization in FY2012 and \$813,874 in FY2013, along with \$285,000 in private funding in FY2012 and \$715,000 in private funding in FY2013.

New Chemistry Building

The Board of Governors requests \$65.8 million in total funding, including \$61.0 million in an approved (November 2010) General Obligation bond issue and \$4.8 million in RICAP funds to design and construct a new building to house the Department of Chemistry, including teaching labs, classrooms, research labs, and faculty and administrative offices. Approximately \$2.4 million in RICAP funds were expended prior to FY2012; \$1.4 million is requested in FY2012, and \$1.0 million in FY2013. The \$61.0 million general obligation bond would be distributed as \$13.8 million in FY2012, \$38.0 million in FY2013, and \$9.2 million in FY2014.

The Governor recommends funding as requested.

Joint Nursing Facility (with Rhode Island College) (New)

The Governor recommends a November 2012 \$65.2 million bond referendum to construct a new nursing education building in Providence, to be used jointly by the University of Rhode Island (URI) and Rhode Island College (RIC). The amount proposed is not inclusive of land costs and no specific location for the facility has been identified. Options using parcels from the relocation of I-195 and different parcels of private land in Providence have been identified in a recent feasibility study as possible locations.

The Administration has indicated that the recommended \$65.2 million includes \$5.1 million for enhancements to both institutions for nursing-related education, but that language is not included in the referendum, nor have these improvements been identified. The construction of the nursing facility accounts for \$60.1 million of the total bond financing proposed by the Governor.

The FY2011 to FY2015 capital budget submission from the Board of Governors included \$30.0 million for a new nursing facility at RIC and \$50.0 million for a nursing building at URI. In March 2010, the Governor submitted a budget amendment to construct a Joint Nursing Facility, located in the Jewelry District (“Knowledge District”) of Providence. The General Assembly did not include the \$60.0 million bond issue for the Joint Nursing Facility on the November 2010 ballot, and instead requested a feasibility study that would offer a look at the nursing program needs of both institutions, including geographic location, issues of merging the programs, and costs. There was concern expressed by faculty and students at both institutions regarding the construction of a joint facility, and proposed project costs did not include land acquisition, estimated to be between \$2.5 and \$5.5 million.

On May 23, 2011, the firm of Robinson, Green, and Berretta (RGB) completed the feasibility study and presented three options and associated costs for constructing a single building. According to RGB, the most cost-effective alternative is a single building constructed on state-owned land with state funding due to a lower cost of financing for the State (as opposed to a private developer). These cost estimates do not include operating and debt or lease costs.

- **Cost-Effective Alternative:** One building constructed with state funding on state-owned I-195 parcels. This alternative does not include costs for state-owned land and assumes the State would absorb the cost of the land, estimated at approximately \$1.3 million (\$60.1 million).
- **Alternative 1:** One building constructed by a private developer on state-owned I-195 parcels. This alternative does not include costs for state-owned land and assumes the State would absorb the cost of the land, estimated at approximately \$1.3 million (\$62.1 million).
- **Alternative 2:** One building constructed by a private developer on private land. This alternative includes \$1.3 million in land acquisition costs and includes 11 different parcels of land in Providence (\$67.3 million).

The feasibility study was completed in FY2011 and the Governor includes a bond issue of \$65.2 million for the 2012 ballot to fund this project, with construction beginning in FY2014.

Analyst’s Note: At a Senate Finance Committee hearing on this project, the Director of the Department of Administration indicated that the Department will also investigate a public/private partnership as an alternative method of funding this project.

North District Infrastructure and Program Support

The Board of Governors requests \$10.3 million in RIHEBC funds through FY2014 for utility upgrades and replacements in the North District on the Kingston Campus. The utility systems include steam distribution, water distribution, and electrical distribution, and the North District includes the Center for Biotechnology, the new Pharmacy Building, the new Chemistry Building, and the existing White Hall nursing facility. The project has been extended, without an increase in total cost, to provide program support in the newly constructed and proposed facilities.

The Governor recommends funding as requested.

Tyler Hall Renovation

The Board of Governors requests \$4.0 million in RIHEBC bond funds and University/College Funds to renovate Tyler Hall. Once renovated, the facility will be used by the Computer Science and Statistics Department, the Information Technology Services Computer Center, and will provide surge-protected office and classroom space in support of future University renovation projects. This project involves the purchase and demolition of an unoccupied fraternity house at 22 East Alumni Avenue, which is adjacent to Tyler Hall. This phase of the project was completed prior to FY2011, along with 75.0 percent of the renovations. The University received \$795,064 in University/College Funds and \$2.9 million in RIHEBC funding and requests \$297,737 in RIHEBC funding to complete the project in FY2012.

The Governor recommends funding as requested.

College of Engineering – Advanced Planning

The Board of Governors requests \$300,000 in University/College Funds in FY2012 to perform a comprehensive study of building improvement priorities for the College of Engineering.

The Governor recommends funding as requested.

Roger Williams Commons Wellness Center

The Board of Governors requests a total of \$11.0 million to renovate and construct an addition to the Roger Williams Commons for a student wellness and activity center. This space was previously occupied by the Dining Hall, and is currently occupied by URI Housing and Residential Life offices, which will move to the new Hillside Housing project in 2012. Prior to FY2012, the project received \$906,242 in private funds. The Board requests \$293,758 in private funding and \$6.5 million in University funds in FY2012, and \$800,000 in private funds and \$2.5 million in University funds in FY2013.

The Governor recommends funding as requested.

Hillside Residence Hall – Terrace Apartments

The Board of Governors requests a total of \$42.7 million in RIHEBC bond funding, \$3.0 million in University funds, and \$112,706 in federal funds to demolish the current Terrace Apartments and construct a new four to five story residence hall, which would provide approximately 425 new beds. Advanced planning and initial design work has been completed with \$7.0 million of total project costs spent prior to FY2012. The Board requests \$33.1 million in RIHEBC bond funding in FY2012 and \$3.6 million in FY2013, as well as an additional \$2.0 million in University funding in FY2013.

The Governor recommends funding as requested.

Student Athlete Development Center

The Board of Governors requests a total of \$3.3 million, with \$1.0 million in University funds and \$2.3 million private funding, to construct a Student Athlete Development Center. The Center will be part of the Tootell Center and Keaney Gymnasium, and used for athletic training, rehabilitation and support facilities and improved academic performance, physical fitness and student athletics. The project received \$26,327 in private funding prior to FY2012. It is projected to receive \$1.7 million in private funding in FY2012 and \$562,212 in private funding in FY2013, along with \$1.0 million in University funds in FY2013.

The Governor recommends funding as requested.

Repaving and Road Construction

The Board of Governors requests a total of \$13.7 million in RIHEBC bond funds between FY2011 and FY2013 to continue a program to replace and reconstruct major parking facilities, internal roadways, and walkways across three of the four URI campuses.

The Governor recommends funding as requested.

Rodos Hellenic Center

The Board of Governors requests \$4.2 million in private funding for the design and construction of a Greek Cultural Heritage Center. The Center will consist of the Rodos Building for Hellenic Studies and a classic open-air Greek amphitheater, as well as classrooms, a small lecture hall with audio-visual support, offices, a library, archival storage, a chapel, and exhibit space. The Hellenic Society “Paideia” is funding construction of the Center, including \$1.4 million in FY2012, and \$2.3 million in FY2013.

The Governor recommends funding as requested.

Facilities Services Sector Upgrade

The Board of Governors requests a total of \$8.3 million in RIHEBC bonds from FY2011 to FY2014, including \$3.2 million in FY2012 and \$4.6 million in FY2013, to reorganize and renovate the facilities that house the URI Services Sector (mechanical, automotive, dining, laundry, and facilities maintenance services), located adjacent to the Northwest Entrance of URI. The project is intended to both improve the function of the facilities services and to improve the aesthetics of the Northwest entrance, which is the entrance used for events and athletics.

The Governor recommends funding as requested.

Behavioral Change Lab

The Board of Governors requests \$2.8 million in federal funds to renovate 12,000 square feet on the first floor of the Chafee Social Sciences Center (CSSC) in the North District. It would create quantitative and methodology laboratories, treatment and training rooms, and would install Computer Assisted Telecommunications Infrastructure (CATI) systems, including 50 intervention call stations. The funding comes from a \$2.8 million federal grant. The renovations began in FY2011 and will be completed in the spring of FY2012.

The Governor recommends funding as requested.

Fine Arts Center Renovation – Advance Planning

The Board of Governors requests \$400,000 in RICAP funding in FY2012 to conduct planning and architectural/engineering studies of the Fine Arts Center. The 120,720 square foot building was constructed in the 1970s but has suffered from problems related to flat roofs and large, inefficient glass walls and windows.

The Governor recommends funding as requested.

Biological Resources Lab

The Board of Governors requests \$16.9 million in RIHEBC bonds to construct a 17,000 square foot, state-of-the-art small animal lab that meets current standards, allowing URI to centralize and replace older facilities. It will be constructed underground in the University's North District, and be connected to the new College of Pharmacy. The Board's request is for \$1.7 million in FY2013, \$6.0 million in FY2014, \$5.4 million in FY2015, and \$3.9 million in FY2016.

The Governor recommends funding as requested.

Utility Infrastructure Upgrade and Replacement – Phase I

The Board of Governors requests \$10.0 million in RIHEBC bond funds to install utility upgrades and replacements of the five Kingston Campus utility systems, including: steam/condensate distribution system, water distribution system, electrical distribution system, sanitary sewer system, and the storm drainage system. The Board requests RIHEBC funding as follows: \$5.9 million in FY2013 and \$4.1 million in FY 2014.

The Governor recommends funding as requested.

Kingston Campus Parking Garage (New)

The Board of Governors requests \$15.0 million in new RIHEBC bonds and \$900,000 in University/College Funds to construct a 5-level parking garage in the North District on the current location of the Chafee Social Sciences Center parking lot. The project would result in 561 parking spaces, as opposed to the 80 spaces currently available at Chafee, and would eliminate the need to pave more of the area to provide sufficient parking for both visitors and students. Construction is scheduled to start in FY2013 and finish in FY2014.

The Governor recommends funding as requested.

GSO Campus Building Renovation – Advance Planning (New)

The Board of Governors requests \$300,000 in RICAP funding in FY2013 to conduct program planning and architectural/engineering studies of the buildings at the Graduate School of Oceanography (GSO), located on the University’s Bay Campus in Narragansett. The study would identify critical needs and establish a scope of work for future renovation projects.

The Governor does not recommend funding at this time.

Fine Arts Center Renovations and Addition

The Board of Governors requests a General Obligation bond issue of approximately \$65.0 million for the renovation of the Fine Arts Center and the surrounding parking and circulation. The project would be placed on the 2014 ballot, and the project is anticipated to get underway in FY2015, if approved by the voters. Details of the renovation will be available after the advance planning study, also requested in this capital budget submission, is completed.

The Governor recommends funding as requested.

URI Engineering Building Renovations

The Board of Governors requests a General Obligation bond Referendum in November 2014 for \$102.5 million for a comprehensive overhaul of physical space dedicated to the Engineering programs at URI. Projects include the renovation of four URI Engineering buildings (Crawford Hall, Gilbreth Hall, Kelly Hall, and Wales Hall), construction of an annex to Bliss Hall, and replacement of the Sheets Building on the Bay Campus. The Kingston Campus Engineering buildings would all be physically connected. Construction would begin in FY2016.

The Governor recommends funding as recommended.

Utility Infrastructure Upgrade Phase II

The Board of Governors requests \$10.0 million in RIHEBC bonds to install utility upgrades and replace the five Kingston Campus Utility systems: steam/condensate distribution, water distribution, electrical distribution, sanitary sewer, and storm drainage.

Phase II of this project will advance toward completing the primary electric system master plan, reconfigure and replace extensive portions of the steam/condensate system, advance compliance with storm water management objectives, and address critical needs for the water system and sanitary systems. The Board requests RIHEBC bond funding beginning in FY2016.

The Governor recommends funding as requested.

Edwards Hall Renovations

The Board of Governors requests \$9.0 million in RICAP funding for exterior and interior improvements to Edwards Hall beginning in FY2017. This project includes window restoration, stone repointing, accessibility, HVAC, and bathroom improvements, which represents the first year of a multi-year project.

The Governor does not recommend funding at this time.

GLBT Center (New)

The Board of Governors requests \$1.5 million in University/College funds for construction of a new center to offer an inclusive student experience for gay, lesbian, bi-sexual and trans-gender students. The 2,713 square foot center would be built on a half-acre university parcel on Upper College Road. The program spaces will include multi-purpose rooms, student lounge and resource area, kitchen and office space.

The Governor recommends \$1.5 million in University/College Funds for this project as follows: \$105,797 in FY2012, \$928,619 in FY2013, and \$465,584 in FY2014.

Butterfield Dining Hall Expansion (New)

The Board of Governors requests \$7.6 million in new University/College funds for renovations and additions to the Butterfield Hall Dining facility to accommodate an increase in student population from the Hillside Resident Hall. The project includes renovating the existing 9,750 square foot existing facility, and adding a 5,900 square foot addition, increasing seating by approximately 200 seats.

The Governor recommends \$509,070 in FY2012 and \$7.1 million in FY2013 for this project, as requested.

Fogarty, Morrill & Pastore Buildings – Advanced Planning (New)

The Board of Governors requests \$200,000 in FY2013 to conduct a study of uses for the Fogarty, Morrill, and Pastore Buildings, located at the South end of the Kingston Campus. These buildings are now vacant due to the construction of 3 new buildings on campus: the Center for Biotechnology and Life Sciences, the College of Pharmacy, and the new Chemistry Building. This study will assess the condition of the existing facilities, estimate project costs to upgrade the facilities for continued use, and determine the cost/benefit of renovation versus removal under alternate reuse scenarios.

The Governor recommends funding as requested.

Roger Williams Complex – Advanced Planning (New)

The Board of Governors requests \$100,000 in FY2012 to hire an architectural/engineering firm to evaluate and develop alternate construction delivery methods for University housing facilities, with the goal of developing an achievable approach to replacing the University's six buildings that make up the Roger Williams Housing Complex.

The Governor recommends funding as requested.

Classroom and Instructional Lab Improvements (New)

The Board of Governors requests \$4.5 million in new RICAP funding to improve instructional and student technology in classrooms and lab buildings. The improvements include wireless accessibility, computer upgrades, and other smart classroom features. The Board requests \$1.5 million per year in FY2013, FY2014, and FY2015.

The Governor does not recommend funding at this time.

Woodward Hall – Nutrition & Food Sciences (New)

The Board of Governors requests \$1.0 million from RICAP funds in FY2013 to renovate the interior of Woodward Hall to accommodate the relocation of the Nutrition and Food Sciences (NFS) program. The NFS program is currently located in Ranger Hall, which will be undergoing a complete renovation. The NFS program must be relocated to allow the Ranger Hall project to proceed. Woodward Hall, constructed in 1959, houses the College of Environment and Life Sciences: once renovated, it would provide enough square footage to allow existing programs to remain in Woodward Hall. The Board requested \$1.0 million in FY2013 to complete the renovations.

The Governor does not recommend funding at this time.

Public Safety Building

The Board of Governors requests \$3.7 million in RICAP funds to design and construct a new public safety building to house the campus police, and associated parking, risk management, and safety compliances offices of the University. The current Public Safety facilities are located in three separate buildings, two of which are converted residential houses. The Board requests RICAP funds of \$215,587 in FY2013, and \$3.5 million in FY2014.

The Governor does not recommend funding at this time.

Morrill Hall Renovation

The Board of Governors requests \$18.2 million in RICAP funds, between FY2014 and FY2016, to renovate Morrill Hall, a 32,036 square foot, four-story biological sciences laboratory building. Morrill Hall was built in 1965 and requires significant upgrades for accessibility, technology, and fire code. The building will be used for undergraduate science classes and faculty research.

The Governor does not recommend funding for renovation at this time; however, \$200,000 in RICAP funding is recommended to assess the condition of the Fogarty, Morrill, and Pastore Buildings, to assess the condition of the facilities, estimate project costs to upgrade the facilities for continued use, and determine the cost/benefit of renovation versus removal under alternate reuse scenarios.

Fogarty Hall Renovation

The Board of Governors requests \$15.5 million in RICAP funds, between FY2014 and FY2016, to renovate Fogarty Hall, a 60,550 square foot building and the former home of the College of Pharmacy. The College of Pharmacy moved into a new facility in January 2012. Fogarty Hall was built in 1964 and requires building envelope, HVAC, and mechanical systems renovations. The Board is unclear as to the future use of the building, although it currently houses the Crime Lab.

The Governor does not recommend funding for renovation at this time; however, \$200,000 in RICAP funding is recommended to assess the condition of the Fogarty, Morrill, and Pastore Buildings, to assess the condition of the facilities, estimate project costs to upgrade the facilities for continued use, and determine the cost/benefit of renovation versus removal under alternate reuse scenarios.

Quinn Hall Exterior Renovation, Phase II (New)

The Board of Governors requests \$2.9 million in new RICAP funding in FY2014 to renovate the exterior of Quinn Hall, another building on the Quadrangle of the URI Kingston Campus. Renovations include the replacement of the slate roof, gutters and downspouts, stonework, and exterior doors and windows.

The Governor does not recommend funding at this time.

Davis Hall Renovations

The Board of Governors requests \$9.0 million in RICAP funds, beginning in FY2017, to renovate Davis Hall, a 23,200 square-foot, five-story building that is located on the Quadrangle and houses classroom space for engineering programs. Davis Hall was built in 1928 and requires reconfiguration of classrooms, new HVAC, a new roof, installation of elevators, and other major renovations in order to bring the building up to code and preserve the historic structure.

The Governor does not recommend funding at this time.

Historic Quadrangle Building Renovations

The Board of Governors requests \$58.1 million in new general obligation bond funds to restore and rehabilitate five historically-significant buildings, built between 1909 and 1936 around the Kingston Campus “Quadrangle.” These buildings include East Hall, Ranger Hall, Washburn Hall, Bliss Hall, and Eleanor Roosevelt Hall. Projects include new roofs, windows and other exterior improvements.

The Governor does not recommend funding at this time.

New Admissions Building

The Board of Governors requests \$13.1 million in RICAP funds, beginning in FY2015, to develop a new Admissions and Welcome Center for the University. The facility would accommodate approximately 233,000 square feet of program space, including reception and visitor information space, presentation rooms, staff offices, and support spaces for the Office of Administration. The site for the new facility has not yet been selected, and the project may include a new and/or renovated building.

The Governor does not recommend funding at this time.

Quinn Hall Interior Renovations

The Board of Governors requests \$22.5 million in RICAP funds, beginning in FY2015, to renovate Quinn Hall, a granite building on the southwest corner of the historic quadrangle. This project involves interior renovation, including reconfiguration of classrooms and offices, modernization of teaching laboratories, upgrade of the elevator and restrooms to meet accessibility codes, and general renovations to meet current building codes.

The Governor does not recommend funding at this time.

Horn Building Renovations

The Board of Governors requests \$21.2 million in RICAP funds and \$2.0 million in University/College funds, beginning in FY2016, to renovate the Francis Horn Building, a three-story research laboratory building constructed in 1968. Work will include building envelope, mechanical systems, HVAC, work associated with building/life safety code compliance as well as any necessary removal of laboratory fixtures and associated utilities and reconfiguration to meet the needs to the occupants. The University intends to hire an architectural firm to assist with the design and development of the program, including scope, schedules and costs, once initial funding is received.

The Governor does not recommend funding at this time.

Bio-Behavioral Center

The Board of Governors requests \$5.7 million in RICAP funds, beginning in FY2017, to construct a new research laboratory for the Kinesiology Department and its research partners to conduct on-site, supervised clinical trials with high-risk populations to improve their health and well-being. Subject to funding, this project will begin architectural planning in 2016 and complete construction in 2018.

The Governor does not recommend funding at this time.

Child and Family Science Center

The Board of Governors requests \$9.8 million in RICAP funds, beginning in FY2017, to renovate and expand the existing Child Development Center and Transition Center on Lower College Road. A preliminary building program and conceptual design has been completed to confirm the viability of the project on the proposed site. The University envisions proceeding with architectural design in 2016 with construction being completed in 2018. The Governor does not recommend funding at this time.

RHODE ISLAND COLLEGE

Funding by Project	Pre-FY2012	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017	Total
Asset Protection - RIC	\$18.4	\$4.6	\$3.1	\$3.1	\$3.2	\$3.3	\$3.4	\$39.1
Fire Safety Improvements - ARRA	2.6	7.4	-	-	-	-	-	9.9
Recreation Center Modernization	11.6	1.5	-	-	-	-	-	13.2
New Art Center Facility/Renovation Of Art Center	0.2	10.2	9.7	-	-	-	-	20.0
Infrastructure Modernization	0.1	0.1	1.0	5.0	3.0	3.0	3.0	15.2
Renovation/Addition Life Sciences Building	-	0.1	-	-	-	-	-	0.1
RIC Alternative Entrance/Master Plan Improvement	0.6	-	-	5.0	3.5	-	-	9.1
Modernization/Renov Acad Bldgs. - I	-	0.2	-	10.7	17.6	7.7	8.7	44.9
Modernization/Renov Acad Bldgs. - II	-	0.2	-	-	-	-	-	0.2
Modernization/Renov Acad Bldgs. - III	-	-	-	-	-	0.2	-	0.2
Modernization/Renov Acad Bldgs. - IV	-	-	-	-	-	-	-	-
Student Union Addition/Renovation	0.0	0.0	36.8	-	-	-	-	36.9
Donovan Dining Center Addition	-	0.1	-	-	-	-	-	0.1
Modernization/Renovation - Residence Halls	-	0.2	-	-	-	-	-	0.2
New Residence Hall (II)	-	-	-	-	0.1	-	-	0.1
Energy Performance Contract	-	0.2	3.0	4.5	-	-	-	7.7
Total	\$33.6	\$24.6	\$53.6	\$28.3	\$27.4	\$14.1	\$15.1	\$196.7

Funding by Source	Pre-FY2012	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017	Total
RICAP	\$19.2	\$6.2	\$4.1	\$13.1	\$9.7	\$6.3	\$6.4	\$65.0
Certificates Of Participation	-	-	3.0	4.5	-	-	-	7.5
Federal Stimulus Funding	2.6	8.6	-	-	-	-	-	11.2
G.O. New Referenda	-	-	-	10.7	17.6	7.7	8.7	44.7
General Obligation Bonds	-	8.5	8.5	-	-	-	-	17.0
RIHEBC Bonds	10.0	-	34.5	-	-	-	-	44.5
University/College Funds	1.9	1.2	3.6	-	0.1	0.2	-	6.9
Total	\$33.6	\$24.6	\$53.6	\$28.3	\$27.4	\$14.1	\$15.1	\$196.7

Fire Safety Improvements – ARRA

The approved capital budget includes \$9.9 million in funding for capital projects from federal ARRA funds. In total, over four years (FY2010 and FY2013), Higher Education was scheduled to receive \$28.9 million, or 17.6 percent, of the total \$164.9 million in ARRA funds. The General Assembly allocated the Higher Education share of the funding between URI, RIC, and CCRI based on the square footage of academic buildings that require fire safety improvements. RIC received \$9.9 million of the allocated ARRA funds. Plans are fully engineered and construction is underway: the full \$9.9 million in fire safety funding will be expended prior to the close of FY2012.

The Governor recommends funding as requested.

Recreation Center Modernization

This \$13.2 million project modernizes and renovates the existing RIC Recreation Center. The two-story building, built in the 1950s, does not have an elevator, a modern HVAC system or a functional layout. The pool, track, and roof need improvement. The project received \$10.0 million in RIHEBC Bond funds and \$1.7 million in University Funds prior to FY2012. In addition, the Board of Governors requests \$286,000 in College funds and \$1.2 million in federal ARRA funds, all in FY2012. Renovations are underway.

The Governor recommends funding as requested.

New Art Center Facility/ Renovation of Art Center

The Board of Governors requests \$20.0 million through FY2013, with \$17.0 million from a recently approved general obligation bond referendum, \$1.8 million in planning funds through RICAP, and \$1.2 million in University/College funds. The project would result in the renovation of the existing 34,000 square foot Art Building and construct a new 6,000 square foot wrap around addition, for a total of 40,000 square feet. The new Art Center would include faculty offices, classrooms, studios for print

making, metals, ceramics, photography and sculpture, workshop areas, slide library, photography lab, computer lab, and multipurpose presentation areas. The new facility would centralize the Art Program activities, which are currently scattered around campus. A feasibility study was conducted by RGB design firm in April of 2004. The bond question was approved in November 2010. Construction began in January 2011 on the interior of the facility, with completion in the summer of 2012.

The Governor recommends \$8.5 million in bond funds in FY2012 and FY2013, University and College Funds of \$1.2 million in FY2013, and RICAP funding of \$1.7 million in FY2012.

Infrastructure Modernization

The Board of Governors requests \$18.0 million in RICAP funds and \$189,260 in University/College Funds to modernize and replace steam lines, water lines, and the electrical distribution system. These improvements will improve water quality, limit power failures, and eliminate steam plumes throughout the campus. The Board request is consistent with the \$11.3 million in RICAP funds allocated to the project by the General Assembly in FY2011 through FY2013: an additional \$11.3 million is allocated for further replacements and upgrades beginning in FY2016.

The Governor recommends funding as requested.

Renovation/Addition Life Sciences Building (New)

The Board of Governors requests \$100,000 in University/College funds to study the renovation of the Fogarty Building to support the expanding Life Sciences program. Accessibility, HVAC, and other basic renovations are included in the study, which is expected to be completed in FY2012.

The Governor recommends funding as requested.

Alternative Entrance/Master Plan Improvement

The Board of Governors requests RICAP funding of \$9.1 million to purchase a parcel of land near the main entrance on Fruit Hill Avenue, upgrade two key road interchanges on College Road, upgrade eight parking lots, upgrade the Fruit Hill and Mt. Pleasant Avenue entrances, and update identification signage. A total of \$600,000 was provided from RICAP funding for the land purchase, and the Board is requesting an additional \$5.0 million in FY2014 and \$3.5 million in FY2015 in RICAP funds for this project.

The Governor recommends funding as requested.

Modernization/Renovation Academic Buildings I (New)

This \$44.8 million project would modernize and rehabilitate two major academic buildings (Craig Lee Hall, Gaige Hall). These facilities will be designed with modern double pane window walls, elevators, restrooms, classrooms, corridors, staff offices, removal of asbestos tiles, exterior power washing and sealing of bricks and slate walls. All improvements will increase energy efficiency, the use of natural light, and the adaptability of the classrooms. The Board of Governors requests a bond issue in 2014 to provide funding of \$42.3 million, with \$33.8 million, including the \$150,000 in College funds already expended for planning, included in the FY2012 through FY2015 capital budget request. In addition, the Board of Governors requests \$2.4 million in RICAP funds in FY2013.

The Governor recommends the general obligation funds referendum of \$44.7 million on the 2012 ballot; however, distribution is budgeted through FY2017, not FY2015 as requested by the Department. Also, the Governor does not recommend the \$2.4 million in RICAP funds.

Modernization/Renovation Academic Buildings II (New)

The Board of Governors requests \$150,000 in University/College funds for the architectural/engineering work on two academic buildings (Clarke Science Hall and Horace Mann Hall) in FY2012. The existing facilities are not energy efficient or able to support modern classroom technology.

The Governor recommends funding as requested.

Modernization/Renovation Academic Buildings III (New)

The Board of Governors requests \$150,000 in University/College funds for the architectural/engineering work on the third set of academic buildings (Whipple Hall and Henry Barnard School) in FY2016. The existing facilities are not energy efficient or able to support modern classroom technology.

The Governor recommends funding as requested.

Modernization/Renovation Academic Buildings IV (New)

The Board of Governors requests \$150,000 in University/College funds for the architectural/engineering work on the fourth set of academic buildings (Adams Library and Roberts Hall) post-FY2017. The existing facilities are not energy efficient or able to support modern classroom technology.

The Governor recommends funding as requested.

Student Union Addition/Renovation (New)

The Board of Governors requests for \$34.5 million in RIHEBC funds in FY2013 and \$2.4 million in University/College Funds between FY2011 to FY2013 to renovate and expand the Student Union building.

The Governor recommends funding as requested.

Donovan Dining Center Addition (New)

The Board of Governors requests \$75,000 in University/College funds for a feasibility study to examine the need for dining facility expansion and improvements. The study would be conducted in FY2012.

The Governor recommends funding for this project as requested.

Modernization/Renovation – Residence Halls (New)

The Board of Governors requests \$175,000 in University/College funds for a feasibility study to examine the need for upgrades to dormitories to make residence halls safer, more comfortable, and more modern. The study would be conducted in FY2012.

The Governor recommends funding as requested.

New Residence Hall (New)

The Board of Governors requests \$75,000 in University/College funds for a feasibility study to examine the need to expand on-campus housing by 350-400 beds. The study would be conducted in FY2015.

The Governor recommends funding as requested.

Energy Conservation Performance Control Contract (New)

The Board of Governors requests \$7.5 million in Certificates of Participation (COPs) in FY2012 and FY2013 and \$200,000 in University Funds in FY2012 for projects related to an Energy Performance Contract with an Energy Service Company (ESCO) to purchase energy saving improvements for buildings and infrastructure. Performance contracting is structured so that the cost of implementing the energy conservation measures is recovered from the cost avoidance achieved by the performance measures. An RFP would be developed. It is not known at this time what types of improvements would be recommended, but based on successful savings at URI and other State locations, the Board estimates \$7.5 million in future savings.

The Governor recommends funding as requested, however delays the project for one year.

COMMUNITY COLLEGE OF RHODE ISLAND

Funding by Project	Pre-FY2012	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017	Total
Asset Protection - CCRI	\$11.3	\$2.1	\$2.1	\$2.1	\$2.1	\$2.2	\$2.2	\$24.0
Fire Safety Improvements - ARRA	0.5	7.6	-	-	-	-	-	8.1
Fire Code and HVAC	2.7	0.7	-	-	-	-	-	3.4
Energy Performance Contract	-	6.8	4.7	-	-	-	-	11.5
Flanagan Campus Addition	-	-	-	-	2.0	2.0	18.5	22.5
Knight Campus Renewal	-	-	-	0.1	2.0	2.0	5.0	9.1
Athletic Facility Renovations/Addition	-	-	-	4.9	7.9	-	-	12.9
Total	\$14.4	\$17.2	\$6.7	\$7.2	\$14.1	\$6.2	\$25.7	\$91.5

Funding by Source	Pre-FY2012	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017	Total
RICAP	\$13.9	\$2.8	\$2.1	\$2.2	\$6.1	\$6.2	\$25.7	\$59.1
Certificates Of Participation	-	6.8	4.7	-	-	-	-	11.5
Federal Stimulus Funding	0.5	5.2	-	-	-	-	-	5.6
RIHEBC Bonds	-	-	-	4.9	7.9	-	-	12.9
University/College Funds	-	2.4	-	-	-	-	-	2.4
Total	\$14.4	\$17.2	\$6.7	\$7.2	\$14.1	\$6.2	\$25.7	\$91.5

Fire Safety Improvements - ARRA

Between FY2010 and FY2013, Higher Education was scheduled to receive \$28.9 million (17.6 percent) of the total \$164.9 million in ARRA funds. The General Assembly allocated the Higher Education share of the funding between URI, RIC, and CCRI based on the square footage of academic buildings that require fire safety improvements. CCRI received \$5.7 million of the allocated ARRA funds. Plans are fully engineered and construction is underway; the full \$5.7 million in fire safety funding, along with \$2.4 million in University/College funds, will be expended prior to the close of FY2012.

The Governor recommends funding as requested.

Fire Code and HVAC

This \$3.4 million project involves installing a state-of-the art sprinkler system for approximately 300,000 square feet of floor space at the Flanagan Campus, along with replacing the rooftop HVAC units. The project has received \$2.9 million prior to FY2012, and the Board requests \$548,215 in RICAP funding in FY2012 to complete the project.

The Governor recommends funding as requested.

Energy Performance Contract

The Board of Governors requests \$11.5 million in Certificates of Participation (COPs) to enter into an Energy Performance contract with an energy service company to purchase energy saving improvements for buildings and infrastructure. This project is similar to projects undertaken at URI. Savings from these contracts can be used for other deferred maintenance needs. The request provides \$6.8 million in FY2012 and \$4.7 million in FY2013.

The Governor recommends funding as requested.

Flanagan Campus Addition

The Board of Governors requests \$27.8 million in new RICAP funding from FY2015 to FY2017 for the addition of 50,000 square feet to the Flanagan (Lincoln) CCRI Campus. The addition would include classrooms, computer labs, faculty offices, a theater/arts space, student lounge, and additional study space. The funding includes a separate facility to house a planetarium.

The Governor recommends RICAP funding of \$2.0 million in FY2015, \$2.0 million in FY2016, and \$18.5 million in FY2017 for this project.

Knight Campus Renewal

This \$20.1 million project is for the renovation of 280,000 square feet of the 385,000 square foot Knight Campus Megastructure. Renovations include lighting, painting and replacement of carpeting/tile. Plans also include redesigning the theater and installing new, efficient HVAC systems. Also included are roadway and landscape improvements to the main entrance road and facility entrance and renovations to several buildings on the Knight Estate. The Community College requests \$20.1 million in RICAP funds as follows: \$125,000 in FY2014, \$2.0 million in FY2015, \$2.0 million in FY2016 and \$16.0 million in FY2017.

The Governor recommends funding as requested through FY2016, and spreads the additional \$16.0 million over the final two years of the project.

Athletic Facilities Additions and Renovations (New)

The Board of Governors requests \$12.9 million in new general obligation bonds on the November 2014 ballot for the construction of an outdoor track and a softball field at the Knight Campus and tennis courts at the Knight and Flanagan Campuses. These projects will assist CCRI in meeting its Title IX (equality) requirements. In addition, existing fields will be improved through a combination of drainage, lighting, fencing, irrigation, and seating.

The Governor does not recommend funding at this time.

Knight Campus Residence Hall – (New)

The Board of Governors requests \$31.6 million in new general obligation bonds on the November 2014 ballot to construct a 200 bed residence hall on the Knight Campus of CCRI. A feasibility study will be undertaken in FY2014 as the first component of the project. The facility would accommodate students with a combination of suite and apartment style housing and be built on several acres of the Knight Campus property.

The Governor does not recommend funding at this time.

Atomic Energy Commission

Funding by Project	Pre-FY2012	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017	Total
Atomic Energy Asset Protection	\$202,443	\$62,486	\$50,000	\$50,000	\$50,000	\$50,000	\$0	\$464,929

Funding by Source	Pre-FY2012	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017	Total
RICAP	\$30,000	\$0	\$0	\$0	\$0	\$0	\$0	\$30,000
Federal Funds	172,443	62,486	50,000	50,000	50,000	50,000	-	434,929
Total	\$202,443	\$62,486	\$50,000	\$50,000	\$50,000	\$50,000	\$0	\$464,929

R.I. Nuclear Science Center – Asset Protection

The Rhode Island Atomic Energy Commission operates and maintains the Rhode Island Nuclear Science Center (RINSC), which is used for medical, biological, environmental, and materials research, education and commercial activities. The Commission also provides assistance to other state agencies in their radiation and emergency response programs.

The Commission requested \$464,929 for its asset protection program, \$434,929 in RICAP and \$30,000 in federal funds, with \$202,443 expended in prior fiscal years. Current and future projects include installing a new lab floor to cover asbestos tiles, performing minor roof repairs, upgrading air conditioning and repairing potholes and drains in the parking lot. The Commission requests \$62,486 in RICAP funds for FY2012 and \$50,000 annually for FY2013 through FY2016 to complete this work. This is consistent with the enacted capital plan.

The Commission continues to implement the RINSC security plan that brings the facility into full compliance with the NRC’s upgraded security requirements instituted for research reactors following the terrorist attacks on September 11, 2001. In past fiscal years, much of the Commission’s capital budget has gone towards complying with these requirements.

The Commission is currently seeking a 20-year renewal of its license from the Nuclear Regulatory Commission (NRC). The Rhode Island Atomic Energy Commission is required to provide assurances to the NRC that it would have adequate resources to operate the facility safely during the renewal period. Should the Commission not receive funding sufficient to safely operate the facility and the NRC reject the Agency’s application, the reactor would have to be decommissioned at a cost to the state estimated to be \$30.0 million. Furthermore, the Commission is unsure whether a complete decommission is even possible at this time since some of its waste is “mixed waste” for which there is currently no place for disposal.

The Governor recommends funding as requested.

Historical Preservation and Heritage Commission

Funding by Project	Pre-FY2012	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017	Total
Eisenhower House	\$0.0	\$0.1	\$0.1	\$0.1	\$0.1	\$0.1	\$0.1	\$0.4
Heritage Harbor Museum	1.6	-	6.3	6.1	-	-	-	14.0
Total	\$1.6	\$0.1	\$6.4	\$6.2	\$0.1	\$0.1	\$0.1	\$14.4

Funding by Source	Pre-FY2012	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017	Total
RICAP	\$0.0	\$0.1	\$0.1	\$0.1	\$0.1	\$0.1	\$0.1	\$0.4
G.O. Bonds - Issued	1.6	-	2.2	-	-	-	-	3.8
G.O. Bonds - Unissued	-	-	-	1.2	-	-	-	1.2
Other Funds	0.0	-	4.1	4.9	-	-	-	9.0
Total	\$1.6	\$0.1	\$6.4	\$6.2	\$0.1	\$0.1	\$0.1	\$14.4

\$ in millions. Totals may vary due to rounding.

Eisenhower House Capital Repairs

The Historical Preservation and Heritage Commission (HPHC) requests \$223,300 in Rhode Island Capital Plan (RICAP) funds to renovate the Eisenhower House, including \$75,000 for FY2012 and \$70,000 for FY2013.

The Eisenhower House, built in 1873 as the official residence of the U.S. Navy Commandant of the Newport Naval Base, is located in Fort Adams State Park, Newport. The facility is operated by the State and rented out as an events facility. Revenue from corporate and social events is deposited into the state general fund. The Commission has indicated that the Eisenhower House's revenue potential is constrained by the facility's disrepair and increasingly worn interior spaces. The Eisenhower House's chimney, gutters, windows, front door and skylight need repair. Its bathrooms, kitchen, parlor, and front hall stairway as well as its electrical and heating systems also need repair.

The Governor recommends a total of \$375,000 in RICAP funds with \$75,000 annually for FY2012 to FY2014 and \$50,000 annually from FY2015 to FY2017.

Heritage Harbor Museum

HPHC requests funding to continue the construction and development of the Heritage Harbor Museum. Though no funding is requested for this inactive project for FY2012, HPHC requests \$1.4 million in issued general obligation (G.O.) bond funds for FY2013, assuming site construction is restarted, with these bond funds used to match \$4.1 million in other funds (private donations) in FY2013.

The former South Street electric power plant in Providence was donated to the Heritage Harbor Corporation in July 2000. In November 2002, voters approved a \$5.0 million general obligation bond issue to supplement funds coming from individual, corporate, and foundation donations, as well as from tax credits, for a total estimated project cost of \$14.5 million. The plan was to convert the entire 350,000 square feet into a museum of state history and culture; however, due to financing issues, the project was scaled back to include about 55,000 square feet of the entry and second level of the facility only, with private mixed use occupying the remainder of the structure. The balance of the structure, called the "Dynamo House", was to be converted to shops, offices, apartments and a hotel by Struever Bros., Eccles and Rouse, Inc. (SBER).

In February of 2009, SBER halted work on the building and has since gone out of business, leaving unpaid debts to its subcontractors and resulting in liens on the building. Citibank, the project's primary lender, has ceased its funding of the project. Though Heritage Harbor Museum, Inc. continues in its efforts to reestablish construction financing and resume the project, HPHC has not requested any bond funding for the project in FY2012. While funds have been requested for FY2013 subject to the

resumption of private funding and the recommencement of construction, there are currently no developers actively expressing interest in continuing the project.

The Governor recommends no financing in FY2012 as the project is not currently an active project. Funding for FY2013 is contingent upon a developer restarting the project. The Governor recommends \$2.2 million in issued funds and \$4.1 million in other funds for the museum in FY2013.

Attorney General

Project	Pre-FY2012	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017	Total
Automated Fingerprint Identification Systems	\$0.5	\$0.0	\$0.8	\$0.0	\$0.0	\$0.0	\$0.0	\$1.2
Building Renovations and Repairs	1.6	0.3	0.3	0.3	0.2	0.2	0.2	2.8
Total	\$2.1	\$0.3	\$1.0	\$0.3	\$0.2	\$0.2	\$0.2	\$4.1

Funding by Source	Pre-FY2012	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017	Total
General Obligation Bonds	\$0.5	\$0.0	\$0.8	\$0.0	\$0.0	\$0.0	\$0.0	\$1.2
RICAP	1.6	0.3	0.3	0.3	0.2	0.2	0.2	2.8
Total	\$2.1	\$0.3	\$1.0	\$0.3	\$0.2	\$0.2	\$0.2	\$4.1

\$ in millions. Totals may vary due to rounding.

Automated Fingerprint Information System

The Department currently operates a shared Automated Fingerprint Information System (AFIS) with Connecticut. The Department proposes to invest \$750,000 to implement and equip its own system to allow for faster processing and response time to obtain criminal histories from the Federal Bureau of Investigation. The AFIS system is used by governmental, non-profit and private agencies and companies to conduct background searches on potential applicants, employees, etc. The Department requests the entire \$750,000 in issued 2002 General Obligation Bond proceeds in FY2013, consistent with the current capital plan. The Department currently spends approximately \$123,000 in annual maintenance costs, and this is expected to decrease (by an unknown amount) once the system is replaced. According to the Department's capital budget request, "a study should be completed that would address the AFIS needs both in a criminal and civil context;" however, the study is not proposed as a part of the capital request.

The Governor recommends funding as requested.

Building Renovations and Repairs

The Governor includes \$2.8 million in total Rhode Island Capital Plan (RICAP) funding through FY2017 for repairs and renovations to the Attorney General's main office at 150 South Main Street in Providence. The Department indicates that the repairs are necessary for health, safety, and other reasons. The request includes \$421,886 for FY2012 (including FY2011 reappropriation) and \$1.0 million in FY2013. The enacted capital plan includes \$287,500 for FY2013.

The proposal includes several initiatives at the facility:

- **General Building Renovations and Repairs:** The Attorney General requests \$50,000 in FY2013 and FY2014, and \$150,000 annually thereafter for general renovations and repairs to the main offices.
- **Window Replacement:** The Attorney General replaced all of the windows at the 150 South Main Street building. The project was completed in August 2011.
- **HVAC Upgrades:** The Attorney General has undertaken an engineering evaluation of the heating and cooling systems at the headquarters. The department plans to replace six air handler units, and convert the heating source from steam to hot water. The project is estimated to total \$1.3 million, with \$800,000 requested in FY2013, and additional heat conversion funding in FY2016 and FY2017.
- **Technology Upgrades:** The Attorney General proposes to upgrade current management information systems to a secure, digital platform. The request includes \$150,000 annually through FY2017 for internal and external data storage upgrades, and operating systems upgrades. The department proposes to hire an outside contractor to develop a digital security plan, so the estimated project costs could differ from the proposal based on the plan.

- **Brick Pointing:** The Department's 150 South Main Street headquarters was built in 1952, and the concrete mortar is cracking and in need of repointing. Water penetration has caused damage to the limestone exterior walls. The estimated cost to repoint the entire building and repair cracks in the limestone is \$225,000, with \$25,000 scheduled for FY2012 and \$100,000 requested in both FY2014 and FY2015.
- **Piping and Drainage:** The Department requests \$180,000 in RICAP funding to replace failing cast iron waste pipes throughout the building. The request includes \$30,000 in FY2012, and \$75,000 each in FY2014 and FY2015.
- **Fire Protection Upgrades:** The Department requests \$300,000 in funding to replace the existing fire detection and suppression system with an updated system. The current system malfunctions and results in false alarm calls with relative frequency. Additionally, the system does not capture information about which sensors have been activated. The proposed new system would capture accurate data about where potential problems are detected and meet state fire safety standards. The Department requests \$100,000 annually from FY2014 through FY2016.
- **Data Rewiring:** The Department requests \$150,000 in RICAP funding in FY2014 to replace data wiring at 150 South Main Street. The current wiring is unlabeled, Category 5 (CAT5) wiring. The Department proposes to replace the old wiring with CAT6 wires, necessary for Voice Over IP communications. The replacement would also reduce maintenance and repair expenses as the wiring would be properly diagramed and labeled.
- **Electrical Upgrades:** The Department requests \$375,000 in RICAP funding from FY2015 through FY2017 to upgrade outdated wiring and electrical switches.
- **Elevator Upgrade:** Three elevators (two passenger, one freight) in the building are original and in need of wiring and motor upgrades to meet state fire codes. The Attorney General completed repairs to the two passenger elevators in FY2010, and will defer upgrades to the freight elevator to FY2016, at an estimated cost of \$150,000.

The Governor includes \$250,000 in FY2012 and \$287,500 for FY2013, consistent with the enacted capital plan. For FY2014, \$250,000 is recommended, with \$150,000 annually thereafter. The project uses RICAP funding.

Department of Corrections

Project	Pre-FY2012	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017	Total
General Renovations - Maximum	\$1.8	\$1.4	\$0.9	\$0.3	\$0.2	\$0.2	\$0.0	\$4.6
Minimum Security Kitchen Expansion	-	0.3	4.2	1.5	-	-	-	6.0
Asset Protection	6.2	5.0	3.5	3.5	3.0	3.0	3.4	27.6
Bernadette Guay Renovations	0.6	0.2	0.6	0.6	-	-	-	2.0
Dix Renovations	0.5	1.5	1.5	1.5	-	-	-	5.0
Dix Bath	0.5	0.4	1.2	-	-	-	-	2.1
New Gloria Mcdonald Facility	18.1	0.5	-	-	-	-	-	18.7
ISC Exterior Envelope And HVAC Renovation	0.0	1.4	4.0	0.8	-	-	-	6.2
Medium Infrastructure	-	1.0	3.3	2.7	2.5	2.5	2.5	14.5
Total	\$27.6	\$11.8	\$19.2	\$10.8	\$5.7	\$5.7	\$5.9	\$86.6

Funding by Source	Pre-FY2012	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017	Total
RICAP Funds	\$15.3	\$11.8	\$19.2	\$10.8	\$5.7	\$5.7	\$5.9	\$74.2
Federal Funds	12.4	-	-	-	-	-	-	12.4
Total	\$27.6	\$11.8	\$19.2	\$10.8	\$5.7	\$5.7	\$5.9	\$86.6

\$ in millions. Totals may vary due to rounding.

General Renovations- Maximum (New)

The Department is making a number of general repairs and improvements at the Maximum Security Facility. These include replacing the electrical system, installing a new emergency generator, renovating the plumbing systems, refurbishing the arsenal areas and repointing of exterior granite. Steam from the Central Power Plant pipes is condensing and potentially infiltrating the new electrical lines. This is a fire hazard and could jeopardize the \$1.1 million in recently-completed electrical upgrades. The Department requests \$1.8 million in RICAP funding in the current fiscal year, and \$819,166 in FY2013. The request for FY2012 is \$460,520 more than included in the enacted capital plan (including balance forward amounts). The additional funding is required due to the addition of \$1.1 million in heating and plumbing upgrades, offset by reductions for other projects from moving funding to out-years.

The Governor recommends \$1.4 million in RICAP funding in FY2012 and \$850,000 in FY2013.

Minimum Security Kitchen Expansion

The Department requests \$6.0 million in scheduled RICAP funds to renovate and expand the kitchen facilities at the Minimum Security prison. The existing facility was designed for a capacity of 500 inmates; however the minimum-security population is approaching 700 inmates. Thus, the facility is undersized to serve the expanding population; and the kitchen equipment also needs replacement. The closure of the Price facility requires installing a fence-grade beam at the facility, and moving the old fence at Gloria McDonald to Minimum Security. The Department cannot begin the project until the Department of Administration completes demolishing Building D, which is slated to be completed in March 2012. The Department requests that the project begin in FY2012, with \$1.8 million requested. The final \$4.2 million in RICAP funds are requested for FY2013. The request increases the current year amount by \$1.5 million, driven by the Price closure changes.

The Governor recommends \$325,000 in FY2012, \$4.2 million in FY2013, and \$1.5 million in FY2014. The funding is delayed under the Governor's proposal because the Building D demolition has yet to occur.

Asset Protection

The General Assembly, with passage of the FY2007 Budget as Enacted, created combined "Asset Protection" project lines for a number of departments. The Department's request includes \$5.1 million in

RICAP funding for FY2012, and \$3.5 million in FY2013 for Asset Protection projects. The current year request is \$690,650 less than the enacted capital plan after accounting for unexpended balance forward amounts from FY2011.

The Governor recommends \$5.0 million in FY2012 and \$3.5 million in FY2013. The Governor's recommendation does not indicate which sub-projects should be prioritized, leaving that to the Department.

- **Central Distribution Center Roof (New):** The Department requests \$800,000 in RICAP funding in FY2012 to replace the roof at the Central Distribution Center. Water penetration above the freezer box built up and eventually collapsed the ceiling into the facility. The Department erected temporary walls to allow it to continue to operate a portion of the freezer building. The request does not include funding to replace the internal freezer box, as the Department has filed an insurance claim for replacement. If insurance does not cover the claim, an additional \$850,000 could be required.
- **Fire Code Safety Improvements:** The State Fire Marshal cited the Department for various fire code violations at all of the facilities. The \$2.7 million project to correct these concerns entails installing fire suppression systems, emergency lighting, improvements to evacuation systems, electrical upgrades, installing fire suppression walls, and other improvements. The Department requests \$314,500 in FY2012 and \$967,633 in FY2013 to address violations at the Minimum Security facility. Outyear funding will be used to address deficiencies at other facilities.
- **Security Camera Installation:** The Department requests \$1.7 million in FY2012 and \$350,000 in FY2013 for installing security cameras at the Intake Services Center, Medium-Moran, and High Security facility, as well as replacing an existing system at the Women's facility. The cameras will assist in the surveillance of gang and other high-risk activities and are considered an industry standard for increased security measures. The installation of the systems at the Medium-Moran facility and the Intake Services Center are complete. Design for the High Security facility is complete, and the project will begin in FY2012. Design for the Minimum Security facility will also occur in FY2012.
- **Maximum Tower One Stairs:** The Department requested and received permission from the Rhode Island Historical Society to remove existing exterior stairs from a Maximum Security tower and replace them with new, interior stairs. The current exterior stairs pose a security and safety risk to staff. A purchase order has been assigned and the project is to be completed in FY2012, with \$198,000 scheduled for the current year.
- **Minimum Infrastructure and Windows:** The windows, sashes and casings at the Minimum Security facility are in disrepair and in need of replacement and/or restoration. Funding of \$1.2 million is requested for the project to begin in FY2012.
- **Bernadette Guay HVAC:** The Department intends to repair and/or replace calcified lead piping and water lines throughout the facility. The project is slated for FY2014, with \$475,000 requested.
- **Intake Southside Roof Replacement:** The south side roof needs to be replaced, and a requisition for architectural and engineering design was submitted to Purchasing in March 2011, and currently has an assigned requisition number, but is awaiting a bid date posting. Work is tentatively scheduled with \$50,000 requested for FY2012, with \$750,000 for FY2013.
- **Security System Replacement:** The Department is planning to replace security systems throughout its facilities. Most of the systems are at or near the end of their useful life, and replacement parts and maintenance costs continue to rise for the outdated systems. The fence at the Medium Moran facility has failed and is currently running with patches. High priority upgrades and repairs, including

Medium Moran, are requested to begin in FY2012. The request includes \$189,812 in FY2012, and \$625,000 in FY2013.

- **Pastore Center Parking Lot Replacement:** The parking lots at Pastore are in need of replacement and/or repair for liability and safety reasons. The Department requests \$167,150 to begin the project in FY2012.
- **Emergency Generators Complexwide (New):** All of the institutional facilities require emergency electrical generators to provide back-up power for emergency lighting and security systems during power failures. The existing generators are beyond or nearing the end of the projected life-spans. The Department reports that a new generator for the Maximum Security facility is the first priority, and requests \$20,000 in FY2012 and \$350,000 in FY2013. Additional funding is requested in FY2016 and FY2017 for future replacements.
- **Hot Water Converters (New):** The Department needs to replace hot water converters throughout its facilities. The average lifespan of a tank is 15 years, and current units are 22 years old. The project is slated to begin in FY2014 with \$150,000 per year requested from FY2014 through FY2017.
- **Medium Security Gatehouse Enhancements (New):** The Department needs to move the access door at the Medium Security gatehouse, as it is on a side of the building that is potentially accessible to inmates. The project is slated to begin in FY2014 with \$175,000 requested.
- **Stair Rail Extensions (New):** The Department requests \$1.1 million in FY2017 to replace and/or renovate stair rails in the Prudence, Aquidneck and Hope I cellblocks to meet building codes. The rail heights are insufficient, and some rails have spaces greater than six inches between rails.
- **New Women's HVAC Chillers/Pumps (New):** The Department requests \$300,000 in FY2014 to replace HVAC equipment in the new Women's facility. The equipment will increase air circulation in the mechanical, laundry, dining and educational areas.
- **General Revenues to RICAP Funds:** Asset Protection projects with costs under \$100,000 and for projects deemed immediately necessary are generally paid with general revenues. The Department requests \$500,000 in both FY2012 and FY2013 for priority projects.

Bernadette Guay Renovations

The Bernadette Guay facility is being renovated to become a minimum security women's facility. The facility will house work-release inmates and ancillary support programs. Renovations are required to convert the facility (currently an office building) to house female inmates. Slated improvements include bathroom conversions, development of dining hall space, visitation space, and classrooms. At the time of the Department's request, work was 40.0 percent completed. All office staff have been relocated to the building, and bath renovations are underway. Inmates were moved to the facility as of November 30, 2011. Window replacement funding is requested to begin in FY2013. The Department requests \$214,335 in FY2012, and \$600,000 for windows in both FY2013 and FY2014.

The Governor recommends funding as requested.

Dix Renovations (formerly Women's Roof, Masonry & General Renovations)

The Department is replacing the failing roof, repointing and sealing masonry, and replacing or repairing water-damaged electrical systems and ceilings and walls at the Dix and McDonald Women's facilities. The Dix facility is being converted into departmental office space. Staff from Probation and Parole, the Education Unit, Tactical Team personnel from the Bernadette Guay building, and staff from Pinel will move to this newly renovated space. The Department requests \$1.5 million in RICAP funding in each of

FY2012 through FY2014 to complete the space conversion project. The current approved capital plan (with reappropriation) contains \$2.3 million in funding for FY2013.

The Governor recommends funding as requested.

Dix Bath Renovations (formerly Women's Bathroom)

The Department's request includes funding for the design, engineering, and construction related to the renovation of shower and bathroom areas in the Dix facility. The conversion from an institutional to an office setting requires not only fixture upgrades, but space redesign. The Department requests \$2.1 million in RICAP funding, including the enacted \$417,729 in FY2012 and \$1.2 million in FY2013 to complete the project.

The Governor recommends funding as requested.

New Gloria McDonald Facility (formerly Women's Facility)

Prior to FY2011, the Department of Corrections was renovating the J Building at the Pastore Center to become a Reintegration Center, providing a pre-release step-down facility to free up additional bed space in other men's facilities. During the Department's FY2011 presentation before the Capital Development Oversight Committee in October 2010, the Department indicated a change in the intended use for the Reintegration Center. Citing the inability to obtain necessary operating cost funding, estimated at some \$10.9 million annually, the Department amended its plans and is using the facility as the new women's prison.

The Governor recommended and General Assembly approved the change in use for the Reintegration Center, and shifted funding among projects to move forward with necessary renovations to allow for use as a women's facility. The project included \$1.7 million in FY2010 to convert the space, primarily consisting of bathroom conversions to accommodate up to 213 female inmates. Additional program space will be required, and the capital plan includes funding to convert the Bernadette Guay building for this use. The Department requests \$533,027 in carry-forward funding from FY2011 to complete the project in FY2012.

The Governor recommends funding as requested.

Intake Service Center Envelope and HVAC Renovation

The Department requests \$6.3 million in RICAP funding beginning with \$1.5 million in FY2012, and \$4.0 million in FY2013, and \$750,000 in FY2014 to restore and renovate the Intake Service Center. The project includes replacing all windows and casements to address water damage, as well as patching and sealing of joints and the brick veneers. Additional proposed work includes installing new chillers, water tubing and a cooling tower, as well as heat exchangers, hot water equipment and circulating pumps. The Department added \$750,000 to the request to fund the shift of the ISC sinkhole project from Asset Protection to this project line.

The Governor recommends \$1.4 million in FY2012 and outyear funding as requested.

Medium Infrastructure

The Department continues to operate the Medium Moran facility with populations substantially greater than the facility was designed to support. Built in 1992, it was intended to house 650 inmates and today houses more than 1,000. Upgrades to dining, kitchen, laundry and bathroom facilities are needed to comply with correctional standards. The Department requests \$25.1 million in RICAP funding beginning with \$1.1 million in FY2012, and \$3.3 million in FY2013. The enacted capital plan funded \$6.2 million

in improvements between FY2012 and FY2014. Closure of the Price Medium Security facility enhances the importance of these improvements. The Department proposes the following schedule to begin each project in its capital budget request for the Medium Moran facility:

Project	Year
Laundry, kitchen and dining expansions	FY2012
HVAC and mechanical renovations	FY2013
Perimeter road construction	FY2014
Roof replacement and drainage improvements	FY2015
Dispensary expansion	FY2016
Programming and recreational space expansion	FY2018
Equipment for housing and ancillary areas	FY2018

The Governor funds \$14.5 million in improvements between FY2012 and FY2017. The Governor includes the first \$1.0 million in the current fiscal year, and requested funding for FY2013.

Moran Expansion Feasibility Study (New)

The Department requests new funding to conduct a feasibility study to evaluate expansion options for the Moran medium security facility. Medium security is the largest inmate classification and the General Assembly closed the Price medium security facility as part of the FY2012 Budget as Enacted. The Department requests \$150,000 to conduct the study, including \$75,000 in both FY2012 and FY2013.

The Governor does not include funding for this project.

Judiciary

Project	Pre-FY2012	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017	Total
Asset Protection	\$2.6	\$0.6	\$0.6	\$0.7	\$0.7	\$0.7	\$0.7	\$6.6
Judicial Complexes - HVAC	2.5	0.5	0.6	0.6	0.7	0.8	0.9	6.5
Licht Complex Restoration	-	-	0.5	0.5	0.5	0.5	0.5	2.5
Judicial - Court Technology	10.6	0.8	0.7	0.7	0.6	0.6	-	13.9
Murray Cellblock	-	-	-	0.5	0.4	-	-	0.9
Noel Shelled Courtroom Build Out	-	-	-	-	0.0	2.8	2.8	5.6
Total	\$15.6	\$1.9	\$2.4	\$2.9	\$2.9	\$5.3	\$4.9	\$36.0

Funding by Source	Pre-FY2012	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017	Total
RICAP Funds	\$5.1	\$1.1	\$1.7	\$2.2	\$2.3	\$4.8	\$4.9	\$22.1
COPs Funds	10.6	0.8	0.7	0.7	0.6	0.6	-	13.9
Total	\$15.6	\$1.9	\$2.4	\$2.9	\$2.9	\$5.3	\$4.9	\$36.0

\$ in millions. Totals may vary due to rounding.

Judicial Complex Asset Protection

The Judiciary includes a rolling five-year asset protection program as part of its budget submission that includes security upgrades, courtroom restorations, restroom renovations, interior and exterior refurbishments, and elevator upgrades. The request included \$8.6 million in Rhode Island Capital Plan (RICAP) funding through post-FY2017. For FY2012, the Judiciary requests \$614,130, which is the enacted level. An additional \$625,000 is requested for FY2013, consistent with the current plan. The Judicial request adds \$2.7 million for FY2017 and beyond.

The Governor recommends funding as requested.

Following are brief highlights of projects in the Asset Protection program:

- **Elevator Upgrades:** The Judiciary is systematically refurbishing elevators in the Judicial complexes, and includes \$75,000 in funding in both FY2012 and FY2013 to upgrade four elevators in the Licht complex.
- **Licht Courtyard Drainage:** The Judiciary plans to repair failing drains in the courtyard of the Licht judicial complex. Failing drains cause the slate walkways to heave and break, leading to potentially hazardous conditions in the main entry to the courthouse. Currently the Judiciary spends approximately \$15,000 per year on repairs in the courtyard. After the drainage problems are addressed, either the slate will be replaced or stamped concrete will be laid. The project was slated to begin in FY2011 but was delayed because the Judiciary is awaiting word from the Rhode Island Historic Preservation and Heritage Commission as to whether stamped concrete may be used. The project cost increase by \$85,000 as the Judiciary learned that piping under the courtyard needs replacement. The Judicial request includes \$75,000 for FY2013 and \$150,000 in FY2014.
- **Judicial Complexes – Interior Restorations:** The Judiciary performs ongoing maintenance and repairs to interior spaces in the various courthouse complexes, including restoring or replacing lighting, plaster, woodwork, flooring, and painting. Many of the spaces are high-use areas and are visible to the public. The request includes \$175,000 in FY2012 for major work at the Murray complex.
- **Judicial Complexes – Exterior Restorations:** The Judiciary performs annual maintenance and repairs to the exterior of the various courthouse complexes. These include repointing the brick facades, replacing windows, repairs to sills and other exterior woodwork, painting, and other repairs and restorations. The Judiciary estimates that exterior restorations will require \$150,000 annually.

- **Judicial Safety and Security Upgrades:** The Judiciary is replacing security systems at the Courthouse complexes to include security cameras in vulnerable areas. The request includes \$150,000 in annual funding for security upgrades.
- **Courtroom Restorations:** The Judiciary is restoring or replacing dilapidated courtroom seats and benches, carpets, woodwork, and is repainting various courtrooms. This project line does not include refurbishments to the Licht courtrooms, as these are a stand-alone project in the capital plan. For FY2012, the Judiciary includes \$50,000.

Judicial Complexes: HVAC

The project involves replacing, restoring, and/or cleaning of HVAC systems and ductwork at the Licht, Garrahy, and Newport courthouses. For FY2012, the Judiciary requests funds to replace the boiler and associated pumps at the Murray and Garrahy complexes. The Judiciary requests \$506,953 in FY2012, and \$550,000 in FY2013. The request is consistent with the enacted capital plan.

The Governor recommends funding as requested.

Licht Judicial Complex Restoration

The Judiciary requests \$7.5 million in RICAP funds for courtroom restorations at the Licht judicial complex. Improvements include restoration and some replacement of courtroom seating, painting, new carpets, and ornamental plaster repair and replacement. The Judiciary's plan requests \$500,000 annually beginning in FY2013. The enacted capital plan includes \$4.0 million between FY2013 and FY2015.

The Governor recommends \$500,000 annually, beginning in FY2013, consistent with the request.

Murray Cellblock (New)

The Judiciary requests funding for cellblock renovations at the Murray complex. The male cellblock does not have a toilet, and there are no dedicated bathroom facilities for male, female and juvenile offenders. The request totals \$920,000, with \$440,000 requested for FY2013 and the balance for FY2014. This project previously appeared under Asset Protection.

The Governor recommends \$920,000 in funding, but delays the start of the project until FY2014.

Noel Shelled Courtroom Build-out (New)

The Judiciary requests \$8.2 million between FY2013 and FY2015 to build-out vacant, unfinished courtrooms in the Noel (Kent County) Judicial complex. The request includes \$2.6 million in FY2013 to add one and one-half levels to the on-site parking garage. The courtroom build-outs are estimated to cost \$5.5 million over two years. When the courthouse was built in 2005, the Judiciary estimated that the spaces would need to be completed within five years.

The Governor adds \$8.4 million in funding to the capital plan, with funding first appearing in FY2016. The Governor's proposal delays the project for three years, which according to the Judiciary will continue to strain the capacity of the Garrahy Courthouse and likely add to future construction costs. The Governor's proposal does add \$200,000 to the total project cost in an attempt to capture this cost escalation.

Judicial Complexes – Technology Improvements

The Judiciary requests \$13.9 million in Certificates of Participation (COPs) to fund technology improvements at the various judicial complexes throughout the State. Improvements include hardware and software purchases and installation, new servers, training, and other related expenses. The request includes \$814,226 in COPs funding for FY2012 and \$737,355 in FY2013. Under the Judiciary's project schedule, the improvements would be completed in FY2016. The approved capital plan includes the total requested funding, however, the Judiciary extends the request timeline by four years to reflect anticipated implementation.

The Governor recommends funding as requested.

Military Staff

Project	Pre-FY2012	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017	Total
Asset Protection	\$1.2	\$1.3	\$1.0	\$1.0	\$1.0	\$1.0	\$1.0	\$7.5
State Armories Fire Code	0.3	0.3	0.0	0.0	0.0	0.0	0.0	0.8
Federal Armories Fire Code	0.1	0.2	0.1	0.1	0.1	0.0	0.0	0.5
Log. / Maintenance Fire Code	0.0	0.2	0.1	0.1	0.0	-	-	0.4
CRC Addition	-	0.8	1.7	-	-	-	-	2.5
Camp Fogarty Armory Roof	-	-	1.5	-	-	-	-	1.5
AMC Projects	3.6	0.9	2.0	0.5	0.6	0.4	0.2	8.2
Benefit Street Arsenal	0.1	-	-	0.8	-	-	-	0.9
EMA Building	-	0.1	-	-	-	-	-	0.1
Bristol Readiness Center	-	-	-	-	0.1	-	-	0.1
Burrillville Regional Training Institute	-	0.2	0.1	-	-	-	-	0.3
Field Maintenance Roof	-	0.0	-	-	-	-	-	0.0
Quonset Point Airport Tower	2.3	5.4	-	-	-	-	-	7.7
Total	\$7.5	\$9.5	\$6.5	\$2.5	\$1.9	\$1.4	\$1.2	\$30.5

Funding by Source	Pre-FY2012	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017	Total
RICAP Funds	\$1.8	\$2.0	\$3.9	\$1.7	\$1.0	\$0.7	\$0.5	\$11.5
Federal Funds	5.7	7.5	2.6	0.8	0.9	0.7	0.7	19.0
Total	\$7.5	\$9.5	\$6.5	\$2.5	\$1.9	\$1.4	\$1.2	\$30.5

\$ in millions. Totals may vary due to rounding.

Asset Protection

Military Staff has an asset protection program funded with both RICAP and federal funds. The asset protection program includes a number of projects at various facilities, and allows the National Guard to prioritize projects and shift funding based on current priorities. Military Staff requests \$400,000 in RICAP funding and \$400,000 in federal funds for FY2012. For FY2013, it requests \$280,000 in each funding source. The enacted capital plan includes \$750,000 in RICAP funds in FY2012 and \$1.4 million in FY2013. The significant funding reduction in the near term for asset protection is an effort to reallocate funding for an addition to the Command Readiness Center.

The Governor recommends \$577,631 in RICAP funding and \$755,263 in federal funding in FY2012, and \$500,000 from each fund source in FY2013 through FY2017. The FY2012 increase represents a carry-forward balance from FY2011.

State Armories Fire Code Compliance

Military Staff requests \$170,000 in both RICAP and federal funds in FY2012 and \$20,250 in each in FY2013 to design and install fire alarm and detection systems in various state armories. The upgrades are needed to meet fire code mandates enacted since The Station fire. Total project costs are estimated at \$860,250 through FY2017. The FY2012 request is consistent with the current approved capital budget.

The Governor recommends funding as requested.

Federal Armories Fire Code Compliance

Military Staff requests \$53,750 in approved RICAP funding and \$161,250 in federal funding in FY2012 to design and install fire alarm and detection systems in various federal armories. For FY2013, \$20,250 in RICAP and \$60,750 in federal funds are requested. The upgrades are needed to meet fire code mandates enacted since The Station fire in 2003. Project costs are estimated to total \$544,744 through

FY2017. The requested amounts are consistent with the approved capital plan through FY2012, after which additional annual allocations are requested to continue the upgrades.

The Governor recommends funding as requested.

Logistics and Maintenance Fire Code Compliance

Military Staff requests \$71,813 in RICAP funding and \$215,439 in federal funds in FY2012 to design and install fire alarm and detection systems in Logistics and Maintenance facilities. The upgrades are needed to meet fire code mandates enacted since The Station fire. The estimated costs of the projects through FY2014 are \$355,748, of which \$88,750 are RICAP funds. The requested amounts are consistent with the approved capital plan through FY2012, after which additional annual allocations are requested to continue the upgrades.

The Governor recommends \$200,000 in FY2012, including \$50,000 in RICAP funds and \$150,000 in federal funds. For FY2013, the Governor recommends \$50,000, including \$12,500 in RICAP funds and \$37,500 in federal funds.

Command Readiness Center Addition

Military Staff requests a total of \$2.5 million in funding, of which \$900,000 are RICAP funds, to construct a 1,500 square foot addition to the Command Readiness Center cafeteria. The cafeteria is used as a conference area and primary gathering space during emergencies, and the addition would allow more space for operations, including the transfer of a computer server that is housed in a trailer. The request includes \$50,000 in RICAP funding for FY2012, consistent with the current approved capital plan. The final \$850,000 in RICAP funding and \$850,000 in federal funding are proposed for FY2013.

The Governor includes funding as requested.

Camp Fogarty Armory Roof

Military Staff requests \$1.5 million, all in FY2013, to replace the roof at the Camp Fogarty Armory. Water is leaking into computer and storage rooms, damaging property and equipment. Of the total requested funding, 25.0 percent (\$375,000) are RICAP funds, and the remaining \$1.1 million are federal funds. The request is consistent with the approved capital budget.

The Governor recommends funding as requested.

Armory of Mounted Commands Projects

Military Staff requests funding for several projects at the Armory of Mounted Commands (AMC) in Providence. The General Assembly combined AMC projects into one project in the FY2012 Budget. Requested projects include:

Armory of Mounted Commands Repointing (New): Military Staff requests \$180,000 in new funding in FY2014 to repoint brick mortar joints on the AMC building in Providence. The project is funded 50.0 percent state, 50.0 percent federal, at \$90,000 each. The project is not in the current approved capital plan: the General Assembly combined AMC projects into one project in the FY2012 Budget.

Armory of Mounted Commands Roof and HVAC: Military Staff requests \$6.5 million in total funds, including \$2.7 million in RICAP funds, to replace the slate roof and gutters, repair skylights, and replace the HVAC systems at the AMC. To date, \$3.7 million has been spent. The request, consistent with the

approved capital budget, includes \$750,000 in RICAP funds in FY2012, and \$1.4 million in FY2013, the final year of the project. To date, the roof has been replaced and Military Staff is currently awaiting final bids for the HVAC project.

Armory of Mounted Commands Headshed Roof Replacement (New): Military Staff requests \$420,000 in new total funding beginning in FY2016 to replace the headshed roof at the AMC. While the main roof at the AMC was replaced in 1999, and has had subsequent repairs, the headshed was not replaced at that time and now leaks. The request includes \$220,000 in RICAP funds, and \$200,000 in federal funds. The project is not in the approved capital plan.

Armory of Mounted Commands Parking Lot: Military Staff requests \$250,000 in funding beginning in FY2013 to expand and repave the parking lots at the AMC. The existing lot is undersized for the current and projected use of the facility. The request includes \$150,000 in RICAP and \$100,000 in federal funds, with \$50,000 in RICAP funding beginning in FY2013. The project is not in the approved capital plan: the General Assembly combined AMC projects into one project in the FY2012 Budget.

Armory of Mounted Commands Elevator: Military Staff requests \$1.0 million in funding to install an elevator in the four-story AMC to achieve Americans with Disabilities Act compliance. The request includes \$540,000 in RICAP and \$475,000 in federal funds and is requested to begin with architectural and engineering design in FY2014. The project is not in the current approved capital plan: the General Assembly combined AMC projects into one project in the FY2012 Budget.

The Governor recommends \$943,482 in RICAP funding in FY2012 and \$2.0 million in FY2013 for the AMC projects. Through FY2017, the Governor recommends \$8.2 million in total funding for improvements at the AMC.

Benefit Street Arsenal

Military Staff requests \$800,000 in RICAP funding in FY2014 to repair masonry, and paint and repair windows on the exterior of the historic Benefit Street Arsenal. Interior work includes water damage repair, electrical system replacement, and fire code upgrades. The request is consistent with the current approved capital plan.

The Governor recommends funding as requested.

Emergency Management Building

Military Staff requests \$125,000 in approved RICAP funding in FY2012 to conduct a feasibility study for the design and construction of a new State Emergency Operations Center and Rhode Island Emergency Management Agency (RIEMA) headquarters facility. The project as proposed includes administrative offices, information technology and communications facilities, support facilities for emergency operations, the State Emergency Operations Center, and a radiological vault. Currently, RIEMA shares space in the Command Readiness Center, which it believes is insufficient for proper response coordination for natural or man-made disasters. Military Staff is considering rehabilitating an existing state-owned facility or constructing a new facility. The existing facility would be used as a secondary, backup facility in case of damage or incapacitation of the primary facility.

The Governor recommends funding as requested.

Bristol Readiness Center

Military Staff is in the preliminary planning stages for the design and renovation/construction of a new armory and field maintenance shop to service the East Bay. The current facilities fail to meet federal operational, logistical, and security standards. Military Staff is currently exploring all potential site development options, including models used in other states that allow for public shared-use spaces. Military Staff requests \$125,000 in approved RICAP funding for a feasibility study in FY2015. Actual construction costs are not included in the current request.

The Governor recommends funding as requested.

Burrillville Regional Training Institute

Military Staff plans to construct a regional training institute on 133 acres of state-owned land in Burrillville. The land was previously used by the Department of Behavioral Healthcare, Developmental Disabilities, and Hospitals, but was recently approved for use by Military Staff. Currently, Military Staff runs the regional training institute on 33 acres at Camp Varnum in Narragansett; however this site is outdated, small and located within a flood plain. The institute will provide military education and outdoor survival skills training, including land navigation, map and compass reading. Construction of the institute will be 100.0 percent federally-funded. The State is only required to provide the land and fund a feasibility study that is required by state law for new construction projects. The current request includes \$150,000 in federal funds for FY2012 for environmental remediation work and \$125,000 in RICAP funding in FY2013 for the feasibility study. The request is consistent with the approved capital plan.

The Governor recommends funding as requested.

Field Maintenance Shop Roof

Military Staff requests \$415,000, including \$400,000 in federal funds and \$15,000 in RICAP funds, to replace the roof at the Field Maintenance Shop facility in Warren. The State is scheduled to pay for design services in FY2011, while the construction would be 100.0 percent federally-funded beginning in FY2012.

The Governor recommends the funding. The state portion (\$15,000) occurred in FY2012.

Quonset Point Airport Tower

Military Staff is currently constructing a new air traffic control tower at the Quonset Point airport to provide air traffic control for C-130 and Blackhawk helicopters. The capital plan contains \$7.7 million in federal funds in FY2011 for the project.

The Governor schedules the final \$5.4 million in federal financing in FY2012 to complete the project, reflecting expenses that carried forward into the current fiscal year.

Repaving Parking Lots CRC/Schofield

Military Staff requests \$1.8 million between FY2012 and FY2016 to repave the parking lots at the Command Readiness Center and Schofield Armory complex in Cranston. Additionally, an Entry Control Facility will be built to control facility access. The request phases the project over four years to reduce the fiscal impact, however it has been acknowledged that the total costs may be less if the phases are consolidated. The request includes \$940,000 in RICAP and \$890,000 in federal funds. For FY2012,

\$300,000 in RICAP funds and \$250,000 in federal funds are requested. The General Assembly eliminated funding for the project in the FY2012 Budget and shifted funds to asset protection.

The Governor does not include funding as a stand-alone project. Military Staff may opt to make parking improvements using asset protection funding.

Bristol Armory Roadway and Parking Lot (New)

Military Staff requests \$160,000 in FY2015, including \$80,000 in new RICAP funding and \$80,000 in federal funds, to install a roadway to the Controlled Humidity Preservation Building at the Bristol Armory complex. The unpaved lot and driveway continue to degrade and as potholes develop vehicle damage could occur.

The Governor does not recommend funding for this as a stand-alone project. The Governor categorizes the project as asset protection.

Public Safety

Funding by Project	Pre-FY2012	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017	Total
Barracks Renovations	\$2.1	\$1.0	\$1.8	\$0.7	\$0.0	\$0.0	\$0.0	\$5.6
Headquarters Complex Expansion	-	0.2	0.5	0.3	-	-	-	1.0
Headquarters Repairs / Renovations	1.1	0.2	0.1	0.2	-	0.1	-	1.7
New State Police Headquarters	26.5	0.1	-	-	-	-	-	26.6
Parking Area Improvements	0.1	-	-	0.3	0.3	0.3	-	0.9
Statewide Microwave Upgrade	5.7	1.3	-	-	-	-	-	7.1
Fire Academy	6.4	1.3	1.5	-	-	-	-	9.2
DOIT Enterprise Operations Center	0.0	0.2	-	-	-	-	-	0.3
Total	\$42.0	\$4.4	\$3.9	\$1.4	\$0.3	\$0.4	\$0.0	\$52.3

Funding by Source	Pre-FY2012	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017	Total
RICAP Funds	\$35.6	\$4.3	\$3.9	\$1.4	\$0.3	\$0.4	\$0.0	\$45.8
GO Bond Funds	6.4	-	-	-	-	-	-	6.4
Restricted Receipts	-	0.1	-	-	-	-	-	0.1
Total	\$42.0	\$4.4	\$3.9	\$1.4	\$0.3	\$0.4	\$0.0	\$52.3

\$ in millions. Totals may vary due to rounding.

Barracks Renovations

The State Police request \$6.5 million in RICAP funding to repair and renovate barracks facilities and also to install a transfer switch and generator at the Training Academy. Four barracks would undergo various upgrades to bring them up to date to meet Americans with Disabilities Act requirements, upgrade security features, and to accommodate female Troopers. Additional locker spaces, bathrooms, interrogation areas, and other work areas would be added. The Division requests \$1.4 million in FY2012, and \$1.8 million in FY2013. The FY2012 request is consistent with the approved plan after carry-forward amounts from FY2011 are included. The projects are slated to be completed by FY2014. The following table outlines the request, by facility, by fiscal year.

Facility	FY2012	FY2013	FY2014	Total
Training Academy	\$412,176	\$0	\$0	\$412,176
Exterior Repairs- All Barracks	79,438	-	-	79,438
Boilers- Wickford & Hope Valley	289,902	-	-	289,902
Security Systems- Lincoln & Hope Valley	-	50,000	-	50,000
Office and Locker Rooms- Barracks	585,000	1,735,000	695,000	3,015,000
Total	\$1,366,516	\$1,785,000	\$695,000	\$3,846,516

The Governor recommends the project at the enacted capital plan amounts. The carry-forward amounts from FY2011 are not included in FY2012. The Budget Office indicates that it anticipates reduced final costs for the project.

Headquarters Complex Expansion (National Guard Facilities)

The Division requests \$1.1 million in RICAP funding to replace the roofs and upgrade heating and electrical systems and bathrooms at the two truss buildings that the National Guard transferred to the Division in 1999. The large, barnlike buildings are located adjacent to the current headquarters, and are used for equipment and evidence storage. The request includes \$300,000 in FY2012, \$510,000 for FY2013 and the final \$300,000 for FY2014. The current capital budget contains \$300,000 in FY2012 and \$500,000 in FY2013.

The Governor includes \$200,000 in FY2012 based on year-to-date spending, \$500,000 in FY2013, and \$310,000 in FY2014.

Headquarters Repairs / Renovations

The State Police request \$2.0 million in RICAP funds for repairs and renovations to existing buildings on the headquarters complex. The Intelligence Building is in need of a new HVAC system, plumbing and electrical updates, roof replacement, and new walls and floors. The roof on the Intelligence & Supply Building requires replacement, and the Radio Bureau Building requires renovated bathrooms, windows, doors, security upgrades and HVAC replacement. The old Command Staff building requires replacement of aluminum siding, refinishing of hardwood floors, bathroom updates, and painting. The request includes \$377,543 in FY2012, and \$100,000 in FY2013. The projects are to be completed in FY2016.

The Governor recommends the project at the enacted capital plan amounts (\$200,000 FY2012 and \$150,000 in FY2013). The carry-forward amounts from FY2011 are not included in FY2012. The Budget Office indicates that it anticipates reduced final costs for the project.

New State Police Headquarters Facility

In November 2002, voters approved \$48.1 million in bond funding for the State Police to construct a new centrally-located headquarters. The facility was to be constructed at the Pastore Center in Cranston, at the corners of Howard and Pontiac Avenues. The new facility would allow for centralized dispatch and the reallocation of personnel, as well as centralized and secure records and evidence storage and expanded technology.

The State Police changed plans for the new headquarters facility. The facility has been built on the grounds of the former headquarters in Scituate, and RICAP funds were used. Due to the specific wording of the bond question, bond counsel ruled that the approved bond funding cannot be used to fund the project in its proposed location. The project was scaled down, and was estimated to require \$26.3 million in RICAP funding, and opened in the fall of 2010. The State Police request the final \$457,764 in RICAP funding in FY2012 to complete “punch list” items at the facility.

The Governor recommends the project at the enacted capital plan amounts (\$51,787). The carry-forward amounts from FY2011 are not included in FY2012. The Budget Office indicates that it anticipates reduced final costs for the project.

Parking Area Improvements

The State Police request \$876,090 in RICAP funding to improve parking lots and driveways at the Lincoln, Wickford, Portsmouth and Hope Valley Barracks. Drainage basins need to be rebuilt and parking areas regraded and repaved. The State Police request \$250,000 per year from FY2014 through FY2016 to undertake the paving projects, consistent with the approved capital plan.

The Governor recommends funding as requested.

Statewide Microwave / IT Upgrade

The State Police request \$7.1 million in RICAP funds to upgrade communications systems and supporting information technology. The new State Police headquarters building will require installation of hardware and software to allow for communication within and among various public safety entities. These components will be used as a part of the new microwave radio network, comprised of 11 radio transmission sites that interconnect communications throughout the State. The primary function of the network is to support land mobile radio for the State Police, DEM, RIPTA, Washington County and the DOT Traffic Management Center. Funding was originally planned as part of the bond measure for the new headquarters, however as the bulk of the bond funding cannot be used (see “New State Police Headquarters Facility” description), this became a stand-alone project. The Division requests the final \$1.3 million in RICAP funding in FY2012 to complete the projects.

The Governor recommends funding as requested.

Fire Academy Building

The State Fire Marshal constructed a new Fire Training Academy at the site of the former Ladd School in Exeter. Voters approved \$6.4 million in General Obligation bond funding in the November 2002 General Election for the project. Phase I has been completed and included construction of garage areas, a burn building with tower, a burn pad, and onsite wastewater treatment. The Department requests \$2.8 million in additional RICAP funding to construct classrooms, office facilities, a small library, and locker rooms. For FY2012, \$1.3 million in RICAP funds and the final \$525,155 in bond funding are proposed. The project would be completed in FY2013, with the final \$1.5 million in RICAP requested. The request is consistent with the enacted capital plan.

The Governor recommends funding as requested.

DOIT/Treasury/State Police

The State recently purchased property at 50 Service Avenue in Warwick that will house the Department of Information Technology (DOIT), units of the Office of the General Treasurer, and the State Police. The State Police occupy approximately 17.0 percent of the 80,000 square foot facility to house the Internet Crimes Against Children Taskforce, the High Intensity Drug Trafficking Task Force, and portions of the Intelligence Unit. The project was completed in FY2012.

The Governor recommends \$105,000 in restricted receipts and \$131,974 in RICAP funding in FY2012 based on actual costs. The State Police share of costs totaled \$280,000.

Consolidated Training Academy (New)

The Department of Public Safety requests \$12.6 million in new RICAP funding beginning in FY2014 to design and construct a consolidated public safety training academy facility that could be used by the State Police, the Municipal Police Training Academy, DPS (in-service training) and Sheriffs for training. The plan would expand the current floor plan of the existing training academy facility in Foster, and would add a second floor. Additionally, plans include expansion and renovation of the gymnasium facilities and upgrades to the firing range.

The Governor does not include funding in the proposed capital improvement plan.

Department of Environmental Management

Funding by Project	Pre-FY2012	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017	Total
Recreational Facility Improvements	\$17.4	\$7.3	\$1.9	\$3.6	\$3.8	\$1.9	\$1.0	\$36.8
Rocky Point Acquisition	-	10.0	-	-	-	-	-	10.0
India Point Acquisition	-	3.2	-	-	-	-	-	3.2
State Land Acquisition - Open Space	7.3	2.7	-	1.0	1.0	0.5	-	12.5
Farmland Development Rights Acquisition	11.5	3.0	1.0	1.5	1.5	1.5	-	20.0
Dam Repair	4.4	0.9	1.0	0.6	0.6	0.5	0.5	8.4
Galilee Piers	5.1	1.0	1.1	0.7	0.7	0.7	0.2	9.4
Newport Piers	5.4	0.3	0.3	0.3	0.3	-	-	6.4
Narragansett Bay And Watershed Restoration	2.0	6.5	-	1.0	1.0	2.0	-	12.5
Fort Adams Sailing Improvements	-	1.3	3.1	-	-	-	-	4.4
Fort Adams Rehabilitation	5.5	1.2	1.3	0.5	0.5	0.3	-	9.3
Natural Resources Offices/Visitor's Center	-	-	-	0.3	1.8	1.3	-	3.3
Local Land Acquisition Grants	14.6	4.3	2.5	1.0	1.0	0.5	-	23.9
Blackstone Valley Bike Path/State Park	0.0	0.7	0.5	0.3	-	-	-	1.5
Local Recreation Development Grants	34.5	2.0	1.0	1.0	1.0	1.0	0.5	41.0
Historic/Passive Local Recreation Grants	2.0	2.0	1.0	0.3	0.3	0.3	0.3	6.0
Local Bikeways & Recreational Greenways	3.8	1.2	-	-	-	-	-	5.0
Fish & Wildlife Maintenance Facility	-	-	-	0.2	0.5	-	-	0.7
Sewer Projects - Interceptors	3.7	1.3	-	-	-	-	-	5.0
Roger Williams Park	26.1	1.6	0.8	-	-	-	-	28.5
Local Recreation - Distressed Communities	-	-	-	1.0	0.5	0.5	-	2.0
World War II Facility	-	0.4	2.2	-	-	-	-	2.6
Total	\$143.2	\$50.9	\$17.5	\$13.0	\$14.3	\$10.8	\$2.5	\$252.2

Funding by Source	Pre-FY2012	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017	Total
Federal Emergency Management Agency	\$0.0	\$0.2	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.2
Federal Funds	14.5	1.8	0.3	0.3	0.5	0.3	-	17.6
G.O. New Referenda	-	-	-	8.8	8.3	7.3	0.8	25.0
Insurance Proceeds	-	0.4	-	-	-	-	-	0.4
G.O. Bonds	106.5	40.6	7.1	-	-	-	-	154.1
RICAP	22.3	7.9	10.2	4.0	5.5	3.3	1.7	54.9
Total	\$143.2	\$50.9	\$17.5	\$13.0	\$14.3	\$10.8	\$2.5	\$252.2

Recreation Facilities Improvements

The Department of Environmental Management (DEM) requests approximately \$19.4 million from RICAP funds, federal funds and general obligation bonds for asset protection, infrastructure and facility improvements. In addition to water supply systems and other infrastructure elements, the Department manages over 50 buildings and 25 miles of roads in State Parks and Management Areas. The funds would be used for the following:

- The design and construction of five bridges in the Arcadia Management Area
- Construction of a new beach pavilion at East Matunuck State Beach in South Kingstown
- Installation of new restroom facilities throughout the park and management areas
- Design and construction of additional camping facilities at the George Washington Management Area, the Beach Pond Recreation Area, and Fisherman's Memorial Campground
- Asset protection projects throughout the parks and management areas, such as roof replacements, utilities and road paving

In FY2012, the Department will update and replace the entrance signs to state beaches, parks and campgrounds. The construction of the East Matunuck State Beach facility began in the spring of 2011 and is scheduled for completion in May of 2012. The design projects for Fisherman's Campground and Lincoln Woods are currently being reviewed by Purchasing for bid and should be awarded in March of 2012.

The Department requests total project costs of \$37.1 million, including \$13.8 million in RICAP funds, \$9.2 million in Federal Funds, \$8.0 million current general obligation bond proceeds, and \$6.0 million in new general obligation bond proceeds for the November 2012 ballot. Based on the FY2012 Budget as Enacted, the request reflects an increase of \$51,651 in RICAP funds for FY2012 and \$6.0 million for the referendum.

The Governor recommends additional funding in FY2012 including \$648,349 in RICAP funds, \$200,000 in funds from the Federal Emergency Management Agency (FEMA), \$400,000 in insurance proceeds and \$2.8 million in general obligation bonds proceeds. The increase in 2004 general obligation proceeds represents the carry forward of unexpended funds. As presented in Article 5, the Governor recommends an additional \$5.0 million in new general obligation bonds proceeds from the referendum on the November 2012 ballot. The funds would be provided in FY2014 through FY2016.

The RICAP funds, FEMA funds and insurance proceeds are for the purchase of a new warehouse to replace the one destroyed by the 2010 flood. The funding for the warehouse was requested subsequent to the submission of the Department's request.

Rocky Point Acquisition

Rhode Island voters approved a November 2010 ballot referendum that provides \$10.0 million in general obligation bond funding to purchase 85 acres of land in the City of Warwick. This land, the site of the former Rocky Point Amusement Park, abuts 41 acres of coastal shoreline protected in 2007 through a joint effort of the City of Warwick and DEM. This site will provide passive recreation activities such as picnicking, hiking and sightseeing, as well as saltwater-based recreation such as boating, kayaking, and fishing. The enacted capital plan provides \$10.0 million in general obligation bond proceeds in FY2012. The Department requests funding as enacted.

The Governor recommends funding as provided in the FY2012 Budget as Enacted.

India Point Acquisition

Rhode Island voters approved a November 2010 ballot referendum that provides \$3.2 million in general obligation bond funding to purchase 73,436 square feet of land at 25 India Street in Providence. This property is currently owned by the Department of Transportation, and the funds will be used to reimburse the United States Federal Highway Administration for the market value of this waterfront property. This property will be used for recreation, open space, and multi-use facilities. The Department acquired the property in February of 2012. The enacted capital plan provides \$3.2 million in general obligation bond proceeds in FY2012. The Department requests funding as enacted.

The Governor recommends funding as provided in the FY2012 Budget as Enacted.

State Land Acquisition Program - Open Space

On the November 2004 ballot, voters approved \$10.0 million in general obligation bond funds to purchase land, development rights, and conservation easements statewide. Funds are used to match federal and other grants. The State has adopted a goal to protect 3,000 acres annually through the land acquisition program. According to the Department, since 1985, the State has acquired or protected more than 34,000 acres representing over \$319.0 million in conservation activity. The enacted capital plan provides \$720,000 in general obligation bond proceeds in FY2012. This will use up the balance of the 2004 bond authorization. The Department requests funding of the 2004 bond proceeds as enacted and that another referendum be placed on the November 2012 ballot for \$3.0 million in general obligation bonds.

The Governor recommends the carry forward of funds to provide \$10.0 million in Pre-FY2012 and FY2012. As presented in Article 5, the Governor also recommends placing a new referendum on the November 2012 ballot for \$2.5 million to be used in FY2014 through FY2016.

Farmland Development Rights

The Department requests \$15.5 million, including \$8.0 million in federal funds, to purchase the development rights to farms to eliminate the economic pressure on farmers to sell land for residential or commercial development. From 1985 to the present, the State purchased agricultural development rights to 86 farms, protecting over 6,200 acres for future farming. The Agricultural Preservation Commission is continuing to accept applications for this on-going program within the department, and is currently in negotiations with 17 farmers to acquire development rights to 2,500 acres of working farmland. The enacted capital plan provides \$1.5 million in general obligation bond proceeds and \$1.5 million in federal funds in FY2012, and \$1.0 million in general obligation bond proceeds in FY2013, which reflects the balance of the funds available. The Department requests funding as enacted plus an additional \$4.5 million in general obligation bonds proceeds to be placed on the November 2012 ballot.

The Governor recommends funding as provided in the 2012 Budget as Enacted. As presented in Article 5, the Governor also recommends placing a new referendum on the November 2012 ballot for \$4.5 million for farmland protection to be used in FY2014 through FY2016.

State-Owned Dam Repairs

In February of 2012, DEM reported that the State has 97 high and 83 significant hazard dams. “High hazard” dams are those that, if they were to fail, would cause significant property damage and potential for loss of life. A “significant-hazard” dam is one where failure would probably not result in the loss of human life but would cause major economic loss, disruption of lifeline facilities or impact other concerns detrimental to the public’s health, safety or welfare.

DEM is in the second year of a three-year inspection cycle: 65.0 percent of the dams have been inspected as of February 2012. Currently, DEM has identified 20 unsafe dams. An “unsafe” dam is one where the condition is such that an unreasonable risk of failure exists, as determined by the Director of DEM. Among the conditions that would result in an unsafe determination are excessive vegetation that does not allow a visual inspection, excessive seepage or piping, significant erosion, inadequate spillway capacity, inadequate capacity and/or serious structural deficiencies.

Of the dams identified as unsafe, 14 are privately owned. The remaining nine dams are the responsibility of municipalities including Lincoln (1), North Providence (1), Smithfield (1), South Kingstown (1), and Johnston (4). According to DEM, four of the municipalities are actively working to make the necessary repairs. To date, Johnston has not begun work identified by DEM with an estimated cost of \$1.0 million.

Under the state law, municipalities are also responsible for submitting emergency action plans to the EMA for high and significant hazard dams. To date, about half of those have been completed. While DEM gets some modest funding from FEMA each year for the inspection of unsafe dams, there is no federal or state funding source available to municipalities for fixing dams.

DEM requests \$9.1 million in RICAP funds for repairs to “high-hazard” state-owned dams. During the past 10 years, the Department completed repairs to the Stillwater Dam in Smithfield, the Olney Pond Dam in Lincoln Woods, and the Bowdish Lake Dam at the George Washington Management Area. DEM has recently completed design of repairs to the 2 dams within the J.L. Curran Management Area in Cranston. The construction work on these dams will begin in the fall of 2012 and will continue into FY2013.

Other dams recommended for repair are the Breakheart Hill Dam (Arcadia Management Area) and the Bleachery Pond Dam (East Greenwich). Damage from the 2010 floods will require the DEM to repair dams in the Carolina Management Area and the Arcadia Management Area. The Department states that RICAP funds will be matched by federal funds for the flood damaged dams; however, no federal funds were included in the request.

The FY2012 Budget as Enacted provides \$924,204 (including carry forward) in RICAP funds in FY2012, \$1.0 million in FY2013, and \$500,000 annually from FY2014 through FY2016. DEM requests \$900,361 in FY2012 but otherwise requests funding as enacted with another \$500,000 of RICAP funding in FY2017.

The Governor recommends funding as requested to allow for a sustained repair program, thus reducing the liability for failure of state-owned dams.

Galilee Piers

The Department requests \$10.5 million in RICAP funds for capital projects at the Port of Galilee. DEM operates the Port of Galilee in the Town of Narragansett, which is home to 170 commercial fishing vessels and provides affordable berthing spaces close to wholesale and retail seafood processing businesses. The Department has rebuilt Piers A, B, C, E, G, H and KK, as well as the southwest and northwest bulkhead over the past five years. Future plans include the designing and building of the south bulkhead, piling repairs, and the reconstructing piers J, K, NN, PP and QQ, RR and SS, as well as reconstructing the maintenance facility/workshop/garage and various electrical repairs.

The Department requests \$1.2 million in RICAP funding in FY2012 and \$1.1 million in FY2013, \$500,000 in FY2014, \$500,000 in FY2015, and \$250,000 in FY2016 and FY2017. The Department’s request reflects the enacted capital plan, except for FY2016 and FY2017 where the \$250,000 in annual RICAP funding is not provided.

The Governor recommends funding as requested.

Newport Piers

The Department requests RICAP funds for infrastructure improvements and commercial fishing facilities at State Pier #9 in Newport, which houses approximately 50 commercial fishing vessels. Over the past several years, DEM has replaced the bulkhead and pilings, renovated the parking facilities, and also made landscape and drainage improvements. The Department continues to upgrade the electrical systems at State Pier #9 and construct the “Heavy Duty Pier”, known as the “L dock”. This pier is used for the loading and unloading of large vessels. The present condition of this pier presents a safety issue and is

currently unusable. The Department intends to construct a maintenance facility/workshop/garage in FY2012, and a new T-Pier is expected to be constructed in FY2013 and FY2014.

The enacted capital plan provides a total of \$6.2 million in RICAP funding for this project, including \$309,316 (including carry forward) in FY2012, \$250,000 in FY2013 and \$250,000 in FY2014. The Department requests total project funding of \$6.6 million, including \$305,876 in FY2012 and \$250,000 in FY2013.

The Governor recommends total project funding of \$6.4 million in RICAP funds, including \$250,000 annually in FY2012 through FY2015.

Narragansett Bay and Watershed Restoration

The November 2004 ballot included \$8.5 million in bond funds for matching grants for nonpoint source pollution abatement projects. Funded activities include storm water management, nutrient load abatement, pollution abatement, and riparian buffer and ecosystem protection projects. DEM provides 50.0 percent matching grants to state and local agencies and nonprofit and for-profit businesses. DEM requests \$1.8 million for FY2012 in unissued general obligation bond funding. The Department's request is consistent with the enacted capital plan. The Department's request also includes a proposed \$5.0 million referendum to appear on the November 2012 ballot for the Narragansett Bay and Watershed Restoration Fund.

The Governor recommends general obligation funding of \$6.5 million in FY2012 to reflect the unused portion of the bonds. As presented in Article 5, the Governor also recommends placing a new referendum on the 2012 ballot for \$4.0 million in additional general obligation funding. If it is approved, funding for additional grants will begin in FY2014.

Fort Adams Sailing Improvements

DEM has been working with the Rhode Island Economic Development Corporation (RIEDC) to design improvements to Fort Adams that will allow for hosting large scale sailing events, such as America's Cup, the Extreme Sailing Championship and the Volvo Regatta. An engineering study identified approximately \$5.0 million in necessary capital improvements. Construction on the installation of the electrical and water utility upgrades began in February of 2012 and is scheduled for completion by May 10, 2012. The contract for the marine improvements, such as docks and pilings, has not been awarded as of February 29, 2012; however, a contractor has been chosen and a final interview scheduled. The work is scheduled for completion by the end of May 2012. Funding for this project was originally included in Fort Adams Rehabilitation project. The Department requests a total of \$4.5 million in RICAP funds for this project, including \$1.3 million in FY2012 and \$3.1 million in FY2013. The balance of \$100,000 was spent prior to FY2012.

The Governor recommends total project costs of \$4.4 million in RICAP funds, including \$1.3 million in FY2012 and \$3.1 million in FY2013. The Governor's recommendation is \$150,000 less than requested.

Fort Adams Restoration

The Department requests \$4.5 million in general obligation bonds and \$9.1 million in RICAP funds for renovation projects at Fort Adams, an 80-acre historical site that serves as an educational and cultural attraction in Newport. Phase I of the restoration work at the Fort was completed in 2003 and Phase II, which consisted of renovating four bays of the officers' quarters to be used as a youth overnight center and a strategic partnership with the Newport Naval War College to renovate a portion of the fort to be

used as a museum, was completed in 2006. Future funding will be used for additional restoration in accordance with a master plan.

The enacted capital plan provides \$1.7 million (including the carry forward) in RICAP funds and \$750,000 in general obligation bond proceeds in FY2012 and \$500,000 in RICAP funding in each of fiscal years 2013 through 2016 with the remaining \$750,000 in bond proceeds scheduled for FY2013. The enacted plan included funding for the Fort Adams Sailing Improvements project, which as been separated into a separate project. The Department's request for general obligation bond proceeds is consistent with the enacted capital plan; however, the Department requests an additional \$2.8 million in RICAP funding.

The Governor recommends \$9.3 million in total project costs, including \$4.5 million in general obligation bond proceeds and \$4.8 million in RICAP funds. In FY2012, the Governor recommends \$1.2 million, including \$761,359 in general obligation proceeds and \$478,824 in RICAP funds. In FY2013, the Governor recommends \$750,000 in general obligation proceeds and \$500,000 in RICAP funds.

Natural Resources Offices/Visitor's Center (New)

DEM requests \$3.3 million in new RICAP funds to construct a Natural Resources Offices/Visitors Center in the Arcadia Management Area. This center will coordinate staff programming by providing office space, laboratories, storage, and workshop areas for mosquito abatement testing, the state veterinarian, and the administrative offices and Freshwater Fisheries and Wildlife sections of the Division of Fish & Wildlife.

The administrative offices are currently located in temporary quarters at the Forestry Management Headquarters in Scituate and the Freshwater Fisheries and Wildlife Departments are located in the Great Swamp Management Area in South Kingstown. The Department had previously requested a facility be built in the Great Swamp Wildlife Management Center; however, it now believes that a facility in the Arcadia Management Area would better serve its needs.

The Department requests to reallocate funding in the enacted capital plan from the Fish and Wildlife Maintenance Facility and the Bay Islands Park project to this facility. The enacted capital plan provides \$1.8 million in RICAP funds in FY2014. The Department is seeking \$250,000 in FY2012, \$1.8 million in FY2013, and \$1.3 million in FY2014.

The Governor recommends funding as requested but moves the project into FY2014 through FY2016.

Local Land Acquisitions Grants

The Department requests a total of \$21.4 million in approved general obligation bonds to provide funding to municipalities, local land trusts and non-profit organizations to acquire title, development rights or conservation easements to open space in Rhode Island. The DEM grants provide up to 50.0 percent of the purchase price and associated costs to preserve local open space that has natural, ecological, agricultural or scenic value. In the summer of 2011, the Department received over thirty applications for open space grants totaling \$4.0 million.

Of the total \$21.4 million, \$16.4 million was spent prior to FY2012. The Department requests unissued general obligation bonds funds for these grants as follows: \$2.5 million in FY2012 and \$2.5 million in FY2013. In addition, the Department requests \$3.0 million in general obligation bonds proceeds to be placed on the November 2012 ballot. Except for the new referendum, the Department's request is consistent with the enacted capital plan.

The Governor recommends an additional \$1.8 million in authorized general obligation bond proceeds in FY2012. As presented in Article 5, the Governor also recommends placing a new referendum on the 2012 ballot for \$2.5 million in new general obligation funding. If it is approved, funding for additional grants would begin in FY2014.

Blackstone Valley Bike Path/State Park

The Department requests \$1.5 million from RICAP funds to complete a network of river access sites along the Blackstone River, improve portages at key stretches, reduce and prevent erosion and preserve the existing canal, as well as to construct “chutes” at several dams to facilitate fish passage. DEM is reimbursing “Friends of the Blackstone River” for projects completed. The Department is in the process of designing directional signs and obtaining consultant services for design and permitting for a fish passage at Valley Falls. The enacted capital plan provides \$746,000 (including carry forward) in FY2012, \$500,000 in FY2013, and \$250,000 in FY2014. The Department’s request is consistent with the enacted capital plan.

The Governor recommends funding as provided in the FY2012 Budget as Enacted.

Local Recreation Development Grants

DEM provides matching grants of up to 50.0 percent to municipalities to acquire and develop recreation areas in accordance with the State Comprehensive Outdoor Recreation Plan. Since 1988, DEM has awarded over 200 grants totaling \$35.5 million in general obligation bond proceeds through this program. The enacted capital plan provides \$1.0 million in authorized general obligation bond proceeds in FY2012 and \$1.0 million in FY2013. The Department’s request is consistent with the enacted capital plan plus an additional \$4.0 million in new general obligation bonds proceeds to be placed on the November 2012 ballot.

The Governor recommends funding as provided in the FY2012 Budget as Enacted. As presented in Article 5, the Governor also recommends placing a new referendum on the 2012 ballot for \$3.5 million in new general obligation funding. If it is approved, funding for additional grants will begin in FY2014.

Historic/Passive Local Recreation Grants

DEM provides grant funding up to 90.0 percent of project costs to municipalities to renovate and develop historic and passive recreation areas. These funds can be used to acquire, develop or rehabilitate local recreation facilities. Funds for this program were authorized in the 2004 Open Space Bond totaling \$4.0 million. In 2006, DEM awarded 24 grants totaling \$2.8 million and another 14 grants totaling \$1.3 million were awarded in 2008. Grant awards precede the incremental grant disbursement by one year or more due to the preliminary requirements of the recipients, including securing the local match. The Department’s request is consistent with the enacted capital plan plus an additional \$2.0 million in general obligation bonds proceeds to be placed on the November 2012 ballot.

The Governor recommends funding as enacted in FY2012 with the carry forward of unused funds. As presented in Article 5, the Governor also recommends placing a new referendum on the 2012 ballot for \$1.0 million in new general obligation funding. If it is approved, funding for additional grants will begin in FY2014.

Local Bikeways and Recreational Greenways

The Department requests \$5.0 million in approved general obligation bonds to design and construct bikeways and bike path connections and facilities. The Department also provides grant awards to municipalities and non-profit environmental organizations to acquire and/or develop greenways and local bikeways. Recent projects include the Route 295 Visitors Center and Blackstone Bikeway connection. In addition, the Department is constructing bikeway connections and bike path facilities along the Blackstone River and Trestle Trail. The Department is currently administering grants awarded in 1999 and 2003 and anticipates that the bond funds will be completely expended by June 30, 2012. The enacted plan provides \$841,529 in general obligation bonds funds in FY2012. The Department request is consistent with the enacted plan.

The Governor recommends funding as provided in the FY2012 Budget as Enacted with the carry forward of unused funds.

Fish and Wildlife Maintenance Facility

DEM requests \$325,000 in RICAP funding to match \$325,000 in federal funds to demolish the current facility and construct a new maintenance facility for the Division of Fish and Wildlife, to be located at Great Swamp Wildlife Management Area. The current facility at the Great Swamp Management Area is over 30 years old and is undersized and incapable of housing the heavy equipment and research equipment used by the Division to monitor fish and wildlife populations. The enacted capital plan provides \$150,000 in FY2014 and \$500,000 in FY2015 divided equally between RICAP and federal funds. The Department's request is consistent with the enacted plan.

The Governor recommends funding as provided in the FY2012 Budget as Enacted.

Sewer Interceptor Projects

The Department requests \$5.0 million in approved general obligation bonds to provide up to 50.0 percent matching fund grants to municipalities for extending trunk, or interceptor, sewers to areas that currently have septic systems. Failing septic systems create water quality problems throughout the state. Grants are capped at \$500,000 per community. DEM is requesting proceeds from authorized general obligation bonds in the amount \$760,000 in FY2012. The Department's request is consistent with the enacted capital plan.

The Governor recommends funding as provided in the FY2012 Budget as Enacted including the carry forward of unused funds.

Roger Williams Park Development

The Department requests a total of \$28.5 million in approved general obligation bond funds for ongoing renovations and improvements to Roger Williams Park in the City of Providence. The City is designing and constructing botanical gardens at Roger Williams Park, with the focus of the project being a multi-level glass and steel conservatory. The gardens will provide for year-round horticultural education and attract tourism to the park. Zoo improvements will be for the North American Trail section of the facility. Prior to FY2012, \$27.7 million of these funds were spent. The Department is requesting \$800,000 in unissued general obligation bond proceeds in FY2012. The Department's request is consistent with the enacted capital plan.

The Governor recommends funding as provided in the FY2012 Budget as Enacted.

Local Recreation Distressed Communities

The Department requests \$2.5 million in general obligation bonds proceeds to be placed on the November 2012 ballot to provide grants to distressed communities for recreation acquisitions and development. The current definition of “distressed communities” is consistent with that used for municipal aid funding. The grants provide funding assistance up to 90.0 percent of the project costs for acquisition, development or rehabilitation of local recreation facilities. Applications are submitted to DEM and scored according to program guidelines.

As presented in Article 5, the Governor also recommends placing a new referendum on the 2012 ballot for \$1.0 million in new general obligation funding. If it is approved, funding for grants would begin in FY2014.

World War II State Park Improvements (New)

The Department requests \$2.6 million in RICAP funding to revitalize the World War II Memorial State Park in Woonsocket. The project would eliminate the existing, empty pond and replace it with a splash-park. Also included in the project are upgrades to the water, sewer, storm water, and electrical systems; new curbing, walkways and landscaping; and replacement of the pedestrian bridge, benches, playground and fencing. The architectural plans are already prepared and the Department states that the project will be completed by November 2013 if funds are available July 1, 2012.

The Governor recommends \$2.6 million in RICAP funding, including \$400,000 in FY2012 and \$2.2 million in FY2013.

Coastal Resources Management Council

Funding by Project	Pre-FY2012	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017	Total
Coastal and Estuary Habitat Restoration								
Trust Fund	\$2.4	\$0.3	\$0.3	\$0.3	\$0.3	\$0.3	\$0.3	\$4.0
Fish Passage Restoration	1.3	1.0	1.0	0.2	-	-	-	3.5
South Coast Restoration Project	6.3	1.0	1.4	-	-	-	-	8.7
Secure Facility Area	-	-	0.1	-	-	-	-	0.1
Large Rocks Removal From Ninigret Pond								
Breachway	-	-	-	0.9	-	-	-	0.9
Total	\$10.0	\$2.3	\$2.7	\$1.4	\$0.3	\$0.3	\$0.3	\$17.1

Funding by Source	Pre-FY2012	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017	Total
RICAP	0.1	\$0.7	0.9	\$0.2	\$0.0	\$0.0	\$0.0	\$2.0
General Revenue	0.3	-	-	-	-	-	-	0.3
Federal Funds	3.8	-	0.5	0.7	-	-	-	5.0
Federal Funds- ARRA	1.3	1.0	1.0	0.2	-	-	-	3.5
Restricted Receipts	4.4	0.3	0.3	0.3	0.3	0.3	0.3	6.0
Other Funds	0.1	0.3	-	-	-	-	-	0.4
Total	\$10.0	\$2.3	\$2.7	\$1.4	\$0.3	\$0.3	\$0.3	\$17.1

\$ in millions. Totals may vary due to rounding.

Coastal and Estuary Habitat Restoration Trust Fund

Since FY2005, the Council has received an appropriation of \$250,000 each year from fees collected under the Uniform Oil Spill Prevention, Administration, and Response Act (OSPAR), to be disbursed by the Council as grants for habitat restoration projects. An example of recent projects include \$41,031 to the Nature Conservancy for a shellfish restoration project in Ninigret Pond; \$25,000 to the Town of South Kingstown for the Factory Pond Bypass Fishway; and \$55,000 to Save the Bay and the Rhode Island Eelgrass Mapping Task Force for the acquisition of aerial imagery and field work to update the inventory of eelgrass beds in Narragansett Bay. According to the Department, the Trust Fund has awarded \$1.9 million for 67 projects, which have leveraged more than \$18.0 million in matching funds.

The Council requests \$250,000 in restricted receipt funding annually from FY2012 through FY2016. This request is consistent with the enacted capital plan.

The Governor recommends \$340,000 in restricted receipts (including a \$90,000 carry forward) in FY2012 and \$250,000 annually in FY2013 through FY2017.

Fish Passage Restoration

The Council requests \$3.5 million in American Recovery and Reinvestment Act (ARRA) federal funds to construct six high priority fish passage projects, including four fish ladders/eel passages and two dam removals. The four fish ladder/eel passage projects will be constructed at Horseshoe Falls, Omega Pond, Hunts Mills, and Turner Reservoir Dams, all of which are located on the Ten Mile River. The two other projects include the removal or partial removal of dam obstructions at Lower Shannock Falls and Kenyon Mills Falls, both on the Pawcatuck River. These projects will restore and improve the habitat for migratory fish species, including Atlantic salmon, American shad, blueback alewife, sea lamprey, American eel and brook trout, as well as striped bass, bluefish, and birds including black-crowned night heron and hooded merganser. The Council was granted an extension until December 31, 2013, to accommodate changes in the project schedule. This project is included in the enacted capital plan;

however, the request increases the total project cost by \$480,000 in federal ARRA funds and extends the funding into FY2014.

The Governor recommends funding as requested.

South Coast Restoration Project

This project, which began in June of 1998, has four phases: a Reconnaissance Study, a Feasibility Study, Implementation/Construction, and an Operation and Maintenance phase. This project focuses on three major areas for habitat restoration, including dredging of the breachways and tidal deltas and restoring eelgrass in Winnapaug, Quonochontaug and Ninigret Ponds. Salt marsh restoration in Quonochontaug Pond and Winnapaug Pond (sediment removal followed by habitat restoration) is currently underway, with actual dredging of Winnapaug Pond targeted for the fall of 2012. Property owners around Quonochontaug Pond would like to complete this salt marsh restoration sooner than scheduled, and they have submitted an application to CRMC, which is currently under review. Prior to FY2012, the Council received \$6.3 million (all funds). The Council did not receive funding for this project in FY2010 or FY2011. The Council requests \$429,100 in RICAP funding in FY2012. For FY2013, the Council requests \$542,155 in federal funds and \$450,000 in RICAP funds. The Council does not request funding in the out years. This request differs from the enacted plan by shifting the federal funds from FY2012 into FY2013.

The Governor recommends total project funding of \$8.7 million, including \$2.4 million in FY2012 through FY2017. In FY2012, the Governor recommends an additional \$300,000 in RICAP funds and \$300,000 in municipal funds over the request. The municipal funds represent a local match from Charlestown for the dredging of Ninigret Pond. In FY2013, the Governor recommends the federal funds as requested and provides an additional \$400,000 in RICAP funds over the request for the dredging of Winnapaug Pond.

Secure Facility Area

The Council requests \$50,000 in RICAP funds in FY2013 to construct a secure outdoor area at the Stedman Government Center to house the agency's trailerable boats. Due to renovations at the government center to accommodate the Department of Children, Youth and Families, the existing storage area is no longer available. The other storage options are off-site with no direct agency oversight or at fee-based marinas.

The Governor recommends funding as requested.

Large Rocks Removal from Ninigret Pond Breachway

The Council requests \$180,000 in RICAP funds as the state match to \$720,000 in federal funds in FY2013 to remove large boulders from the Ninigret Pond Breachway inlet. These boulders create an obstruction to navigation, and local officials report there is an average of 20 grounding incidents on the boulders per year. There is no request for funding beyond FY2013. This project is not included in the enacted capital plan.

The Governor recommends funding as requested in FY2014, instead of FY2013.

South Coast Breachways Maintenance

The Council requests \$700,000 in RICAP funds for the South Coast Breachway Maintenance project. In FY2008, the federal government successfully completed sediment removal and eelgrass bed restoration

in Ninigret Pond as part of the South Coast Restoration Project. The State is contractually obligated for the long-term maintenance of this work. The Council is seeking funding for the removal of sediment build-up at Ninigret Pond in sediment basins at the Breachway. The Council requests \$700,000 in RICAP funds for FY2013 for this project. There is no request for funding beyond FY2013. This project is not included in the enacted capital plan.

The Governor does not recommend funding for this project.

Clean Water Finance Agency

Funding by Project	Pre-FY2012	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017	Total
Clean Water State Revolving Loan Fund	\$1,032.8	\$55.7	\$49.3	\$51.2	\$49.4	\$49.6	\$53.8	\$1,341.7
Drinking Water State Revolving Loan Fund	263.2	22.3	28.9	28.9	28.9	28.9	28.9	430.1
R.I. Water Pollution Control Revolving Fund	63.7	0.2	0.2	0.2	0.2	0.2	0.2	64.7
Total	\$1,359.7	\$78.2	\$78.4	\$80.3	\$78.5	\$78.7	\$82.9	\$1,836.6

Funding by Source	Pre-FY2012	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017	Total
Environmental Protection Agency - Federal	\$297.8	\$24.7	\$18.3	\$18.3	\$18.3	\$18.3	\$18.3	\$414.1
Federal Stimulus Funding	22.9	-	-	-	-	-	-	22.9
G.O. New Referenda	-	-	-	3.1	3.1	3.3	7.7	17.3
Interest Earnings	2.3	0.1	0.1	0.1	0.1	0.1	0.1	2.6
Offset To Avoid Double Counting	(3.0)	-	-	-	-	-	-	(3.0)
P.L. 1987 Ch. 417 - Issued	3.9	-	-	-	-	-	-	3.9
P.L. 1990 Ch. 434 - Issued	29.4	2.7	1.9	-	-	-	-	34.0
P.L. 2000 Ch. 55 - Issued	62.9	-	-	-	-	-	-	62.9
P.L. 2004 Ch. 595 - Issued	10.5	0.0	-	-	-	-	-	10.5
Revenue Bonds	830.1	28.8	40.5	41.1	39.0	38.9	38.9	1,057.2
Revolved Capitalization Grants	102.8	21.9	17.7	17.7	18.0	18.1	18.0	214.1
Total	\$1,359.7	\$78.2	\$78.4	\$80.3	\$78.5	\$78.7	\$82.9	\$1,836.6

The Rhode Island Clean Water Finance Agency is a quasi-public corporation which provides low interest loans to municipalities, drinking water suppliers, sewer commissions and wastewater management commissions through the use of State Revolving Fund (SRF) programs. The Clean Water Finance Agency administers three SRF programs – the Clean Water SRF, the Safe Drinking Water SRF and the Rhode Island Water Pollution Control Revolving Fund. Each SRF program is designed to leverage federal capital which increases the amount of money available to borrowers.

Through Article 5, the Governor recommends a \$20.0 million bond referendum on the November 2012 ballot to develop and improve wastewater and drinking water infrastructure. A total of \$20.0 million would be allocated to the Clean Water Finance Agency for the Clean Water State Revolving Loan Fund (\$12.0 million) and the Drinking Water State Revolving Loan Fund (\$8.0 million). The funds provide support for wastewater and drinking water projects through low-interest, subsidized loans for local governments to finance eligible infrastructure projects.

The Clean Water State Revolving Fund (SRF)

This fund provides subsidized loans for municipalities to finance wastewater infrastructure projects. Projects eligible to receive financing from the Fund include capital improvements to water pollution control facilities, landfill closures, septic system repairs, and programs dedicated to estuary protection. Municipalities repay the loans over twenty years and receive an interest rate at least one-third below market. The Agency recycles the loan repayments into new loans.

The Fund is capitalized by federal Environmental Protection Agency (EPA) grants with the State providing a 20.0 percent match to the federal grant. Projects eligible for Clean Water SRF financing must meet EPA and Rhode Island Department of Environmental Management (RIDEM) requirements. As of FY2011, 28 communities and the Narragansett Bay Commission have received \$889.0 million in subsidized loans from the Fund, which has funded over 300 design and construction projects. Presently, RIDEM has identified in its FY2012 Project Priority List \$1.3 billion needed for wastewater infrastructure projects. The Clean Water Finance Agency estimates that it can provide \$98.0 million of financing through FY2014.

The cumulative federal EPA capitalization award prior to FY2012 for the Clean Water SRF totaled \$225.0 million. The Agency anticipates federal awards of \$10.8 million for FY2012 and \$9.0 million annually for FY2013 through FY2017.

To provide the 20.0 percent state match for the federal EPA award in FY2012, the Agency has budgeted approximately \$66,000 of issued and \$1.9 million of unissued bonds from the 1990 authorization, for a total of \$2.0 million. The Agency budgeted another \$2.0 million in FY2013 from unissued bonds from the 1990 authorization. The Agency is requesting a new general obligation bond referendum for \$12.0 million to provide the state match in future years. Clean Water SRF loans are also financed from Agency revenue bonds, with \$43.3 million issued in FY2011. The Agency anticipates issuing a total of \$121.6 million in revenue bonds in FY2012 through FY2016.

A significant source of funding for FY2010 was a grant of \$26.3 million under the American Recovery and Reinvestment Act (ARRA) disbursed as follows: \$7.9 million for program loans, \$5.3 million for green infrastructure projects, and \$13.2 million for project assistance subsidization. These funds provided a total of \$92.0 million in loans at a subsidized interest rate to 10 municipalities for sewer projects, and the Narragansett Bay Commission for its nutrient removal project. Projects financed with ARRA funds were not subject to state match requirements. Each borrower received 16.0 percent principal loan forgiveness. To be eligible for ARRA funding, all projects were required to be either under contract or under construction as of February 17, 2010. As of September 30, 2011, the agency has disbursed 100.0 percent of the Clean Water ARRA funding.

The Governor's recommends funding as requested.

The Drinking Water State Revolving Fund (SRF)

The Drinking Water State Revolving Fund (SRF) was established in 1996 when Congress enacted the Safe Water Act Amendments to finance public drinking water projects by authorizing EPA grants to capitalize state revolving funds. As required by the federal government, the fund targets small water suppliers serving populations less than 10,000 and disadvantaged systems where system improvements would significantly increase water rates paid by consumers. The Fund provides 20-year term subsidized loans (at least 25.0 percent below the market rate for borrowing) for eligible drinking water projects, including the planning, design, and construction of public drinking water supplies. The Agency charges a 3.0 percent interest rate to small borrowers on amounts up to \$300,000. In addition, 2.0 percent of the federal capitalization grant is available to the Agency for administrative expenses. (An additional 2.0 percent is available to the Department of Health.)

The Department of Health prioritizes projects for access to the fund based on health and financial criteria. The EPA capitalization grants and state match of 20.0 percent fund this program. As with the Clean Water SRF, the fund is perpetual because loan repayments from earlier borrowers, combined with earned interest income, become the source of funds for subsequent borrowers. To date, the Clean Water SRF has loaned over \$218.0 million to communities and water systems for drinking water projects.

The Department of Health's project priority list for this year identifies over \$312.0 million in project need; however, the Agency does not anticipate it will have to sell its revenue bonds to meet borrower requests during FY2012.

The Agency anticipates the federal award to be approximately \$11.2 million in FY2012 and \$6.6 million in FY2013, and each year thereafter. To provide the 20.0 percent state match of the federal award, the Agency has requested that the State issue \$8.0 million in bonds.

In early 2009, the Agency received a \$19.5 million capitalization grant from the EPA under ARRA distributed as follows: \$5.1 million in program loans, \$3.9 million in green infrastructure projects, and \$9.8 million as a 23.0 percent principal forgiveness to each borrower. The ARRA funds provided

approximately \$37.0 million in financing to 11 communities and water systems for various projects, including water main cleaning, pipe repairing, and the replacement of water meters and storage tanks. As of September 30, 2011, the Agency has expended \$18.8 million, or 96.4 percent, of the Drinking Water ARRA funding.

The Governor recommends funding as requested.

Rhode Island Water Pollution Control Revolving Fund (RIWPCRF)

The Rhode Island Water Pollution Control Revolving Fund (RIWPCRF) is a fund that accepts the state capital contribution and transfers the appropriate match amount to the Clean Water SRF and the Drinking Water SRF. The fund can make loans, issue bonds and receive interest earnings and other capital from both private and public sources (revenue bonds). The RIDEM must approve all projects financed from the fund; the EPA must receive notification of all loans.

The Agency uses this fund to provide loans for projects that do not meet the stringent requirements of the Clean Water SRF and the federal Clean Water Act. One such example is the Facility Plan Loan Program which allows the Agency to make low-interest loans available to municipalities to prepare, amend or update facility plan documents. Facility plan documents are a prerequisite to obtaining Clean Water SRF loans. Municipalities can receive loans up to \$150,000 at an interest rate of 1.0 percent, repaid over 3 years. To date, the Agency has made three loans totaling \$325,000 under this program.

Another program within the fund is the Rhode Island Zero Interest Loan Fund which, to date, has provided 58 zero interest loans totaling \$249.0 million. In July 2001, the Agency received the proceeds of the \$60.0 million Water Quality Management Bonds (WQMB) which were approved by the voters in the 2000 General Election. In 2002, the Agency loaned \$57.0 million of these bond proceeds to the Narragansett Bay Commission. The debt service payments from this loan support the Zero Interest Loan Fund. The Agency used the remaining \$3.0 million of the \$60.0 million of the WQMB proceeds to provide the state matching funds for the Drinking Water State Revolving Fund, to fund low interest loans to community water systems (both privately and publicly owned) for drinking water projects.

The Agency has also implemented the Sewer Tie-in Loan Fund to provide below market rate loans to homeowners to connect into the local sewer system and abandon their individual septic systems.

The Governor recommends funding as requested.

Rhode Island Resource Recovery Corporation

Project	Pre- FY2012	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017	Total
MRF Sys Enhancement - Single Stream	\$10.1	\$6.8	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$17.0
Phase 6 Construction	5.0	6.0	3.8	8.5	3.2	3.7	7.4	37.7
Leachate Facility	-	1.2	-	-	-	-	-	1.2
Total	\$15.1	\$14.1	\$3.8	\$8.5	\$3.2	\$3.7	\$7.4	\$55.9

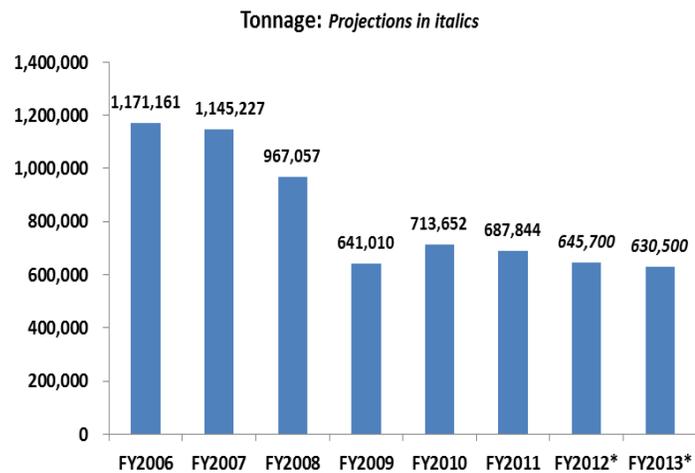
Funding by Source	Pre- FY2011	FY2011	FY2012	FY2013	FY2014	FY2015	FY2016	Total
RRC Operating Funds	\$15.1	\$14.1	\$3.8	\$8.5	\$3.2	\$3.7	\$7.4	\$55.9

\$ in millions. Totals may vary due to rounding

The Rhode Island Resource Recovery Corporation operates a statewide system of solid waste management which includes waste prevention programs, recycling programs, the disposal of household hazardous waste, and the Central Landfill in Johnston. The goal of the solid waste management system is twofold: minimize the amount of waste generated and deposited in the landfill, and maximize the amount of waste recycled and reused. Also located at the Johnston site is the Materials Recycling Facility (MRF), the construction and demolition waste processing facility, the Eco-Depot household hazardous waste collection center, the landfill gas power generation plants and the Corporation’s administrative offices.

The Central Landfill has undergone a series of phased expansions over the years. The Corporation has closed and capped Phases 1, 2, and 3, but continues post closure maintenance and monitoring in accordance with EPA requirements. Phase 4 is almost at capacity and is partially capped. The Corporation reached full capacity of Phase 4 in FY2011 and expects to complete capping in FY2013. Phase 5 is the current, primary operating phase that went into operation in 2005 and is expected to reach capacity in 2014. The Corporation has plans for future phased expansion.

The following chart shows the actual tonnage of materials received by the Corporation in FY2006 through FY2011 with projections for FY2012 and FY2013. While less material going in extends the life of the landfill, it also reduces cash flow to the Corporation.



In September of 2011, the Corporation experienced an increase in the number of odor complaints. Previously, the Corporation would receive 7 or 8 complaints a year. In September 2011, the Corporation received 9 complaints. In October the Corporation received 60 complaints, and in November more than 300. On December 14, 2011, the Town of Johnston filed a lawsuit against the Corporation and Broadrock Gas Services, the owner and operator of the gas collection system, requesting financial damages and accusing the defendants of maintaining a public nuisance, breach of contract and violations of town ordinances.

According to the Corporation, the gas is emanating from Phases IV and V, but the size of the open area isn't the primary reason for the odor. The contributing factors are:

- the size of the working face (open area);
- the composition of the daily cover;
- the excessive rain over the past 18 months;
- the gas wells were watered in beyond standard;
- the flare on the south face was removed for construction purposes and not replaced;
- not enough vertical wells to augment the horizontal wells;

Each of these factors were contributing at the same time over the past two years, marching us towards critical mass in mid-October.

The Corporation has implemented a three-pronged mitigation plan to address the problem:

- Install 15 more vertical gas extraction wells, in addition to the 27 wells recently installed;
- Install a de-watering system to remove water from the landfill that interferes with proper gas extraction; and
- Cover the Phase V area with an additional 8-12 inches of soil and make the working area smaller.

In addition, DEM has order the Corporation to take additional measures including, but not limited to the following:

- Application of additional and enhanced cover material including a Posi-Shell to provide an effective barrier to the migration of gases and clear visual indicators of areas of high hydrogen sulfide concentration;
- Suspension of approvals for the use of construction and demolition debris as cover material;
- Installation of additional gas collection wells; and/or
- Installation of additional flares.

While odor complaints have been substantially reduced, the mitigation efforts continue. The Corporation has been using operating funds to cover the costs; however, the total cost of the mitigation efforts is yet to be determined, as is the outcome of the lawsuit filed by Johnston.

Beginning with the FY2013 Capital Budget, the Corporation includes only those capital or asset protection projects that meet the criteria outlined in the *Capital Budget Instructions Manual*. Consequently, the capital budget plan does not include all anticipated capital outlays of the Corporation, and the number of projects included in the current request is reduced to three from the eleven that were in the previous request. In order to provide continuity during this transition, those projects not included in the request will be discussed in a separate section of this summary.

MRF System Enhancement & Maintenance

The Materials Recycling Facility (MRF) processes 95,000 tons of residential and commercial recyclables per year. Currently, the Corporation only accepts plastic resins labeled 1 and 2, and processes approximately 4,800 tons of these recyclables per year. Over the next several months, the Corporation will finish retrofitting the MRF with new equipment allowing the processing of a minimum of 375.0 tons of incoming recyclables per year including plastic resins labeled 3 through 7. This project will be completed and the MRF online by April 2012.

The Corporation anticipates a total cost of \$17.0 million to retool the MRF, with \$10.1 million spent prior to FY2012 and \$6.8 million budgeted in FY2012, mostly for heavy equipment. The Corporation's operating funds finance the retrofit and on-going equipment replacement.

The Governor recommends funding as requested.

Phase 6 Construction

Phase 6 is the eastern expansion of the Central Landfill and is expected to provide space for solid waste disposal through 2031. The Corporation plans to spend a total of \$43.5 million from Corporation operating funds to permit, design and construct an additional series of landfill cells that must be operational before Phase 5 reaches capacity. The Corporation anticipates that the first cell of Phase 6 will be operational by 2014, the year in which Phase 5 is slated to close. The project includes \$17.0 million to demolish and relocate existing RIRRC facilities that are in the path of the expansion. The facilities include the administration building, garage and scale houses. A total of \$5.0 million has been spent in pre-FY2012 for architectural and engineering services and construction. Approximately \$6.0 million has been budgeted for FY2012 and \$3.8 million for FY2013 for this project.

The Governor recommends funding as requested.

Leachate Facility

Leachate is polluted and toxic liquid generated from rainfall and decomposing waste that must be drained from the landfill and pre-treated. The Corporation is in the preliminary stages of planning and designing a new leachate facility to treat nitrogen to comply with standards as established by the Narragansett Bay Commission and the Rhode Island Department of Environmental Management (RIDEM). The Corporation is currently awaiting final determination of nitrogen treatment parameters so that the new treatment facility can be properly designed and constructed to ensure compliance with all applicable requirements. The current request for \$1.2 million in Corporation operating funds in FY2012 is the estimated cost of the feasibility analysis and preliminary design work. The Corporation estimates the construction costs for the new facility will be between \$35.0 million to \$40.0 million and is slated for completion in FY2014 and requests authorization to issue debt for costs related to the design and construction of a leachate pretreatment facility as well as capitalized interest, debt service and costs of issuance.

The Governor recommends funding as requested and provides authorization through Article 7.

Other Capital Outlays

Landfill Operations, Equipment, Vehicle

The Corporation periodically purchases and/or replaces heavy equipment, machinery and off-road trucks needed to operate the landfill which receives, on average, 2,500 tons of solid waste a day. The Corporation will continue to replace equipment on a yearly basis. The Corporation has budgeted \$1.0 million in FY2012 and \$1.0 million in FY2013. The Corporation's operating funds finance this on-going project.

Landfill Gas Collection System

The Corporation continues to maintain, expand and monitor the landfill gas collection system, which is required by federal and state regulations for the continued operation of the landfill. Prior to FY2011, the Corporation spent \$31.9 million in operating funds for construction on the system. The Corporation has

not budgeted any funds for this project in FY2012 or FY2013 due to the transfer of the system to Broadrock Gas Services (Broadrock) on December 29, 2010.

The Corporation has entered into an agreement with Broadrock, the terms of which transfer the cost of constructing, operating, and maintaining the gas collection system to Broadrock upon its methane facility becoming operational. Completion of the expansion and upgrade of the system is projected for January 1, 2013. This agreement also required the Corporation to make certain interim gas system improvements in FY2011, which totaled \$4.5 million. Broadrock has agreed to pay an additional \$1.3 million for sewer infrastructure to connect the Methane Gas Facility with the Field's Point Waste Water Treatment Facility. Broadrock has agreed to construct the hydrogen sulfide removal system and the methane flare estimated to cost a total of \$8.6 million.

The Corporation has not budgeted any resources for this project in FY2012 and onward due to the transfer of the system to Broadrock on December 29, 2010; however, recent problems with odor have resulted in some unanticipated changes to the gas collection system. In order to mitigate the odor cause by the escape of gases from the landfill, the Corporation has spent over \$3.0 million for additional wells, flares, and other measures to increase the efficiency of the gas collection system. The Corporation will continue to incur unknown additional costs going forward.

Phase 5 Construction and Closure

The Central Landfill is currently operating under Phase 5 which was implemented in 2005 and is anticipated to provide solid waste disposal through 2014. Phase 5 covers approximately 32 acres and is situated in piggy-back formation over Phases 1 and 4. The Corporation spent \$21.3 million from Corporation operating funds pre-FY2012 to construct the Phase 5 baseliner. The Corporation has budgeted \$100,000 for this project in FY2012 with no expenditures projected for FY2013. The Corporation estimates a total project cost of \$54.7 million.

Compost Facility

The Corporation's yard waste composting facility processes 35,000 tons of yard waste annually. The yard waste is shredded and allowed to decompose, resulting in a valuable soil additive. The compost product is screened before being used on site for landfill operations or distributed to municipalities. Municipalities that deliver their leaf and yard waste to the Corporation receive the compost at no charge. The Corporation spent \$1.5 million on vehicles and heavy equipment prior to FY2012 and anticipates similar purchases of \$300,000 in FY2013 and \$800,000 in FY2013.

Management Information System

The Corporation continues to upgrade and maintain its management information infrastructure which includes servers, desktop computers, network equipment, truck scales, software and other items necessary to support technology needs for accounting, scale house and administrative operations. The Corporation anticipates total expenditures of \$54,000 in FY2012 for computer software and equipment. In the next three years, the Corporation anticipates spending \$100,000 on similar purchases. This on-going project is financed with Corporation operating funds.

Narragansett Bay Commission

Funding by Project	Pre-FY2012	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017	Total
Phase II CSO Design	\$15.4	\$4.4	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$19.8
Phase II CSO Program Mgmt & Construction Mgmt	1.5	4.8	4.8	4.8	3.2	11.2	-	30.3
Phase II CSO Facilities - OF 106	-	1.6	4.3	3.8	0.4	-	-	10.2
Phase II CSO Facilities - WCSOI	-	9.4	30.9	31.3	39.7	5.0	-	116.3
Phase II CSO Facilities - SCSOI - Main	-	0.0	17.4	21.8	28.6	2.8	2.9	73.6
Phase II CSO Facilities - OF 027	0.0	4.7	5.2	1.0	0.4	-	-	11.4
Phase II CSO Facilities - OF 037	0.0	14.8	12.8	20.4	6.9	-	-	54.9
Phase II CSO Facilities - Woonasquatucket	0.0	14.8	26.6	1.8	-	-	-	43.2
Phase II CSO Facilities - SCSOI - Regulator	-	0.7	1.8	0.0	-	-	-	2.5
Phase II CSO Facilities - Woonasquatucket Site Demolition	-	0.6	0.0	-	-	-	-	0.7
Phase III CSO Facilities	-	-	-	-	-	12.2	16.5	28.7
Field's Point WWTF Nitrogen Removal Facilities	43.4	19.2	5.3	10.3	0.4	-	-	78.6
Bucklin Point WWTF Nitrogen Removal Facilities	2.8	8.0	15.0	15.0	13.0	2.3	-	56.1
Repair & Construction of CSO Interceptors	-	0.2	-	-	1.4	1.5	1.5	4.6
Inspection & Cleaning of CSO Interceptors	-	0.5	0.5	0.5	0.5	0.5	0.5	3.0
Flotables Control Facilities	0.7	1.3	1.3	0.1	-	-	-	3.4
NBC Fire Code Compliance	0.0	0.1	-	-	-	-	-	0.1
Field's Point WWTF Wind Turbines	3.0	10.6	1.3	0.1	-	-	-	14.9
Bucklin Point WWTF Biogas Reuse	0.2	0.3	1.9	0.4	-	-	-	2.8
Regulatory Compliance Building	1.6	1.4	5.9	11.6	0.8	-	-	21.3
Improvement to NBC Interceptors FY2010	0.5	0.2	-	-	-	-	-	0.7
Branch Avenue Interceptor Improvement	0.8	1.0	0.2	-	-	-	-	1.9
Lincoln Septage Station - Lakeside Unit Replacement	0.4	0.2	-	-	-	-	-	0.6
Omega Pump Station Rack Room Construction	0.1	0.1	-	-	-	-	-	0.1
Interceptor Easements - Abbott Valley, Cumberland	0.5	0.2	0.5	0.1	-	-	-	1.4
Interceptor Easements - Blackstone Valley	0.1	0.5	0.6	0.1	-	-	-	1.4
NBC Interceptor Easements	-	0.3	1.0	1.7	1.6	0.8	-	5.4
NBC System-wide Facilities Planning	-	0.0	0.6	0.2	0.6	-	-	1.4
Site Specific Study	0.2	-	0.2	-	-	-	-	0.5
River Model Development	0.2	0.1	-	-	-	-	-	0.4
Hydraulic Systems Modeling - Design	0.0	0.1	0.2	-	-	-	-	0.3
New IM Facilities	-	-	0.0	0.6	5.0	1.0	0.1	6.6
Replace/Rehabilitate Moshassuck Valley Interceptor	-	0.2	0.4	2.0	0.1	-	-	2.7
Louisquisset Pike Interceptor Replacement	-	-	1.6	0.8	-	-	-	2.4
Total	\$71.4	\$100.5	\$140.4	\$128.6	\$102.5	\$37.4	\$21.4	\$602.1
Funding by Source	Pre-FY2012	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017	Total
Other Funds	\$71.4	\$100.5	\$140.4	\$128.6	\$102.5	\$37.4	\$21.4	\$602.1
Total	\$71.4	\$100.5	\$140.4	\$128.6	\$102.5	\$37.4	\$21.4	\$602.1

\$ in millions. Totals may vary due to rounding.

The Narragansett Bay Commission (NBC) is a public corporation of the State of Rhode Island created in 1980 and charged with correcting and minimizing pollution discharge into the Upper Bay. The NBC is authorized to acquire, operate and improve the Providence wastewater collection and treatment facilities. On January 1, 1992, the former Blackstone Valley District Commission (BVDC) was merged into the

NBC, expanding the service area to include the cities of Pawtucket, Central Falls, and parts of the towns of Cumberland, Lincoln, Smithfield and the City of East Providence.

The merger consolidated the service areas of the two largest wastewater treatment facilities in Rhode Island. The Field’s Point plant serves NBC’s original district and provides secondary treatment for average dry weather flows of up to 65.0 million gallons per day (MGD). The Bucklin Point facility serves the area formerly served by the BVDC and treats average dry weather flows of 23.0 MGD. These two treatment plants serve ten Rhode Island communities and include approximately one-third of the State’s population. The NBC also owns, operates and maintains an extensive infrastructure of interceptors, pump stations, tide-gates and combined sewer overflows.

The NBC is governed by a 19-member Board of Commissioners (Board) and is regulated by the Rhode Island Public Utilities Commission (PUC). Any changes to sewer user charges must be approved by both the Board and the PUC. User charges support NBC’s existing debt and future debt, as well as its operating and maintenance costs.

Commercial and Industrial Sewer Rates

Meter Size	Consumption charge
5/8"	\$402
3/4"	600
1"	999
1 1/2"	2,004
2"	3,201
3"	5,997
4"	9,994
6"	19,996
8"	31,993
10"	45,991

Source: Narragansett Bay Commission

NBC’s sewer user charges are comprised of two components: an annual customer charge and a consumption charge. As of July 1, 2011, the customer charge for residential users is \$168.21 per year; industrial and commercial users pay a customer charge based on meter size (see table). The consumption charge is calculated per 100 cubic feet (hcf) of water used: residential users pay \$2.714/hcf, industrial users pay \$2.531/hcf, and commercial users pay \$3.936/hcf.

The current Capital Improvement Plan focuses on three main projects: the design and construction of Phase II of the Combined Sewer Overflow (CSO) Facilities (\$362.9 million), the construction of nitrogen removal facilities at the Field’s Point wastewater treatment plant (\$78.6 million), and the construction of nitrogen removal facilities at the Bucklin Point wastewater treatment plant (\$56.1 million). Overall, the plan identifies 38 sub-projects totaling approximately \$530.7 million in various stages of planning and construction during FY2012 through FY2017.

The Governor recommends funding as requested.

Phase II CSO

This project is the second of three phases of the federally mandated Combined Sewer Overflow (CSO) Abatement Program required as part of the Consent Agreement between the NBC and the Rhode Island Department of Environmental Management (RIDEM) to address approximately 64 combined sewer overflows that have contributed to the degradation of the Narragansett Bay. During periods of heavy rain, the increased flow through the combined sections of NBC’s collection system can exceed the capacity of the system, resulting in untreated wastewater and storm water entering rivers and Narragansett Bay.

Phase I involved 12 separate projects and included the construction of one tunnel, one pump station, seven drop shafts, gate and screening structures and a screening building. Since the Phase I Facilities became operational in November 2008, over 3.87 billion gallons of flow were collected in the tunnel and subsequently treated at the Fields Point wastewater treatment facility.

Phase II consists of 13 construction projects, including the construction of two interceptors in the Field’s Point service area to convey flows from combined sewer overflows in Providence along the Seekonk and Woonasquatucket Rivers to the Main Spine Tunnel constructed in Phase I. The proposed length of the Woonasquatucket Interceptor is approximately 19,900 feet. The proposed length of the Seekonk CSO

Interceptor is 8,000 feet. This phase also includes two sewer separation projects in Providence which will separate the sanitary flow from the storm water flow. A wetlands treatment facility in Central Falls will also be constructed.

The design of the CSO Phase II facilities is complete and cost a total of \$19.8 million, with \$4.4 million budgeted in FY2012. The total estimated cost of the design and construction for the thirteen projects of the Phase II CSO through FY2017 is \$362.9 million. Requested expenditures include \$56.0 million in FY2012 and \$103.9 million in FY2013. All related debt service for the Phase II CSO project is funded by NBC user charges.

CSO Phase III Facilities

The CSO Phase III Facilities are the third and final phase of the mandated CSO Abatement Program required as part of the Consent Agreement between the NBC and the Rhode Island Department of Environmental Management (RIDEM). This phase includes the construction of a 13,000 foot tunnel in Pawtucket along the Seekonk and Blackstone Rivers which will store flows from three CSO interceptors totaling 14,500 feet and two sewer separation projects. Flows from this tunnel will connect to the Bucklin Point Waste Water Treatment Facility for treatment. This project is scheduled to begin in FY2016, with \$12.2 million budgeted for design costs in that year. The total estimated cost for Phase III CSO Facilities is \$603.0 million.

Field's and Bucklin Point Nitrogen Removal Facilities

NBC is required to attain a total seasonal nitrogen limit of 5 mg/l from May to October at both the Field's Point and Bucklin Point Wastewater Treatment Facilities. The total estimated cost for the nitrogen removal facilities and related upgrades at the Field's Point Wastewater Treatment Facility is \$78.6 million. The project is slated for completion in FY2015.

NBC completed the design for the new and upgraded facilities at Bucklin Point and submitted the final design plans and specifications to the RIDEM on December 22, 2010. The Board anticipates spending a total of \$56.1 million for the planning, design and construction of this project, which is \$14.4 million more than in the FY2012 Capital Plan. The current cost estimate is based upon the completion of final design and the project is projected to be completed in FY2016.

Inspection, Repair and Construction of Interceptors

Interceptor repair and construction projects result from NBC's inspection and cleaning of sewer pipes and emergency situations. This project funds any necessary repairs and construction to restore carrying capacity of the NBC sewers and reduce CSO discharge volumes. The total estimated project cost is \$4.6 million through FY2017. As inspections continue, specific interceptor repair and construction projects will be identified.

Fire Code Compliance

This project is for necessary improvements to correct fire code deficiencies at several NBC-owned facilities as identified in recent inspections by the State Fire Marshal. This project will began in FY2011 and is scheduled for completion in FY2012 with a total project cost of \$93,000.

Other Projects

For FY2012 through FY2017, the Board proposes additional spending for major projects as follows: \$14.9 million for the Field's Point Wastewater Treatment Facility wind turbines; \$1.4 million for NBC system-wide facilities planning to determine if adequate capacity exists in the interceptors for the next 20 years; and \$2.8 million for Biogas Reuse at the Bucklin Point Wastewater Treatment Facility which will convert biogas into electricity. This latter project is in the design phase.

Department of Transportation

Funding by Project	Pre-FY2012	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017	Total
Highway Improvement Program	\$347.9	\$320.5	\$374.5	\$329.1	\$269.7	\$290.7	\$297.4	\$2,229.8
I-195 Relocation	344.1	37.4	25.7	17.3	1.9	0.3	-	426.8
Quonset Access Road - Rt. 403	112.2	0.9	1.5	-	-	-	-	114.5
Sakonnet River Bridge	119.7	10.7	12.0	-	-	-	-	142.4
Washington Bridge Repairs	47.6	-	2.8	7.7	8.2	3.3	-	69.6
Freight Rail Improvement Project (Third Track)	154.5	-	1.1	-	-	-	-	155.6
Pawtucket-Central Falls Train Station Study	0.7	0.3	0.6	0.6	0.8	0.5	-	3.4
Train Station Maintenance And Repairs	-	-	-	0.3	0.4	0.5	0.8	2.0
Fixed Guideway (Commuter Rail)	63.0	37.8	13.8	14.5	13.9	13.9	6.7	163.6
Salt Storage Facilities	5.8	1.7	2.0	2.0	2.0	2.0	2.0	17.5
East Providence Facility Relocation	4.6	0.3	-	-	-	-	-	4.9
Cherry Hill/Lincoln Facility	2.8	0.5	0.8	-	-	-	-	4.1
Portsmouth Facility	0.2	1.1	2.2	2.0	-	-	-	5.5
Maintenance Facility Improvements	0.5	0.9	0.4	0.4	0.4	0.5	0.5	3.6
Maintenance Facilities Fire Alarms	-	0.2	0.3	-	-	-	-	0.5
Maintenance - Capital Equipment Replacement	21.4	-	5.5	5.0	5.0	5.0	5.0	46.9
Cooperative Maintenance Facility - DOT/RIPTA	-	-	-	-	-	-	1.5	1.5
Total	\$1,224.9	\$412.3	\$443.2	\$378.9	\$302.2	\$316.6	\$313.9	\$3,392.0

Funding by Source	Pre-FY2012	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017	Total
RICAP Funds	\$5.6	\$2.9	\$4.9	\$24.7	\$22.8	\$23.0	\$24.8	\$108.7
Federal Highway Administration	103.1	220.6	271.7	237.7	179.4	195.1	201.6	1,409.1
Federal Highway Funds - Debt Service	48.4	48.4	48.4	48.4	48.4	52.6	52.8	347.4
Federal Railroad Administration	54.9	1.0	6.0	7.4	7.4	7.4	-	84.1
Federal Stimulus Funding	128.6	10.0	2.9	-	-	-	-	141.5
Federal Transit Administration	48.0	31.2	7.6	3.4	2.4	2.0	1.7	96.3
G.O. New Referenda	-	-	-	14.0	6.0	-	-	20.0
Garvee Bonds	521.6	39.0	18.6	7.7	8.2	3.3	-	598.4
Garvee Residual Earnings	45.3	4.6	-	-	-	-	-	50.0
General Revenue	3.0	-	-	-	-	-	-	3.0
Land Sale Revenue	1.3	2.0	22.5	19.3	3.9	2.3	2.0	53.3
Local Funds	0.1	0.0	0.1	0.1	0.2	0.1	-	0.5
Massachusetts Bay Transit Authority	6.3	1.2	0.1	0.1	0.1	0.1	0.1	7.8
Motor Fuel Residuals	-	3.0	4.1	-	-	-	-	7.1
Motor Fuel Tax Revenue Bonds	103.3	2.3	-	-	-	-	-	105.6
Other Funds	-	-	-	3.5	4.7	4.8	5.0	17.9
General Obligation Bonds	134.0	46.0	50.9	0.6	-	-	-	231.5
State Revolving Fund	21.4	-	5.5	5.0	5.0	5.0	5.0	46.9
Vehicle Registration Fees	-	-	-	7.0	14.0	21.0	21.0	63.0
Total	\$1,224.9	\$412.3	\$443.2	\$378.9	\$302.2	\$316.6	\$313.9	\$3,392.0

Highway Improvement Program

The Highway Improvement Program (HIP) includes federally-funded Highway and Intermodal projects, administered by the Federal Highway Works Administration (FHWA) and Highway transportation infrastructure projects funded by state funds (gas tax and bonds). The HIP helps to implement DOT's Capital Program as identified in the State's Transportation Improvement Program (TIP), a program monitored and adopted by the State Planning Council. In 2008, the TIP became a four-year plan: previously, the FHWA had required state TIPs to be approved in two-year increments. The current TIP (2009-2012) emphasizes maintaining Rhode Island's existing transportation infrastructure.

The State spends an average of \$275.0 million in capital funds on the TIP, including \$40.0 million in General Obligation bond funds, \$35.0 million in federal funding earmarked for specific projects; and \$200.0 million in federal matching funds for a wide range of projects. The inclusion of American Recovery and Reinvestment Act of 2009 (ARRA) funding added a total of \$137.1 million over the four years of the TIP. The following table shows the TIP by category, as approved by the State Planning Council and amended for ARRA funds, from FY2009 through FY2012.

The State Planning Council will approve a four-year TIP (FY2013-FY2016) in July 2012.

Project Category	FY2009	FY2010	FY2011	FY2012	Total
Major Projects	\$91.4	\$98.3	\$71.9	\$64.7	\$326.2
Bridge	56.1	101.5	67.1	65.3	289.9
Pavement Management	64.5	23.6	49.5	28.4	166.1
Traffic Safety	28.8	17.3	30.0	30.0	106.1
Interstate	24.8	6.1	15.5	31.5	77.9
Administrative	20.8	22.7	11.1	11.1	65.7
Highway	22.5	14.7	12.9	14.6	64.6
Bicycle/Pedestrian/CMAQ	10.4	7.1	15.6	11.7	44.8
Enhancement/Planning/Study	12.7	9.5	11.0	10.8	44.0
Rail - Transit	14.7	23.8	6.2	8.9	53.6
Total	\$346.6	\$324.7	\$290.7	\$277.0	\$1,238.9

\$ in millions. Totals may vary due to rounding.

The Governor recommends \$1,924.7 million from all funds for FY2012 through FY2017. This includes \$1,409.1 million in Federal Highway Administration (FHA) funds and \$137.0 million in ARRA funds, as well as \$13.3 million in land sales from the I-195 relocation project, \$20.0 million in new general obligation bonds, \$80.0 million in Rhode Island Capital Plan funding, and \$63.0 million in vehicle registration fees.

The FY2012 Budget as Enacted included Article 22, which creates the Rhode Island Highway Maintenance Trust Fund within the General Fund. The article increases driver's license fees and registration fees for all vehicles, phased-in over a 3-year period, beginning in FY2014, and deposits the revenues from the increases into the Trust Fund. Two-year registrations and driver's licenses are each increased by \$30 (\$10 per year for three years), while one-year registrations are increased by \$15 (\$5 per year for three years).

In addition to the fee increases, RICAP funding is used to supplement the revenue generated by the new fees so that bond borrowing to match federal highway funding would be eliminated by FY2016. It was estimated at the time of enactment that one more bond issuance of \$19.0 million would be required in 2014.

Source	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017	FY2018
Increase Two-Year Registrations by \$30	-	-	\$3.9	\$7.8	\$11.7	\$11.7	\$11.7
Increase One-Year Registrations by \$15	-	-	1.6	3.2	4.8	4.8	4.8
Increase License Fees by \$30	-	-	1.5	3.0	4.5	4.5	4.5
RICAP	-	-	20.0	20.0	20.0	20.0	20.0
Total Additional Revenue	-	-	\$27.0	\$34.0	\$41.0	\$41.0	\$41.0
Balance Required From Bonds	40.0	40.0	13.0	6.0	-	-	-
Total Balance Remaining	-	-	-	-	\$1.0	\$1.0	\$1.0

\$ in millions. Totals may vary due to rounding.

Article 25 of the Governor's FY2013 Budget proposal accelerates implementation of the enacted surcharges. The article requires the full fees beginning January 1, 2013. As indicated in the following table, in FY2013 all surcharge revenues collected would be deposited in the Department of Transportation's Intermodal Surface Transportation Fund (ISTF) for operating expenditures. Beginning in FY2014, a three-year shift of the surcharge revenues from the ISTF to the Rhode Island Highway Maintenance Trust Fund would occur.

Intermodal Surface Transportation Fund	FY2013	FY2014	FY2015	FY2016	FY2017
Increase Biennial Registration Fees by \$30 (1/1/2013)	\$8.9	\$9.0	\$4.5	\$0.0	\$0.0
Increase Annual Registration Fees by \$15 (1/1/2013)	1.8	1.9	0.9	0.0	0.0
Increase Driver License Fees by \$30 (1/1/2013)	2.9	3.0	1.5	0.0	0.0
Intermodal Surface Transportation Fund	\$13.6	\$13.9	\$6.9	\$0.0	\$0.0

RI Highway Maintenance Trust Fund	FY2013	FY2014	FY2015	FY2016	FY2017
Phase-In \$30 Increase in Biennial Registration Fees		\$4.5	\$9.0	\$13.5	\$13.5
Phase-In \$15 Increase in Annual Registration Fees		0.9	1.9	2.8	2.8
Phase-In Increase in Driver License Fees		1.5	3.0	4.5	4.5
RI Highway Maintenance Trust Fund		\$6.9	\$13.9	\$20.8	\$20.8

\$ in Millions

The Governor's FY2013 budget decreases the debt service payment on federal matching highway bond funds by refinancing the existing debt, saving \$10.9 million in FY2013. In addition, the Governor proposes moving debt service payments to general revenue funding in the Department of Administration (DOA), in \$10.0 million increments, beginning in FY2014, until all debt service payments for DOT are paid by DOA. These payments are estimated to increase, reaching a high of \$45.4 million in FY2021, before phasing out as the payments on the matching general obligation bonds extinguishes.

Major Projects

In 2008, the Department was forced to place a weight and axle limit on the Pawtucket River Bridge (Bridge 550) on Route 95 in Pawtucket. Vehicles are restricted to a maximum of 18 tons (36,000 pounds) and no more than two axles per unit. These restrictions have resulted in an estimated \$2.2 million in additional revenue annually through fines levied on violators. The restrictions have also diverted truck traffic to Pawtucket city streets and alternate routes, while increasing the cost of intrastate and interstate shipping for some companies.

In 2009, the TIP was amended to include an estimate of \$55.0 million to reconstruct Bridge 550, but in August of 2010, when bids were opened, costs for the project were reduced by \$18.0 million. Portions of the bridge are expected to open to traffic by late spring 2012. This section of the bridge will temporarily carry traffic for I-95 North, and will allow RIDOT to lift the 18-ton weight limit for northbound truck traffic. By the end of 2012, RIDOT anticipates shifting all traffic to the new structures and eliminating the current 18-ton weight restriction for northbound and southbound traffic on I-95. The entire project is scheduled to conclude in mid-2013.

DOT was unsuccessful in securing a Transportation Discretionary Grant through ARRA - a Transportation Investment Generating Economic Recovery (TIGER) grant, to be used for the Providence Viaduct Project, the long elevated structure that carries Route 95 through downtown Providence, across the railroad tracks, and alongside the Providence Place Mall. The I-95 Viaduct is deteriorating at a faster rate than originally anticipated and now requires bi-monthly inspections as a condition of remaining open to traffic. The project will consist of replacing the current structure, which was built in 1964. Total project cost would be \$80.0 million, with anticipated completion within three years. This project is now included in the TIP for design in 2011 and 2012, with future inclusion in the next TIP at \$20.0 million per year for four years.

Analyst's Note: The Director of the U.S. Department of Transportation visited the State on March 1, 2012, inspected the Viaduct, and advised the Department to reapply for TIGER grant funding for this project.

Within the Major Projects Category, there are five projects that are funded through a financing mechanism known as GARVEE (Grant Anticipation Revenue Vehicle). The five projects and their funding status are explained in more detail in the following section.

In 2004, the DOT obtained permission to use the federally-endorsed financing method known as a GARVEE, which allows States to borrow against future federal funds in order to construct major projects quickly to avoid increased costs and further deterioration. In Article 36 of the FY2004 Budget as Enacted, the General Assembly passed a Public Corporation Debt Management Joint Resolution to authorize the issuance of bonds to complete the following five (5) major transportation infrastructure projects.

Project	Total Cost	GARVEE Funding	Other Funding	GARVEE funding projected through
				FY2012
Route 195 Relocation (the I-Way)	\$623.6	\$386.8	\$236.8	\$381.5
Phase II, Route 403	197.8	114.5	83.2	113.0
New Sakonnet River Bridge	231.3	142.4	88.9	130.3
New Washington Bridge	69.6	69.6	0.0	47.6
Freight Rail Improvement Project (FRIP)	241.8	47.6	194.2	46.6
Total	\$1,364.1	\$760.9	\$603.1	\$719.0

\$ in millions. Totals may vary due to rounding.

- **I-195 Relocation:** The Department includes \$360.2 million in GARVEE bond funding through FY2013 to complete this project, which involves relocating a 1.6 mile stretch of Interstate 195 (I-195) and a 0.8 mile segment of Interstate 95 (I-95). The project has relocated the highway spans to the south of the Hurricane Barrier, and will create more than 20 acres of developable land along the Providence waterfront. This project has entered its final phases (Phases 8-12), which include landscaping, surface road relocation, demolition of old portions of the highway, construction of a pedestrian bridge and park amenities, and two additional ramps. To date, \$355.0 has been expended through FY2012, and \$5.2 million in GARVEE funds, along with \$20.5 million in land sale revenue is requested in FY2013. Construction is expected to be completed in 2013.
- **Quonset Access Road – Route 403:** The Department includes \$110.4 million in GARVEE bond funding through FY2013 to complete this project, which involves constructing a new freeway segment from Route 4 in East Greenwich to the Quonset Industrial Park. The freeway segment is 4.5 miles long and has four lanes. Stage I of the project was funded by Federal Highway allocations and focused on construction in and adjacent to the roadways of Quonset and West Davisville, while Phase II, which is funded through GARVEE and Motor Fuel bonds, connects Phase I with Route 4 in East Greenwich. To date, all \$110.4 million in GARVEE funding has been used.
- **Sakonnet River Bridge:** The Department includes \$120.8 million in GARVEE bond funding through FY2012 to construct this project, which will replace the existing Sakonnet River Bridge, built in 1956. The Sakonnet River Bridge has had weight restrictions placed on truck and trailer traffic, and has deteriorated rapidly across the center span. A new bridge is under construction adjacent to the existing structure. To date, \$115.0 million in GARVEE funding has been used. The Governor's FY2013 recommendation includes \$9.6 million in GARVEE funds for FY2013. These funds are requested to be transferred to this project from funds remaining from the Washington Bridge project. The below the waterline portion of the project has been completed, and the bridge is scheduled for completion in FY2013.

Analyst's Note: Article 20 of the Governor's FY2013 budget proposal would transfer the Sakonnet River Bridge and the Jamestown Verrazzano Bridge from the Department of Transportation (DOT) to the Rhode Island Turnpike and Bridge Authority (RITBA). This article permits the Authority to consider establishing and collecting tolls on the Sakonnet River Bridge. However, construction of the new bridge is being funded through the Federal Highway Administration (FHWA); and therefore, before the Authority could impose a toll, the State would need to undertake an Environmental Review Process acceptable to the FHWA.

If a toll is deemed appropriate for the Authority's operating and maintenance program, the first call on the toll revenue would be to operate and maintain the new Sakonnet River Bridge, with any

remaining funds used to fund the 10-year RITBA Capital Improvement Plan for the Pell Bridge and the Mt. Hope Bridge, as well as the Jamestown Bridge. Any toll revenue remaining would be deposited into a newly-established East Bay Infrastructure Fund to support road and bridge projects in Newport and Bristol Counties (the East Bay). These projects would also be eligible for federal funds.

- **Washington Bridge Repairs:** The Department includes \$69.6 million in GARVEE bond funding through FY2016 for the completion of this project, which involves the construction of a new eastbound span, to replace the existing span, which was constructed in 1928. The westbound span was reconstructed in 1970. To date, \$47.6 million in GARVEE funding has been used. Additional construction will occur in conjunction with the I-195 relocation through FY2016.
- **Freight Rail Improvement Project (Third Track):** The Department includes \$39.1 million in GARVEE bond funding through FY2013 for the rehabilitation or construction of over 22 miles of track, between Central Falls and West Davisville, in order to allow for an expanded role of freight rail in commercial and industrial development in Rhode Island. The total cost of the project is \$241.8 million. To date, \$38.2 million in GARVEE funding has been used. The only remaining work to be completed includes environmental remediation along several sections of track, programmed at \$1.1 million in FY2013.

Article 7 of the Governor's FY2013 Budget amends the original GARVEE approval to allow \$9.6 million of the GARVEE bond authorization approved for the Washington Bridge project to be applied to the Sakonnet River Bridge project. The total GARVEE borrowing would remain unchanged, but \$9.6 million would shift between projects.

American Recovery and Reinvestment Act (ARRA) Funding

ARRA funding provided Rhode Island with \$137.1 million in highway project funding through the Highway Infrastructure Improvement (HII) fund, administered by the Federal Highway Works Administration (FHWA).

Initially, 54 projects were funded. By April 2, 2010, all of the original 54 projects were either active or out to bid. Because the projects already awarded were bid below cost, the Department was able to dedicate the savings of \$12.4 million in ARRA funds to twelve additional projects from the approved Transportation Improvement Program (TIP).

As of March 1, 2012, all 66 projects are either under construction or at substantial completion. The FHWA has established a much less restrictive deadline for use of ARRA funds than other federal cabinet agencies, so that DOT expects to complete the last project funded through ARRA dollars in the spring of 2013, and the Governor includes \$2.9 million in ARRA funding in FY2013.

Project Category	Funding
Resurfacing	\$62.0
Bridge Rehabilitation	13.1
Signing Improvements	10.9
Bridge Preventative Maintenance	9.4
Sidewalk Improvements	6.6
Interstate	6.0
Highway Reconstruction	5.3
Traffic Signal Improvements	5.0
Highway Striping	4.7
Pavement Management	4.1
Enhancements	3.8
Environmental Preventative Maintenance	2.9
Drainage Improvements	1.7
Guardrail Repairs	1.2
Traffic Monitoring/Required Reporting	1.1
Traffic Monitoring/Congestion Relief	0.5
Traffic Safety Program	0.2
Total	\$138.5

\$ in millions. Totals may vary due to rounding.

Analyst's Note: The table indicates programming of \$138.5 million instead of the \$137.1 million awarded, but FHWA practice is to overprogram certain categories in anticipation of projects that may not be completed on time.

Pawtucket-Central Falls Train Station Study

This project was first funded in FY2005 to study the feasibility of establishing commuter rail service to Pawtucket and/or Central Falls. The focus has been on the historical Pawtucket Train Station, a location for commuter rail service supported by the mayors of both Pawtucket and Central Falls, in cooperation with private developers and public, non-profit organizations. Studies completed to date have looked at establishing a Transit-Oriented Development (TOD) district in conjunction with the redevelopment of the station itself. The FTA has provided an allocation of \$2.0 million to move the project forward through the environmental assessment stage. The Department requests \$3.4 million in total project costs, including \$2.7 million from FY2012 through FY2016, for this project. DOT requests RICAP funds \$40,267 in RICAP funding, which will be matched by local funding (\$9,733) and FTA funding (\$200,000) to complete initial assessment work in FY2012, and \$480,000 in FTA funds and \$120,000 in local funds in FY2013.

The Governor recommends the project as requested.

Train Station Maintenance and Repairs

DOT requests \$2.4 million in new RICAP funds, including \$750,000 in FY2013, \$750,000 in FY2014, and \$300,000 annually between FY2015 and FY2017, for HVAC and roofing repairs at three train stations, located in Woonsocket, South Kingstown and Westerly, which are the responsibility of the Department. Normal operating expenses have been paid through gas tax funds; however the Department believes these funds cannot support the major capital repairs needed at each of these facilities.

The Governor recommends \$2.0 million in RICAP funds, including \$300,000 in FY2014, \$400,000 in FY2015, \$500,000 in FY2016, and \$750,000 in FY2017. This delays the project for one year.

Fixed Guideway (Commuter Rail)

DOT requests \$241.2 million in total project costs for the expansion of commuter rail service in Rhode Island. This is a reduction from the approved capital budget, but reflects the shift of funding to years beyond the current TIP (\$75.0 million post-FY2017). Of the total, \$63.0 million was expended prior to FY2012, while \$46.1 million in future expenditures will be funded through the Federal Transit Administration (FTA). Of the remaining funds, \$4.5 million would be provided by ARRA funds.

In 2006 and 2008, voters approved general obligation bond issues for commuter rail, totaling \$10.5 million: to date, \$10.0 million has been issued, while \$500,000 is scheduled to be expended in FY2014. The Department requests \$900,018 in new general obligation bonds, a portion of the bond referendum which will be on the November 2012 ballot. The extension of commuter rail service from Providence to T.F. Green Airport (Warwick Intermodal Train Station) was completed in December 2010. Phase II of the project extends the commuter rail service 25 miles to Wickford Junction, which is expected to begin service in the Spring of 2012. The current plan includes intermediate stops in Cranston and East Greenwich. In FY2011, additional funding was received from two new grants from the Federal Railroad Administration. In addition, studies will be completed to allow for the future extension of commuter rail from Wickford to Kingston and Westerly. The Department requests \$37.8 million in FY2012 and \$13.7 million in FY2013.

The Governor recommends a decrease of \$2.6 million to reflect the revised federal award; otherwise, funding as requested is recommended.

Salt Storage Facilities

DOT requests a total of \$10.6 million in RICAP funding, from FY2012 through FY2017, to construct salt storage facilities in locations across the state where salt is currently stored uncovered. As of January 1, 2011, new Rhode Island Department of Environment (RIDEM) regulations require the complete operation of salt storage and truck loading to occur under the same roof. To date, five facilities have been closed (Lawton's Valley, Middletown; Whipple Avenue, Burrillville; I-295 rest area, Cumberland; Bridge 500, Pawtucket; and Cherry Hill, Johnston); and three new locations have been created (Roosevelt Avenue, Pawtucket; Newport Bridge, Newport; and Smithfield Facility, Smithfield). Structures have been completed at Route 6 & 295 in Johnston; Belleville (North Kingstown); Smithfield; Dillon's Corner (Narragansett); Pawtucket; and Lincoln. Current plans include salt storage facilities in East Providence and Pawtucket (FY2013) and in Newport and Portsmouth (FY2014).

The Governor recommends \$11.7 million in total project funding, including \$10.4 million in RICAP funding and \$293,971 in issued bond proceeds from the 1998 referendum. Changes from the approved capital budget include RICAP fund decreases of \$500,000 annually, FY2013 and FY2014, and increases of \$500,000 in each year, FY2015 through FY2017.

East Providence Facility Relocation

DOT requests a total of \$4.8 million, including \$1.8 million in bond funding and \$3.1 million in RICAP funds, to relocate of the East Providence maintenance facility from its current location on a dead-end street in a residential neighborhood to state property along Route 114. The project was originally proposed in the late 1990's, but budget concerns, questions of location, and shifting priorities resulted in delays. The project is currently under construction, with \$4.5 million spent prior to FY2012, and \$313,103 included in FY2012 to complete this project.

The Governor recommends this project as requested.

Cherry Hill/Lincoln Facility

In 2004, voters approved a bond referendum of \$5.1 million to construct new maintenance facilities in Portsmouth and Lincoln. Of the approved bond, \$3.0 million is allocated to replace two facilities, currently located on Cherry Hill Road in Johnston and on Washington Highway in Lincoln. These facilities would be replaced by acquiring and renovating the current National Guard facility near the North Central Airport. Of the \$3.0 million in bond funds, \$2.8 million has been expended to date. In FY2012, DOT requests the remaining \$201,154 of the bond funding, along with \$337,000 in RICAP funds, and in FY2013, DOT requests \$777,050 in additional RICAP funding to complete the project. Construction and acquisition costs have exceeded the initial estimate due to difficulty engineering appropriate access for heavy equipment to the new site because of wetlands on the property. The consolidation of the two facilities will allow DOT to streamline maintenance operations in the northwest of the State, and eliminate septic, fuel spillage, and salt storage problems that have resulted in notices from DEM on the two existing sites.

The Governor recommends this project as requested.

Portsmouth Facility

In 2004, voters approved a bond referendum of \$5.1 million to construct new maintenance facilities in Portsmouth and Lincoln. Of the approved bond, \$2.1 million is allocated to replace the Portsmouth facility, with \$200,000 requested for architectural and engineering studies in FY2011 DOT requests \$1.1 million in FY2012 and \$765,000 in FY2013 from bond funds. DOT also requests an additional \$1.9 million in FY2012 and \$1.5 million in FY2013 of RICAP funding to complete the project. By the time construction begins in FY2012, it is estimated that the project costs will have increased from the original 2004 estimate of \$2.1 million to \$5.5 million. The Portsmouth facility requires replacement because the existing building is in poor condition, and there is insufficient space on the lot to store either salt supplies or vehicles indoors. The Department of Environmental Management has cited DOT for having outdoor salt storage on the premises. The new facility will be constructed on DOT-owned land at the entrance to Route 24 at Boyd's Lane, a more central access point for highway maintenance.

The Governor recommends this project as requested.

Maintenance Facility Improvements

DOT requests a total of \$3.4 million in RICAP funding from FY2012 through FY2017 to repair and renovate existing state highway maintenance facilities. The Department recognizes that although some maintenance facilities have been replaced, other facilities have not received any repairs or restoration, resulting in deterioration of otherwise useful buildings. DOT requests \$932,112 in FY2012 and \$500,000 annually, FY2013 through FY2017, which will be used for roof replacements, plumbing, boiler repairs, and pavement projects.

The Governor recommends \$3.2 million for this project, reducing requested funding by \$100,000 in both FY2013 and FY2014.

Maintenance Facilities Fire Alarms

DOT requests RICAP funding of \$275,000 in FY2012, and \$325,000 in FY2013 to install fire alarms in the State's seven main maintenance facilities and eight seasonal facilities to meet Fire Code requirements. DOT has received notices of violation from the State Fire Marshal, and is seeking to correct the deficiencies. It is anticipated that the purchase of all 15 systems under one contract will

reduce costs: each fire alarm installation is anticipated to cost between \$40,000 and \$50,000, depending on the size of the facility.

The Governor recommends \$200,000 in FY2012, and \$325,000 in FY2013 for this project to reflect revised anticipated costs.

Maintenance – Capital Equipment Replacement (New)

DOT requests funding of \$25.5 million in RICAP funds between FY2013 and FY2017 to replace capital equipment, including the purchase or lease of heavy trucks, sweepers, loaders, backhoes, and tractors to replace aging equipment in the Maintenance Division. Through FY2008, these capital equipment purchases were made through a central account in the Department of Administration, funded through Certificates of Participation (COPs). After that time, funding for a replacement program was available through the existing Fleet Replacement Revolving Fund. However, available monies in the account do not fully fund the equipment replacement needs. DOT is requesting RICAP appropriations of \$5.5 million in FY2013, and \$5.0 million annually from FY2014 through FY2017.

The Governor recommends funding as requested.

Cooperative Maintenance Facility – DOT/RIPTA

DOT requests \$1.5 million in RICAP funds in FY2013 and \$3.5 million in FY2014 to convert the former RIPTA maintenance facility on Elmwood Avenue to a cooperative maintenance facility for DOT heavy fleet vehicles and RIPTA buses. Funds would be used for architectural and engineering services to draw plans for the conversion, along with construction to convert the obsolete facility and garage space into a functional and efficient maintenance shop.

The Governor recommends funding as requested, however, delays the start of the project until FY2017.

Highway Drainage Preservation

DOT requests RICAP funding of \$2.0 million per year, from FY2013 through FY2017, for a total of \$10.0 million, to establish an asset protection program for catch basins. The State has approximately 25,000 catch basins, and federal law mandates that they be inspected on an annual basis and cleaned as needed. Currently, approximately 1,000 of these basins are inspected and cleaned annually. As catch basins fill with sand and other sediments, they become ineffective and cause pooling at low points on roadways. Additionally, when storm water is not appropriately handled by the catch basins, runoff can cause additional pollution when reaching bodies of water, including groundwater, wetlands and rivers. In FY2013, the Department is implementing a new asset management program, View Works, to monitor and track catch basin maintenance.

The Governor does not recommend funding for this project.

Rhode Island Public Transit Authority

Funding by Project	Pre-FY2012	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017	Total
Bus Purchases	\$77.8	\$0.4	\$15.7	\$15.0	\$0.0	\$0.0	\$13.2	\$122.0
Paratransit Vehicles	17.0	2.7	1.4	1.0	1.5	0.7	4.0	28.3
Elmwood Expansion Project	40.9	0.7	-	-	-	-	-	41.7
Intelligent Transportation Systems Implementation	1.6	3.1	5.5	0.6	-	-	-	10.8
Radio Interoperability Project	-	4.3	-	-	-	-	-	4.3
Bus Washes	0.5	0.1	-	-	-	-	-	0.6
Land And Buildings Enhancements	2.4	1.0	1.0	2.6	2.3	2.3	1.9	13.3
Rapid Bus Corridor	0.1	1.9	-	0.6	0.5	0.5	-	3.7
Providence Core Community Connector	0.4	0.7	2.1	2.5	2.5	-	-	8.2
Solar Technologies	-	2.4	-	-	-	-	-	2.4
Total	\$140.7	\$17.3	\$25.6	\$22.2	\$6.8	\$3.5	\$19.1	\$235.2

Funding by Source	Pre-FY2012	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017	Total
Operating Funds	\$0.7	\$0.0	\$0.0	\$0.0	\$0.1	\$0.1	\$0.1	\$0.9
RICAP Funds	8.2	0.2	0.1	0.1	-	-	-	8.5
General Obligation Bonds	5.0	0.1	4.7	0.2	-	-	-	9.9
G.O. New Referenda	-	-	-	1.5	-	-	2.7	4.2
Revolving Loan Fund	4.7	1.2	1.4	0.3	0.3	0.1	0.8	8.9
Federal Transit Administration	99.5	8.3	19.0	18.6	5.1	2.4	15.2	168.0
Local Funds	0.3	0.2	0.5	1.1	1.0	0.5	0.3	4.0
Federal - Congestion Mitigation Funds	-	0.2	-	0.5	0.4	0.4	-	1.5
Federal Emergency Management Agency	-	4.3	-	-	-	-	-	4.3
Federal Stimulus Funding	22.4	2.6	-	-	-	-	-	25.0
Total	\$140.7	\$17.3	\$25.6	\$22.2	\$6.8	\$3.5	\$19.1	\$235.2

Bus Purchases

RIPTA has a fixed route fleet of 257 vehicles, including 225 fixed route buses, 15 fixed route trolleys, and 17 30-foot flex zone buses. During FY2012, RIPTA will replace four Flex vehicles, and during FY2013, RIPTA plans to replace the fleet of buses purchased in 2000 (30 buses) and have outlived their useful lifespan. This fleet replacement schedule will allow RIPTA to reduce costs from breakdowns, repairs, and towing and will ensure the safety of the vehicles in operation. The Department requests \$13.8 million in FY2013, including \$11.0 million FTA funds and \$2.8 million in General Obligation bond funds and \$16.7 million in FY2014, including \$13.3 million in Federal Transit Administration (FTA) funds and \$3.4 million in General Obligation bond funds.

The Governor recommends \$15.7 million in FY2013, including \$11.0 million FTA funds and \$4.7 million in General Obligation bond funds, and \$15.0 million in FY2014, including \$13.3 million in FTA funds and \$1.7 million in General Obligation bond funds. The Governor also includes three new bond referenda: \$1.5 million in November 2012, \$2.7 million in FY2014, and \$4.2 million in FY2016 for the continued purchase of buses.

Paratransit Vehicles

RIPTA maintains a fleet of 125 vehicles for the paratransit program, RIdE. FTA guidelines specify that paratransit vehicles should not be used for more than an average life of five years. RIPTA will replace 20 vehicles in FY2012 and 15 vehicles in FY2013.

The FTA pays 80.0 percent of each vehicle replacement cost and RIPTA pays a 20.0 percent local match. In FY2013, RIPTA requests \$1.4 million for paratransit vehicle replacements, including FTA funding of \$1.1 million and \$281,138 from RIPTA's internal revolving loan fund.

The Governor recommends funding as requested.

Elmwood Expansion Project

The former McKendall Lumber property along Elmwood Avenue has been transformed into a facility that includes: centralized maintenance and paratransit operations; bus storage; additional fueling and bus washing capacity; and customer service and administrative offices. The total cost of the project is \$41.7 million. Of the total cost, \$33.3 million (80.0 percent) is funded through federal sources, while \$8.3 million (20.0 percent) is funded through RICAP. Prior to 2006, \$12,583 was paid through RIPTA operating funds for the initial studies.

The plans for the project emerged from an assessment conducted in 2002 that identified the need for an additional 5.9 acres to expand RIPTA's facilities in order to properly store, maintain, and administer RIPTA's buses, particularly the paratransit component. In June 2004, RIPTA purchased the former McKendall Lumber property and added 6.4 acres to the existing 12.1 acre RIPTA complex. Demolition and site remediation on the property was completed in 2008, and construction began in fall of 2008. No funding changes are included in the request from RIPTA. The building was completed in July 2010, and the remaining funds are being used to equip vehicle maintenance bays, install fixtures, and perform finish work. RIPTA requests \$159,018 of the allocated RICAP funds and \$588,642 in FTA funds in FY2012 to complete this project.

The Governor recommends funding as requested.

Intelligent Transportation Systems Implementation

RIPTA requests \$10.8 million, including \$1.8 million from the RIPTA Revolving Loan Fund and \$8.9 million in FTA funding, to implement an Intelligent Transportation System (ITS) by the end of FY2014. The project will provide GPS technology and real-time route monitoring to allow for improved customer service and efficiencies in scheduling. Previously, the costs of ITS technology had been included in existing projects, including bus replacements and paratransit vehicle replacement, but the Board decided to include ITS implementation as a separate project due to its significance and total cost. Through FY2011, \$1.6 million of the planned \$10.8 million in capital funding has been spent to implement ITS. The approved capital budget assumed completion in FY2012, but delays resulting from a shift in technology, from analog to digital, and the subsequent change in specifications, result in a two-year delay in implementation.

The Governor recommends funding as requested.

Radio Interoperability Project (New)

RIPTA requests \$4.3 million in Federal Emergency Management Agency (FEMA) funding for the integration of public transit services into the Rhode Island State Communications Network (RISCON). This project is closely tied to the ITS implementation project (see above) and will result in an integrated, fully-digital statewide 800 MHz communication system. The funds from this federal grant will be used to purchase voice and data subscriber units for 290 vehicles, along with 30 mobile units for support staff. RIPTA requests the entire \$4.3 million in FY2012 in order to coordinate the system with ITS implementation.

The Governor recommends funding as requested.

Bus Washes

RIPTA requests \$629,205 in American Recovery and Reinvestment Act (ARRA) funding to replace the existing bus wash facility at the Newport maintenance facility, along with improvements at the Elmwood bus wash. This project has been included in prior years and has been delayed due to the lack of a local match. RIPTA requests \$123,300 in ARRA funding in FY2012 to complete this project.

The Governor recommends funding as requested.

Land and Buildings Enhancements

RIPTA requests a total of \$13.3 million in all funds, of which \$2.4 million has been expended prior to FY2012, for the improvement of existing RIPTA land and facilities. RIPTA plans to enhance security and renovate or construct Park and Ride lots and Transit Hubs. RIPTA requests \$70,000 in RICAP funds annually between FY2012 and FY2017 to provide the local match. Some projects have been funded in partnership with local communities and non-profits (\$2.9 million), easing the requirement for state capital funding. RIPTA will receive \$760,000 in FY2012 and FY2013, \$2.0 million in FY2014, \$1.8 million in FY2015 and 2016, and \$1.5 million in FY2017 from the FTA for land and building enhancements. These improvements may include repaving, lighting, fencing, and other amenities. RIPTA is required to dedicate one percent (1.0 percent) of FTA Section 5307 funding to this type of project.

The Governor recommends funding as requested.

Bus Rapid Transit Corridor

RIPTA requests a total of \$3.7 million to establish a Bus Rapid Transit (BRT) Corridor along two routes in Cranston, Providence, and Pawtucket. Its funding request includes ARRA funding of \$120,185 million in FY2011, ARRA funding of \$1.6 million in FY2012 as well as federal Congestion Mitigation funds of \$240,000 in FY2012, and federal Congestion Mitigation Funds of \$480,000 in FY2014 and \$400,000 annually in FY2015 and FY2016. The concept of BRT originated in the Pacific Northwest in the 1990's, and has been developed to increase efficiency, comfort, and speed of travel along bus routes in urban areas. The BRT along the #11 Broad and #99 Pawtucket routes would include traffic signal prioritization, use of the new hybrid vehicles and ITS technology, and bus stops clearly marked and lighted, with advanced customer information. The routes targeted for BRT carry almost 15.0 percent of the fixed-route passengers served by RIPTA annually. This project has been delayed from a projected FY2010 start, as included in the approved capital budget, due to the schedule of delivery of the hybrid buses.

The Governor recommends funding as requested.

Providence Core Community Connector

RIPTA requests \$2.1 million in FY2013, as part of an \$8.2 million project, to study the feasibility of an urban circulator system (streetcar) connecting the Universities and the Knowledge District of Providence. Along with the streetcar option, other modes of transit will be studied. The City of Providence is contributing the \$420,000 local match in FY2013, while RIPTA will provide the \$1.7 million necessary in FTA funding. The goal is to provide a comprehensive study that meets FTA criteria for future capital investment grant funding. The recommended project includes only the assessment and application phases. Final recommendation for the Core Community Connector will be determined when funding sources are identified.

The Governor recommends funding as requested.

Solar Technologies

RIPTA requests \$2.4 million, including \$1.2 million in FTA funds, \$300,000 in RIPTA Revolving Loan funds, and \$865,919 in ARRA funding to repair to the roof and install solar panels of RIPTA's transportation building at 269 Melrose Street. The project includes a complete roof replacement using reflective material designed to support a 200kW roof mounted solar photovoltaic array, as well as an exterior solar wall on the south surface of the building.

The Governor recommends funding as requested.

Rhode Island Airport Corporation

Funding by Project	Pre-FY2012	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017	Total
T.F. Green Infrastructure Expansion and Enhancement	\$0.0	\$0.0	\$19.6	\$55.7	\$60.3	\$29.6	\$0.0	\$165.2
T. F. Green General Improvements	-	-	4.7	8.6	3.0	19.2	14.8	50.3
Noise Mitigation	-	7.5	17.5	12.5	12.5	12.5	12.5	75.1
Environmental Compliance	0.4	2.5	11.2	11.2	-	-	-	25.3
General Aviation Improvements	0.4	1.1	7.3	8.0	3.9	4.1	3.1	27.9
Total	\$0.8	\$11.1	\$60.3	\$96.0	\$79.7	\$65.4	\$30.4	\$343.8

Funding by Source	Pre-FY2012	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017	Total
Federal Aviation Administration/Transportation Security Administration (FAA/TSA)	\$0.5	\$8.9	\$33.9	\$40.0	\$44.5	\$33.8	\$24.0	\$185.6
Passenger Facility Charges (PFC)	-	1.5	1.0	-	-	-	-	2.5
Rhode Island Airport Corporation	-	0.1	0.6	0.3	0.2	0.2	0.3	1.8
General Airport Revenue Bonds	0.3	0.6	24.8	55.7	35.0	31.4	6.0	153.8
Total	\$0.8	\$11.1	\$60.3	\$96.0	\$79.7	\$65.4	\$30.4	\$343.8

\$ in millions. Totals may vary due to rounding.

The Rhode Island Airport Corporation (RIAC) is a subsidiary public corporation created in 1992 by the Rhode Island Economic Development Corporation (EDC) for the purpose of managing the planning, development, operation, and maintenance of airport facilities in Rhode Island. These include the T.F. Green Airport in Warwick, as well as ancillary properties in Smithfield, Lincoln, North Kingstown, Westerly, Middletown, and Block Island. RIAC assumes operating responsibility for the airports as well as capital improvement planning management.

RIAC is governed by a seven-member Board of Directors. One member is appointed at will by the Mayor of Warwick, while the remaining six are appointed by the Governor, with the advice and consent of the Senate, for four-year terms. RIAC is entitled to receive funds from the Federal Aviation Administration (FAA) on a 75/25 (federal/state) matching basis. RIAC is not empowered to issue bonds or notes or borrow money without the approval of the EDC and the General Assembly.

Funding for capital projects comes from four sources: Federal Aviation Administration/Transportation Security Administration (FAA/TSA), Passenger Facility Charges (PFC), Rhode Island Airport Corporation funds and General Airport Revenue Bonds. The current Capital Improvement Plan (CIP) includes the continuation of T.F. Green Environmental Impact Statement projects (EIS), infrastructure expansion at T.F. Green Airport, General Aviation (GA) improvements, environmental compliance, and noise mitigation projects. RIAC requests a total of \$343.8 million for the period pre-FY2012 through FY2017 to support thirty-four ongoing and future projects. Funds are not requested for the Warwick Intermodal Train Station (InterLink), a \$105.9 million project, which was completed in FY2012.

Article 7 of the Governor's proposed budget authorizes \$174.0 million in debt for the Rhode Island Airport Corporation for various improvements including, but not limited to, a De-icer Management System, runway and taxiway improvements, noise mitigation and land acquisition, and facility developments. Total debt service on the bonds is not expected to exceed \$12.0 million annually and \$351.0 million in the aggregate, assuming level annual payments, an average interest rate of 6.83 percent and a 30-year maturity. Total debt service on short-term borrowing to fund timing differences between construction activities and receipt of federal grants is not expected to exceed \$6.7 million annually and \$34.0 million in the aggregate, assuming an average interest rate of 4.0 percent and an 8-year maturity. The bonds or loan agreements issued pursuant to this article will not constitute the indebtedness of the

State, and required payments will be derived from Corporation revenues. The authorization for this debt applies to bonds issued within one year of the passage of the resolution.

T.F. Green Infrastructure Expansion and Enhancement (EIS Projects)

The Corporation requests \$165.2 million in funding for the period FY2013 through FY2016, including \$73.9 million in FAA/TSA funds and \$91.3 million in Airport Corporation Revenue Bond funding, for infrastructure changes identified through the latest Environmental Impact Study. The first of two projects will begin in FY2013 and will increase the Runway Safety Area (RSA) of Runway 16-34 to meet FAA design criteria, demolish Hangar 1, partially relocate the Airport/Post Road intersection and certain other perimeter roadways, and install Engineered Materials Arresting Systems (EMAS). Completion of this project will necessitate some property acquisition and wetland mitigation, as determined in the EIS Record of Decision.

The second project is scheduled to begin in FY2014 and will extend Runway 5-23 and involve acquiring commercial and residential structures to support roadway re-alignment.

The proposed project funding for FY2013 includes \$14.6 million in FAA/TSA funding and \$4.9 million from General Airport Revenue bonds.

The Governor recommends funding as requested.

Analyst's Note: The Warwick City Council has filed suit against the Airport Corporation to stop the runway expansion projects. Until this lawsuit is resolved, the FAA/TSA will not provide funding for this project.

T. F. Green Airport – General Improvements

The Corporation requests \$50.3 million for the period FY2013 through FY2017 to finance general improvements at T. F. Green Airport.

The majority of requested funding for FY2013 (\$3.0 million) is to rehabilitate or purchase four jet bridges. Additional projects spanning FY2013 and FY2014 include constructing a corporate hangar with an associated taxiway and apron, maintenance of the triturator, and an upgrade to the Airfield Maintenance Tank (AMF), allowing for increased operational efficiency. The focus for FY2015 through FY2017 will shift to runway rehabilitation and a master plan update.

For FY2013, the Corporation requests \$4.7 million, including \$4.5 million from General Airport Revenue bonds, with the remaining \$233,000 from RIAC funds.

The Governor recommends funding as requested.

T. F. Green Airport - Noise Mitigation

In 2000, RIAC received FAA approval of its Part 150 Noise Compatibility Study Update (NCP) for T.F. Green Airport. The NCP sets forth measures intended to mitigate the impacts of significant noise exposure on residential areas near the airport and to restrict the introduction of new incompatible uses, such as housing, schools and places of worship, into locations exposed to significant noise levels. The program identified 127 residences which fall within a 70 Day/Night Noise Level (DNL) exposure area, making affected residents eligible for voluntary relocation and property acquisition. Once acquired, properties will be razed. In addition to home and land acquisition and a noise compatibility study, the program provides for soundproofing measures, such as replacement of windows and doors, weather stripping of interior walls and modifications to ceiling and electrical systems for effected residential housing units.

The Corporation requests \$75.1 million in funding for the period pre-FY2012 through FY2017. For FY2013, the Department requests \$17.5 million, including \$14.1 million in FAA funds, \$1.0 million in PFC funds, and \$2.5 million from General Airport Revenue bonds. In FY2013, \$5.0 million is intended to provide for the fourth and final phase of the identification, acquisition, and relocation program. An additional \$12.5 million in funding is requested for land acquisition or sound insulation programs which may result from the continuation of the fourth phase.

The Governor recommends funding as requested.

T. F. Green Airport – Environmental Compliance

The Corporation requests \$25.3 million in funding for the period pre-FY2012 through FY2017, including \$23.2 million in Airport Corporation Revenue Bonds and \$2.0 million in FAA funds, to construct and operate a De-icer Management System at T. F. Green Airport. RIAC has entered into a Memorandum of Agreement with the Rhode Island Department of Environmental Management for a Storm Water Pollution Prevention Plan. The plan includes the De-icer Management System, which will enable the collection, storage, transfer, treatment, and discharge of glycol-impacted storm water. Funding of \$2.5 million in FY2012 and \$11.1 million each for FY2013 and FY2014 is requested.

The Governor recommends funding as requested.

General Aviation Improvements

The Corporation requests \$27.8 million in funding for 22 projects for the period pre-FY2012 through FY2017, including \$21.8 million in FAA/TSA funds, \$1.3 million in RIAC funds, and \$4.7 million in Airport Corporation Revenue Bond, for repairs, renovations and general improvements at the five general aviation airports: Quonset, Newport, Block Island, North Central, and Westerly. The RIAC capital plan also includes \$1.8 million for a study of general aviation airports in New England through 2030, in conjunction with other New England airports. Projects and anticipated costs are as follows:

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Project	Airport	Pre-FY2012	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017	Total
Rehab/Expand Paved Aircraft Parking Apron	Block Island	\$0.0	\$0.0	\$0.0	\$0.0	\$0.3	\$1.7	\$0.0	\$2.0
Rehab Taxiway B & Reconstruct Airport On-Site Wastewater Treatment System (OWTS)	North Central	-	0.4	2.9	-	-	-	-	3.3
Relocate Fuel Farm & Tie Downs to Provide Obstruction Free Runway Visual Zone	North Central	-	-	0.2	1.3	-	-	-	1.5
Easement & Obstruction Analysis for Localizer Performance with Vertical Guidance (LPV)	North Central	-	-	-	0.5	-	-	-	0.5
Environmental Assessment for LPV Approach	North Central	-	-	-	-	0.1	-	-	0.1
Access Road for Old Terminal to New Terminal	North Central	-	-	-	0.2	-	-	-	0.2
Snow Removal Equipment Building	North Central	-	-	-	-	1.0	-	-	1.0
Extend Taxiway A	North Central	-	-	-	-	-	-	0.2	0.2
Terminal Building Upgrades	Newport	-	-	1.2	-	-	-	-	1.2
Easement Acquisition/Obstruction Light/Remove Off Airport Obstructions	Newport	-	0.1	0.6	-	-	-	-	0.7
Relocate & Rehabilitate Aircraft Apron	Newport	-	-	0.4	2.2	-	-	-	2.5
Drainage Improvements	Newport	-	-	-	-	0.1	0.6	-	0.8
Rehabilitation of Runway 4-22	Newport	-	-	-	-	-	0.4	2.4	2.8
Realignment/Rehabilitation of Taxiway A	Newport	-	-	-	-	-	-	0.2	0.2
Master Plan Update	Quonset	-	-	0.3	-	-	-	-	0.3
Demolition of Old Terminal	Quonset	-	-	0.2	1.4	-	-	-	1.6
Relocate Airfield Lighting Vault	Quonset	-	-	0.3	1.6	-	-	-	1.9
Rehabilitation of Runway 5-23	Quonset	-	-	-	0.4	2.1	-	-	2.5
Extend Taxiway W to Runway 23	Quonset	-	-	-	-	0.2	1.3	-	1.5
Easement Acquisition and Off-Airport Obstruction Removal	Westerly	0.4	0.1	0.6	-	-	-	-	1.1
Master Plan Update	Westerly	-	-	-	-	-	-	0.3	0.3
New England Regional General Aviation System Plan		-	0.6	0.6	0.6	-	-	-	1.8
Total		\$0.4	\$1.1	\$7.3	\$8.0	\$3.9	\$4.1	\$3.1	\$27.8

\$ in millions.

The Governor recommends funding as requested.

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