

STATE OF CONNECTICUT
DEPARTMENT OF TRANSPORTATION



2800 BERLIN TURNPIKE, P.O. BOX 317546
NEWINGTON, CONNECTICUT 06131-7546

Phone:

May 24, 2006

Ms. Anne Bartosewicz
Middletown-Norwalk Project Director
Northeast Utilities Service Company
107 Selden Street
Berlin, Connecticut 06037

Dear Ms. Bartosewicz:

**Subject: Fully Executed Encroachment Agreement
Middletown – Norwalk Transmission Project
State Project No. 170-2537
Docket No. 272**

Enclosed for your files is a copy of the fully executed Encroachment Agreement dated April 6, 2006, to construct, operate and maintain transmission facilities in specific State highway right-of-way.

Very truly yours,

Sohrab Afrazi
Transportation Principal Engineer
Bureau of Engineering and Highway Operations

Enclosure

ENCROACHMENT AGREEMENT

between

THE STATE OF CONNECTICUT, DEPARTMENT OF TRANSPORTATION

and

THE CONNECTICUT LIGHT AND POWER COMPANY

**TO CONSTRUCT, OPERATE AND MAINTAIN TRANSMISSION
FACILITIES IN SPECIFIC STATE HIGHWAY RIGHTS-OF-WAY
LOCATED IN THE TOWNS/CITIES OF NORWALK, WESTPORT,
FAIRFIELD, BRIDGEPORT AND MILFORD**

State Project No. 170-2537

April
~~March~~ 6, 2006

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State Project No. 170-2537

THIS AGREEMENT, executed at Newington, Connecticut, this
6th day of April, A.D., 2006, by and between the State of Connecticut,
Department of Transportation, having a principal place of business at 2800 Berlin
Turnpike, Newington, CT 06131, through Stephen E. Korta II, Commissioner,
acting herein by Arthur W. Gruhn, P.E., Chief Engineer, Bureau of Engineering and
Highway Operations, duly authorized, hereinafter referred to as the "State," and The
Connecticut Light and Power Company, having a principal place of business at 107
Selden Street, Berlin, Connecticut 06037, acting herein by James A. Muntz, Vice
President, Transmission Projects, hereunto duly authorized, hereinafter referred to as
"CL&P" or "Utility" (State and Utility may individually be referred to as a "Party"
or collectively as the "Parties".)

WITNESSETH, THAT:

WHEREAS, the Utility is a public service company franchised by the Connecticut General Assembly to provide electric transmission and distribution services within the State of Connecticut;

WHEREAS, Utility is subject to the jurisdiction of the Connecticut Siting Council ("CSC") with respect to the location and type of certain transmission facilities constructed, operated and maintained within the State of Connecticut;

WHEREAS, the Utility and The United Illuminating Company jointly applied to the CSC in Docket 272 for a certificate of environmental compatibility and public need ("Certificate"), to construct, operate and maintain electric transmission facilities from Middletown, Connecticut to Norwalk, Connecticut;

WHEREAS, the CSC issued the requested certification in accordance with the terms and conditions set forth in the April 7, 2005 Findings of Fact, Opinion and Decision and Order in Docket Number 272 ("Decision");

WHEREAS, item number 17 of the Decision requires the Utility to utilize "the DOT encroachment permit process developed for the Docket No. 217 project as a template;"

WHEREAS, Utility will submit Development and Management Plans ("D&M Plans") to the CSC for approval;

WHEREAS, the State has jurisdiction over the State highway system within the State of Connecticut;

WHEREAS, no person, firm or corporation shall excavate within or under, or place any obstruction or substruction within, under, upon or over, or

interfere with construction, reconstruction or maintenance of drainage from, any state highway without the written permission of the State;

WHEREAS, pursuant to Conn. Gen. Stat. 13a-126c, 13a-247, 13b-4, 13b-17 and 13b-24, the State is authorized to enter into an agreement with Utility governing the terms, conditions and rates and charges for use of the rights-of-way of state highways, provided that no such agreement shall exempt Utility from the provisions of Chapter 277a of the Connecticut General Statutes;

WHEREAS, Utility has requested the written permission of the State to construct and maintain electric transmission facilities within State highway rights-of-way in the towns/cities of Norwalk, Westport, Fairfield, Bridgeport and Milford.

NOW, THEREFORE, in consideration of the terms and conditions set forth herein, the State and Utility mutually agree as follows:

1. Definitions

- a) "Administrative Expenses" shall have the meaning set forth in Section 9 hereof.
- b) "Affiliate" shall mean: (1) a corporation or other business entity which owns fifty percent (50%) or more of the outstanding common stock or ownership interests of the Utility, or (2) a corporation or other business entity which has fifty percent (50%) or more of its common stock or ownership interests owned by the Utility, or (3) a partnership which owns fifty percent (50%) or more of the common stock or ownership interests of the Utility, or (4) a partnership which has fifty percent (50%) or more of its interest in partnership profits owned by the Utility, or (5) an entity which is the surviving entity in a merger, reorganization, consolidation or sale of all or substantially all of Utility's assets, or (6) a

corporation or other business entity which has fifty percent (50%) or more of its common stock or ownership interests owned by another entity which owns fifty percent (50%) or more of the common stock or ownership interests of the Utility.

- c) "Applicable Laws" shall mean all applicable laws, ordinances, codes, rules and regulations of any Government Agency having jurisdiction, including, without limitation, the State, the CSC, the DPUC, the DEP, the Federal Energy Regulatory Commission ("FERC"), the EPA and the OSHA.
- d) "Business days" shall mean weekdays, Monday through Friday, excluding State holidays, 8:00 a.m. to 4:00 p.m.
- e) "Construction Plans" shall mean plans which meet the criteria set forth in Section 21.
- f) "Construction Specifications" shall mean Form 816 entitled "State of Connecticut, Department of Transportation, Standard Specifications for Roads, Bridges and Incidental Construction," including supplements, special provisions and all documents referenced therein in effect as of the date hereof.
- g) "Costs" shall mean the reasonable, actual costs incurred by a Party under the Agreement.
- h) "CSC" shall mean the Connecticut Siting Council, and any successor agency having similar or related authority and jurisdiction.
- i) "CSC Approvals" shall include: the CSC's Findings of Fact, Opinion, Decision and Order dated April 7, 2005 in Docket No. 272; CSC correspondence and Staff Reports reflecting the CSC's approval of the D&M Plans; and any subsequent approvals of any nature whatsoever issued by the CSC in Docket 272.

- j) "Default" shall mean a Party's failure to perform a material obligation under this Agreement;
- k) "DEP" shall mean the Connecticut Department of Environmental Protection, and any successor agency having similar or related authority and jurisdiction.
- l) "DPUC" shall mean the Connecticut Department of Public Utility Control, and any successor agency having similar or related authority and jurisdiction.
- m) "Encroachment Permit" or "Permit" shall mean a document issued by the State's District Maintenance Director, allowing the use of highway right-of-way for purposes other than for traveling, to a permittee who has met certain qualifications.
- n) "Encroachment Specifications" shall mean the Standard Encroachment Agreement Specifications & Covenants, Connecticut Department of Transportation, dated January 6, 2006, as may be amended by this Agreement, attached hereto and incorporated herein by reference.
- o) "EPA" shall mean the U.S. Environmental Protection Agency, and any successor agency having similar or related authority and jurisdiction.
- p) "Existing Permittee" shall mean any person duly authorized under Applicable Laws to occupy the State highway rights-of-way, and who, before the Effective Date of Utility's permit, had been issued a permit by State or entered an agreement with State to locate equipment within the State highway rights-of-way. An Existing Permittee shall not be deemed to be the employee, agent, contractor or representative of State or Utility.

- q) "Facility" shall have the meaning of "public service facility" set forth in section 13a-126 of the General Statutes, as amended from time to time, except that, for purposes of this Agreement, "Facility" shall not include a "Transmission Facility, as defined herein."
- r) "Future Permittee" shall mean any person duly authorized under Applicable Laws to occupy the State highway rights-of-way, and who, following the Effective Date, has received a Permit from or entered into an agreement with the State to locate equipment within the State highway rights-of-way. A Future Permittee shall not be deemed to be an employee, agent, contractor or representative of State or Utility.
- s) "Good Utility Practice" shall mean any of the practices, methods and acts engaged in or approved by a significant portion of the electric utility industry with respect to electric transmission facilities during the relevant time period which, in the exercise of reasonable judgment in light of the facts known at the time the decision was made, could have been expected to accomplish the desired result at a reasonable cost consistent with good business practices, reliability, safety and expedition. Good Utility Practice is not intended to be limited to the optimum practice, method, or act to the exclusion of all others, but rather is intended to refer to acceptable practices, methods or acts generally accepted in the region. Good Utility Practice shall not be construed to relieve Utility of any obligation it may have pursuant to this Agreement.

- t) "Governmental Agency" shall mean any agency, board, bureau, legislative body, court, commission, department, instrumentality or administration of the United States government, or the State of Connecticut.
- u) "Hazardous Substances" shall mean any and all materials, chemicals, or other substances that are hazardous or toxic or otherwise regulated or controlled pursuant to any of the Environmental Laws.
- v) "Highway Appurtenances" shall mean all necessary and desirable features of the highway system, including but not limited to signalization, drainage, light poles, signage, guide rail, traffic detection and information systems.
- w) "OSHA" shall mean the U.S. Occupational Safety and Health Administration, and any successor agency having similar or related authority or jurisdiction.
- x) "Permitted Use" shall mean the right of the Utility to construct, operate and maintain the Transmission Facility pursuant to this Agreement and any Encroachment Permits issued hereunder, at all times in compliance with all Applicable Laws.
- y) "Project" shall mean the "Transmission Facility" as defined below.
- z) "Reasonably," "reasonable" and similar words used shall mean: (i) when referring to the conduct of the State, a reasonable State Transportation Department acting diligently, in a timely manner and in good faith but not possessing specialized knowledge or information about utilities transmission facilities, the operation thereof or utilities contractual relationships with third parties; and (ii) when referring to the conduct of Utility, a reasonable franchised public service company acting in good faith and in accordance with Good

Utility Practice, but not possessing specialized knowledge or information about the operation and maintenance of the State highway system or the State's contractual relationships with third parties.

- aa) "Senior Management" shall mean (i) with respect to Utility, a representative at or above the Vice President level in Utility's organizational structure and (ii) with respect to State, a representative at or above the Chief Engineer level in State's departmental structure.
- bb) "State" shall mean the Connecticut Department of Transportation, its employees, agents or contractors.
- cc) "State highway right-of-way" shall have the meaning of "Right of Way" set forth in Section 13b-17-2 of the Regulations of Connecticut State Agencies, as amended from time to time.
- dd) "Supporting Documents" shall include
 - (i) State Supporting Documents:
 - (a) Construction Specifications;
 - (b) Encroachment Specifications;
 - (c) Highway Encroachment Permits to be issued in connection with the construction of those portions of the Transmission Facility to be located in the State highway rights of way;
 - (d) Connecticut Department of Transportation Highway Encroachment Permit Regulations, latest edition;
 - (e) Federal Highway Administration Manual on Uniform Traffic Control Devices; latest edition including supplements;

- (f) Transportation Research Board's Highway Capacity Manual, latest edition including supplements; and
 - (g) Latest Edition of document entitled Traffic Control During Maintenance Operations.
 - (h) Guidelines for the Use of Steel Plates in State Highway Right of Way;
 - (i) Maintenance Directive 93-1, as amended.
- (ii) Utility Supporting Documents:
- (a) Plans developed by the Utility consistent with this Agreement including, without limitation Construction Plans, As Built Plans and the D&M Plans approved by the CSC in Docket 272 (collectively the "Plans");
 - (b) CSC's Decision;
 - (c) The D&M Plans
- ee) "Transmission Facility" shall mean that portion of the Utility's transmission facility certified by the CSC in Docket No. 272, and as specifically defined and approved therein, located within State highway rights-of-way between the Scovill Rock Switching Station in the City of Middletown to the Norwalk Substation in the City of Norwalk.
- ff) "Utility" shall mean The Connecticut Light and Power Company, its Affiliates, employees, agents, or contractors. For purposes of the State's Encroachment Specifications and Construction Specifications, the term "Second Party" or "Contractor" shall mean Utility.

gg) "Utility Appurtenances" shall mean the manholes, shafts, risers, cabinets, conduits, cable, closets, vaults, service areas, connections, entries upon, into, through and under the State highway rights-of-way. All Utility Appurtenances shall be fully described in plan and cross-sectional views on all plans submitted to the State.

2. Term of the Agreement

This Agreement shall have a term of 40 years, which term shall be extended in four successive 10 year periods not to exceed 80 years from the effective date hereof unless sooner terminated by written agreement of both parties.

3. Requirement for Encroachment Permit

- a) The Utility shall apply for an Encroachment Permit before Utility or its contractor(s) commences any work on the Transmission Facility. Utility agrees that, except for emergency repairs, it shall obtain an Encroachment Permit from the State before it constructs, repairs, maintains, replaces, reconstructs, relocates, inspects, removes or modifies any portion of the Transmission Facility or otherwise occupies any portion of a State highway right-of-way.
- b) Utility shall apply for Encroachment Permits on a town-by-town basis. Utility shall obtain the Encroachment Permits from State's District Maintenance Director.
- c) The State District Maintenance Director shall act on each Encroachment Permit application which shall include Construction Plans or revisions thereto previously approved in writing by the State

within two weeks of receipt of a complete Encroachment Permit application. Except as otherwise approved in writing by Senior Management of the State pursuant to written request of the Utility, all work performed by the Utility shall be in accordance with the provisions of the Encroachment Permits. Encroachment Permits may include any terms consistent with this Agreement, including without limitation, the Supporting Documents and the Traffic Control Plans described in Section 25 below. The Encroachment Permits issued hereunder shall expressly allow:

- i. burial of underground Transmission Facilities not less than 2.5 ft. from the surface of the right of way in accordance with the Construction Plans or revisions thereto approved by the State and consistent with the terms and conditions of the Permit;
- ii. use of steel plates consistent with the Guidelines for Use of Steel Plates in State Highway Right of Way unless a deviation from such Guidelines has been expressly approved by State; and
- iii. location of cross-link polyethylene cable vaults within the paved roadway where physical conditions within, along or outside the state highway right of way limit or preclude location off the paved roadway in accordance with the Construction Plans or revisions thereto approved by the

State and consistent with the terms and conditions of the Permit.

- d) In the case of emergency repairs, the Utility shall file retroactively an application for an Encroachment Permit within one business day after the initiation of the emergency repairs.

4. Effective Date of Permits

The effective date of any Encroachment Permit issued pursuant to this Agreement, shall be as specified therein. The Encroachment Permit is to remain in effect until the date of expiration set forth therein, unless the same is terminated in accordance with the terms of this Agreement.

5. Priority of Documents

Each of the Supporting Documents is incorporated herein by reference. In case of conflict between any provision of the Supporting Documents and the provisions of this Agreement, the provisions set forth in this Agreement shall control.

6. Specific Locations of Transmission Facility

The Utility shall construct the Transmission Facility at the locations specified below in Table 1, consistent with the Construction Specifications, Encroachment Specifications, Encroachment Permits, Construction Plans approved by the State, the Decision in CSC Docket 272 and with all provisions of the applicable D&M Plans approved by the CSC with respect to the Transmission Facility.

Table 1

345 kV XLPE System
US Route 1 -From CT Route 809 (Riverside Avenue) in Norwalk to Lincoln Street in Westport -From Imperial Avenue in Westport to Old Post Road in Fairfield -In Fairfield from Pequot Avenue to CT Route 130 (Boston Post Road)
CT Route 130 -From US Route 1 in Fairfield to Railroad Avenue eastbound in Bridgeport
CT Route 809 -In Norwalk from US Route 1 to approximately the Riverside Cemetery entrance
US Route 7 -In Norwalk along southbound entrance and exit ramps at CT Route 123 (New Canaan Avenue)
I-95 -In Milford crossing under I-95 east of the Housatonic River

7. Utility to Bear Transmission Facility Costs

- a) The Utility shall construct, use and maintain the Transmission Facility at its own expense.
- b) The Utility shall bear all Costs of readjusting, relocating or removing:
 - i. the Facilities or property of any and all Existing Permittees or other authorized users from the State highway rights-of-way that interfere or conflict with the initial construction of the Transmission Facility or where necessitated by the need to move the installed Transmission Facility;
 - ii. State's Highway Appurtenances or other State property within or from the State highway rights-of-way to accommodate the initial construction of the Transmission Facility after having obtained the State's permission to

readjust, relocate or remove State's Highway

Appurtenances or other State property;

iii. the Transmission Facilities within or from the State highway rights of way to accommodate a State project, unless a feasible lower cost alternative to readjustment, relocation or removal of the Transmission Facilities is identified, in which case Utility shall bear the cost of such feasible lower cost alternative.

c) None of the obligations imposed upon the Utility by this Agreement or the Supporting Documents shall be contingent upon a prudence finding by any regulatory agency, including, but not limited to, the DPUC, FERC or CSC.

8. Reservation of Right to Future Work and Future Permittees

- a) The State reserves the right to use the State highway rights-of-way for transportation purposes, and, that the State's use of its rights of way shall not unreasonably interfere with the construction, operation and maintenance of the Transmission Facility;
- b) The Utility understands that the State plans construction and maintenance projects along the affected routes of the proposed Transmission Facility (see Table 2); and the Utility acknowledges that these construction and maintenance projects, as well as other unidentified future and construction and maintenance projects, may impact or interfere with the Transmission Facility. The State

represents and the Utility acknowledges that the schedule for these State projects is uncertain due to a number of factors including, but not limited to, environmental permitting and available funding;

Table 2

State Project No	Town	Routes	Description	Antic. Start Date
102-303	Norwalk	123	Bridge replacement #1664	2008 April
102-309	Norwalk	7	Update signs	2006 April
102-H077	Norwalk	1	Inter.Improve on US 1 at	TBD
102-285	Norwalk	1	Inter. Improve and Oper. Lane	2007 July
158-191	Westport	1	Inter. Improve Rte 1 and 136	current
158-193	Westport	1	Inter. Improve and Oper. Lane	current
15-272	Bridgeport	95	Reconstruction	current
15-296	Bridgeport	130	Reconstruction	2006 June
15-271	Bridgeport	95	Reconstruction	current
15-226	Bridgeport	130	Reconstruction	2008 April
15-291	Bridgeport	Barnum	Loop system	current
15-288	Bridgeport		Reconstruction	TBD
15-311	Bridgeport	Citywide	Traffic signal modernization	2006 Sept
138-211/212	Stratford	1	Inter. Improve.	2008 April
138-221	Stratford	95	Replace bridge	2009 April
173-350	Fairfield	95	Update signs	2005 June

- c) The State reserves the right to permit and/or license the State highway rights-of-way to Future Permittees; provided, however, that State shall notify Future Permittees of the Transmission Facilities within the vicinity of any proposed permit and shall recommend that such Future Permittees consult with Utility throughout the permitting and construction process to ensure no conflicts with Utility's Transmission Facilities.

9. Administrative Expenses

Notwithstanding any language in Section 9 of the Encroachment Specifications, the Parties agree as follows:

- a) The Utility shall pay the State its Administrative Expenses which shall include but are not limited to reasonable actual Costs for preliminary engineering services and field inspection rendered by the State. The State will perform preliminary engineering services and field inspection on the terms and conditions set forth herein. The estimated cost of such services is shown on the attached Exhibit A.
- b) The State's preliminary engineering services shall include but are not limited to any or all of the following activities:
 - i. Establish project file for Transmission Facility.
 - ii. Respond to initial inquiries for map/record information from the Utility.
 - iii. Review plans and determine potential utility conflicts.
 - iv. Prepare preliminary engineering estimate for submission to the Utility.
 - v. Work with the Utility engineers to determine design modifications to minimize potential utility conflicts and potential negative impacts to the state highway system.
 - vi. Attend utility meetings during the design phase.
 - vii. Develop and administer Encroachment Agreement.

viii. Provide final approval of Construction Plans for
Transmission Facilities.

- c) Concurrent with the execution of this Agreement by both parties, Utility shall tender to State a check, drawn on the account of the Utility, payable to the State Treasurer, State of Connecticut, in the total amount of Two Million Two Hundred Eleven Thousand Ninety Dollars (\$2,211,090.00), for State Project No. 170-2537 (the "Deposit"), corresponding with the estimate (Exhibit A) attached hereto.
- d) State shall provide Utility with a monthly statement and supporting documentation reflecting the expenditure of funds with respect to State Project No. 170-2537.
- e) Upon final audit and resolution of all billing disputes: (i) in the event the actual cost incurred by State is more than the amount of the deposit, the difference between the actual cost and the deposit shall be paid to the State by the Utility within 60 days of invoice; (ii) in the event the actual cost incurred by State is less than the amount of the deposit, the difference between the deposit and the actual cost shall be paid to the Utility by the State within 60 days of invoice. No interest shall be payable or due on the difference between the amount deposited and the final audited amount. Nothing herein shall be construed as relieving the Utility of the cost of permit work required

by Section 13b-17-11 of the Regulations of Connecticut State Agencies or any other provision of this Agreement.

10. Additional Costs Incurred by State

- a) Notwithstanding any language in Section 9 of the Encroachment Specifications the Parties agree that, in addition to the administrative expenses described in Section 9 above, Utility shall reimburse State for the reasonable actual administrative, construction, operation and maintenance Costs of State incurred as a result of Utility's use of the right of way.
- b) Notwithstanding any language in the Supporting Documents to the contrary, the State has no obligation or duty to perform or to provide compensation to the Utility for any work performed by the Utility under this Agreement.

11. Fiber Optic Cables

- a) Utility anticipates installing fiber optic cables for use in the operation and maintenance of the Transmission Facilities. Utility will pay State 50% of any rent that it may receive from the rental of excess fiber within or associated with the Transmission Facilities located within the state highway right of way to a third party. Notwithstanding the foregoing, Utility shall not have any obligation to rent excess fiber to any third party.
- b) Utility shall reserve one gain for the use of the State in accordance with Conn. Gen. Stat. 16-233. State shall have the right to access

such gain at no cost. It is expressly understood that State shall bear its make ready costs and any costs incurred by Utility in facilitating State's access to the gain.

12. Duty to Repair Transmission Facility

The Utility agrees that if the Transmission Facility harms or threatens imminent harm to any person or causes or threatens to cause any damage to State property, the Utility, shall immediately remove any such threat of imminent harm or damage, or repair such damage to the reasonable satisfaction of the State. Any work performed by the Utility under this provision shall require an Encroachment Permit pursuant to Section 3 of this Agreement.

13. Entirety of Agreement

This Agreement, including the Supporting Documents which are incorporated herein by reference, when fully executed and approved as indicated, constitutes the entire agreement between the parties hereto and shall supersede all previous communications, representations or agreements, either oral or written, between the parties hereto with respect to the subject matter hereof; no agreement or understanding varying or extending the same shall be binding on either Party unless in writing signed by both Parties hereto and approved in like fashion.

14. Accuracy of Documents

The Utility shall assume full responsibility for the accuracy of all plans and/or documents prepared for the purpose of constructing the project and shall have the signature and seal affixed on the title sheet(s) of all plans and/or documents of the

Connecticut Licensed Professional Engineer, Surveyor or other Licensed person who prepared the documents for work performed under the terms of this Agreement.

15. No Warranty

The State makes no warranty or representation that the rights-of-way are suitable for Utility's use, it being assumed that Utility has investigated the feasibility of the Transmission Facility for Utility's business operations and use. Utility has inspected the State highway rights-of-way and accepts the same "AS IS" and agrees that State is under no obligation to perform any work or provide any materials to prepare the State highway rights-of-way for Utility. State shall have no responsibility for or obligation or liability with respect to (i) the reliability of or continued operation of the Transmission Facility; (ii) the suitability, sufficiency or compatibility of State highway rights-of-way with the Transmission Facility; (iii) the suitability, sufficiency or compatibility of Highway Appurtenances with the Transmission Facility; (iv) the suitability, sufficiency or compatibility of Existing or Future Permittees with the Transmission Facility or (v) the suitability, sufficiency or compatibility of electrical, fire protection, life safety, security, public utility or other systems in the state highway right-of-way (whether as initially installed or as modified or replaced from time to time) with the Transmission Facility.

Notwithstanding the foregoing, the State shall provide Utility with access to all information in its possession concerning the state highway rights-of-way within which the Project will be constructed.

16. Relationship of Parties

State and Utility acknowledge and agree that the relationship between them is solely that of independent contractors, and nothing shall be construed to constitute the parties as employer and employee, partners, joint ventures, co-owners or otherwise as participants in a joint or common undertaking.

17. Use of the Right of Way

Unless mutually agreed to in writing by the Parties, the Utility's use of the right of way shall be limited to the construction, operation, maintenance, repair and replacement of the Transmission Facility consistent with this Agreement and any Encroachment Permits issued hereunder. The Utility acknowledges that the State has the right to contract directly with other Existing or Future Permittees for the use of the State highway rights-of-way.

18. Assignment

Utility shall not assign this Agreement without the prior written consent of State which consent shall not be unreasonably withheld.

19. Bond Requirement

Notwithstanding any statutory provision to the contrary, throughout construction of the Transmission Facilities within the highway right of way, Utility or its contractors shall provide for the benefit of the State a "Permit Bond(s)" or an equivalent bond(s) reasonably acceptable to State. The Permit Bond(s) shall be in an amount sufficient to cover the estimated cost of restoring the right of way to its pre-construction condition.

20. Utility Costs

State shall not be responsible for Utility Costs, including costs associated with the services of governmental agencies, consultants, contractors or other third parties.

21. Submission of Plans

- a) **Plan Requirements.** All Plans submitted by the Utility to the State shall be drawn to the following specifications.
 - i. The Plans shall be referenced to the CT State Plane Coordinate Facility (NAD 83) for horizontal controls;
 - ii. The plans shall be referenced to either NAVD 88 or NGVD 29 for vertical controls. The plans shall all utilize the same vertical datum;
 - iii. All changes in direction shall be indicated by bearings and distances with coordinates being posted at all angle points in the line. This can be represented as a traverse line or a base line (Right-of-Way Survey).
 - iv. A profile of the line shall be provided with elevations posted at all angle points;
 - v. A Connecticut licensed Land Surveyor shall sign and seal the plans;
 - vi. A Connecticut licensed Professional Engineer shall sign and seal the plans;
 - vii. The mapping and survey shall conform to Sections 20-300b-1 through 20 of the Regulations of State Agencies

“The Standards for Surveys and Maps in the State of Connecticut”;

- viii. The horizontal control shall conform to Class A-2 accuracy and all topographic detail meet or exceed class T-3 accuracy except for the “As-Built Plans” which shall meet or exceed class T-2 accuracy;
- ix. Pairs of horizontal control points shall be provided every one-half (0.5) mile. Tie boxes and coordinates be provided for these control stations; and
- x. There shall be one Benchmark provided every one-half (0.5) mile and this Benchmark shall be adequately described for easy recovery.
- xi. All Utility Appurtenances shall be fully described in plan and cross-sectional views on all plans submitted to the State.
- xii. All Highway Appurtenances shall be fully described in plan and cross-sectional views on all plans submitted to the State.
- xiii. All Existing Permittees’ Facilities and property identified in records or drawings made available by State or third parties shall be fully described in plan and cross-sectional views on all plans submitted to the State.

xiv. All structures associated with the Transmission Facility, existing Facilities as identified in records or documents made available by State or third parties shall be fully described in plan and cross-sectional views on all plans submitted to the State.

b) Plan Submittals

The Utility shall submit to the State for its review and approval Plans consistent with the requirements of subsection (a) above for the design and construction of the Transmission Facility. The Utility shall submit one copy on standardized mylar 2' by 3' sheets, six copies of white prints on 2' x 3' paper and one electronic copy in format reasonably acceptable to State for the final Construction Plans. The requirement for submission of plans shall be satisfied by providing Utility's D&M Plans to State for review.

c) As-Built Plans

i. Within three months of completion of all of the Transmission Facility under an Encroachment Permit, the Utility shall submit to the State the plans of the Transmission Facility depicting the Transmission Facility as actually constructed. The Utility shall submit one copy on standardized 2' by 3' mylar sheets, six copies of white prints on 2' x 3' paper and one electronic copy of the As-Built Plans in format reasonably

acceptable to the State. The Plans must show in detail, all Highway Appurtenances, Existing Permittee Facilities, future Permittee Facilities, if known, all utilities and any other structures within the State highway rights-of-way encountered by the Utility during the construction of the Transmission Facility, as they exist after the installation of the Transmission Facility.

The As-Built Plans should depict the realignment of any Highway Appurtenances, Existing and Future Permittee Facilities, all utilities and any other structure within the State highway rights-of-way.

- ii. Utility shall submit a new set of As-Built plans in accordance with the provisions of this Section 21, within three (3) months of completion of any repairs, maintenance, replacement, reconstruction, relocation, modification or removal of the Transmission System which results in a change in the As-Built Plans required by this Section 21.
- iii. All structures associated with the Transmission Facility, existing Facilities as identified in records or documents made available by State or third parties, and any other existing structures encountered or identified during construction within the State highway right-of-way shall

be fully described in plan and cross-sectional views on all plans submitted to the State. To the extent that facilities reflected on State or third party documents are not found during construction, the As-Built Plans shall identify them as "Not Found."

22. Quality Control

- a) Prior to any work within State highway rights-of-way, the Utility shall submit for review and approval, quality control plan for each material and process, construction methods, materials criteria, mixture designs, and details plans for sub-grade and sub-base restoration. The State shall not issue an Encroachment Permit to the Utility until the State has reviewed and approved the Utility's Quality Control Plan. State shall use best efforts to conduct such review and approval within ten (10) business days of submittal.
- b) The Utility shall provide quality control inspection services at each location by an approved independent inspection service ("QC Inspector") selected by the Utility from the State's current Prequalified Consultant List (Construction Engineering and Inspection – Highway and Bridge). The QC Inspector shall be subject to the State's approval and shall represent the State's interests. The QC Inspector shall ensure compliance with the Construction Specifications and the Encroachment Permit and Specifications

during the construction and installation of the Transmission Facility.

The Utility shall bear the cost of retaining the QC Inspector.

- c) The QC Inspector shall report directly to the State on a weekly basis or as otherwise directed by the State. The Utility shall retain the QC Inspector through all phases of the construction and installation of the Transmission Facility. Utility shall promptly notify State of any anticipated change in the QC inspector.
- d) The Utility shall provide a written confirmation and report of such inspections to the State not more than five (5) business days following each such inspection. In the event that the inspection reveals damage to the State highway rights-of-way, the Utility shall remedy such damage in a manner acceptable to the State within ten (10) business days or develop a repair plan acceptable to the State within ten (10) business days. In the absence of such a confirmation and report, or repair plan, the State shall have the right (but not the obligation), to conduct or arrange for such an inspection, report, repair plan, remedy such damage and to charge the Utility for the reasonable actual Costs thereof. Utility shall remit payment for such Costs within 60 days of invoice.

23. Restoration of Surfaces

- a) After construction of the Transmission Facility is completed, the Utility shall restore all surfaces within the State highway rights-of-way which have been disturbed by the construction of the

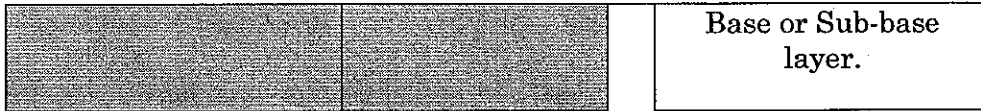
Transmission Facility to preconstruction condition in accordance with Maintenance Directive 93-1. The Utility shall assume all Costs related to such restoration, including but not limited to backfilling, compaction, resurfacing, markings and signalization.

b) Trench backfilling shall be done in accordance with Table 3 below.

The Utility will restore all roadway pavements to match preexisting layouts of all specific unbound and bound layers. The following diagram depicts typical conditions that may be encountered in state highways.

Table 3

Existing Pavement	Typical thickness	Typical Patching for Trench Backfilling
Bound Layer-Class 1 (or equivalent) or Concrete	1-1/2 to 3 inches	Restore with HMA to match existing site conditions with equivalent materials as approved by CTDOT
Bound Layer- Class 4 (or equivalent) or Concrete	3 to 10 inches	
Processed Aggregate Base or Sub-base	10-16 inches of various approved materials	Restore to minimum of 10 inches in two lifts
Subgrade	Site specific	Restore with approved backfill material or flow-able fill to the bottom of the Processed Aggregate



- c) All penetrations of the bound layer within State highway right-of-way shall be sealed by the Utility so as to prevent any water leakage. The Utility shall use surface restoration contractors qualified by State to produce and perform any work which may involve penetrations of the bound layer portion of the State highway rights-of-way. The Utility shall require the surface restoration contractor to provide a warranty bond for a three year period. Any warranty bond provided pursuant to this Section 23(c) shall specify that the surety use surface restoration contractors qualified by the State.
- d) If the Transmission Facility has resulted in damage to the State highway right-of-way, the State may undertake such repairs and charge the Utility for the reasonable direct Costs of such repairs.
- e) If the construction of the Transmission Facility has resulted in damage to the State highway right-of-way giving rise to an emergency situation or presenting an imminent hazard, the State shall notify the Utility immediately. The Utility and the State shall cooperate to take any steps necessary to remedy the emergency situation.
- f) The Utility shall bear the reasonable direct Costs to repair any portion of the State highway right-of-way that is damaged by the construction, operation or maintenance, of the Transmission Facility. If the Utility fails to complete such repairs, after reasonable notice

thereof from the State, the State may, in its sole discretion, repair such damage and the Utility shall promptly reimburse the State for its reasonable direct Costs incurred in such repair.

24. Special Requirements for Installation of Transmission Facility

The Utility shall construct the Transmission Facility such that the highest elevation of any portion of the Transmission Facility, including any protective barrier necessary to prevent an inadvertent penetration of the Transmission Facility, shall be not less than 2.5 feet below the elevation of the surface of the State highway rights-of-way.

25. Traffic Control Requirements

- a) The Utility shall submit to the State a report detailing its Maintenance and Protection of Traffic (“M&PT”) intentions during the installation of the Transmission Facility (“Traffic Control Plans”). The report will be based upon the general requirements set forth in the 2003 Manual on Uniform Traffic Control Devices, the Transportation Research Board’s Highway Capacity Manual 2000 and the document entitled “Traffic Control During Maintenance Operations.” The report will include an inventory of all impacted roadways and as minimum contain the following traffic information:

- i. number of travel lanes;
- ii. width of travel lanes;
- iii. width of shoulders;
- iv. average daily traffic;

- v. 24-hour traffic counts (most recent available); and
 - vi. commercial or residential roadside development
- b) In addition, the report shall identify all critical intersection and section crossings as well as identify the scope, duration and implementation time frame of all planned roadway, improvements (State, municipal and private) along the proposed transmission line route. Based on the above information, the report should address the following:
- i. allowable hours for lane closures;
 - ii. whether night work should be restricted in certain residential areas;
 - iii. whether work should be restricted on any holidays and/or major town events;
 - iv. whether any additional restrictions are needed for certain periods of the year such as peak shopping periods;
 - v. work restrictions due to inadequate temperatures for paving operations;
 - vi. consult with each Town and indicate allowable hours of work on local roads;
 - vii. impacts to traffic control signals;
 - viii. impacts to sidewalks and develop plan to maintain pedestrian access; and

- ix. coordinate work and lane closures with other work that will be ongoing during the proposed utility work.
 - x. impact to signage and pavement markings
- c) The report shall indicate where Department of Transportation Typical Traffic Control Plans will be used and during what hours of work.
 - d) For situations where the Typical Traffic Control Plans are not appropriate, and for long-term traffic shifts and/or lane closures, maintenance and protection of traffic plans shall be developed for review by the State.
 - e) Traffic control signals shall be maintained at all times, including loop detectors and interconnect unless temporary revisions are proposed by the report. For any proposed temporary adjustments to traffic signals, a temporary signalization plan shall be developed and included for review by the State.
 - f) Upon receipt of the Traffic Control Plan, the State will review the proposed Traffic Control Plan requirements and will approve or approve with modifications the Traffic Control Plan in the Encroachment Permit issued by the State. All work performed by the Utility shall comply with the M&PT requirements set forth in the Encroachment Permit.
 - g) The requirement for submission of a Traffic Control Plan shall be satisfied by the provision of Utility's Traffic Control Plan prepared and filed with its D&M Plans to State for review.

26. Excavated Soils

Notwithstanding the provisions of Section 25(c) of the Encroachment Specifications, the Parties hereby agree as follows:

- a) All excavated soils and materials shall be managed in accordance with the Connecticut Department of Environmental Protection, Guidance for Utility Excavation, effective January 30, 2001 (the "Guidance"). No excavated soils or material may be reused as backfill unless permitted by applicable law or regulation, including the Guidance.
- b) The Utility shall be listed as the generator as required for the purpose of transportation and disposition outside the State highway right-of-way of any Hazardous Substances excavated by the Utility from State highway right-of-way.
- c) There shall be no payment to State by Utility for excavated soils. However, as between the State and the Utility, all Costs associated with the Utility's excavation, handling, storage, use, transportation or disposal of excavated soils, materials and Hazardous Substances shall be borne by the Utility.
- d) The Parties agree that Section 2 of the Encroachment Specification shall be applicable to this Agreement and that Section 27 of the Encroachment Specification shall not be applicable to this Agreement.

27. Utility to Establish Toll Free Information Line

The Utility shall establish a toll free telephone number for the public to receive information about the construction or maintenance of the Transmission Facility as required by the CSC Approvals.

28. Utility to Eliminate Interference with State Traffic Signalization and Communications

In the event that there are any malfunctions to the traffic signalization system or communications systems within State highway rights-of-way caused by interference from the Transmission Facility, the Utility shall remedy the interference problem at its own expense within a reasonable period of time to restore traffic control.

29. Default and Dispute Resolution

Notwithstanding the provisions of Sections 29 and the second paragraph of Section 30 of the Encroachment Specifications, the Parties agree as follows:

- a) The following shall constitute events of default by the Utility:
 - i. Failure to readjust, relocate or remove the Transmission Facility or any part thereof from the State highway right of way pursuant to order of the State consistent with Conn. Gen. Stat. 13a-126 and the terms of this Agreement.
 - ii. Persistent and unreasonable interference with the functions, maintenance and operations of the highway system.

- iii. Failure to obtain or comply with the terms of an Encroachment Permit issued hereunder. However, the Parties agree that the last sentence of Section 7 of the Encroachment Specifications shall not apply to this Agreement or any Encroachment Permit issued hereunder.
- b) The following shall constitute events of default by State:
- i. Unreasonable failure to issue permits or other approvals required by applicable law or the terms of this Agreement;
 - ii. Persistent and unreasonable interference with construction, operation or maintenance of the Transmission Facility.
- c) Notwithstanding the foregoing, neither Party shall be deemed in default to the extent that its acts or omissions are consistent with applicable law and/or the terms of this Agreement.
- d) In the event that either Party fails to perform a material obligation under this Agreement (“Default”), the Non-Defaulting Party shall promptly notify the Defaulting party of such Default in writing (“Notice of Default”) within ten (10) days of the date on which the non-defaulting party knew or should have known of such default. The Defaulting Party shall have ten (10) business days from receipt of said Notice of Default to cure; provided, however, that if cure cannot

reasonably be effected with such ten (10) day period, the Defaulting Party shall provide a written cure plan to the Non-Defaulting Party within such ten (10) day period and shall take steps to effectuate the cure as soon as is reasonably practicable. To the extent that there is a dispute between the Parties as to the existence of a Default, either Party may notify the other of such dispute in writing (“Notice of Dispute”) within ten (10) days of receipt of a Notice of Default. Within ten (10) business days of Notice of Dispute, authorized representatives of the Parties shall confer for the purpose of discussing resolution of the dispute. If such resolution is not reached within fifteen (15) days, the parties shall refer the dispute to Senior Management for resolution. If, within thirty (30) days of such referral, senior management representatives of the Parties have been unable to resolve the dispute, the Parties may pursue any remedies available at law pursuant to Section 30 below.

30. Remedies Upon Default

Notwithstanding the provisions of Sections 29 and the second paragraph of Section 30 of the Encroachment Specifications, the Parties agree that, in the event of breach or default in the material terms of this Agreement which has not been resolved pursuant to Section 29 above, either Party may pursue any remedies available at law to compel compliance with the terms hereof.

31. Removal or Abandonment of Transmission Facility

In the event that the Utility ceases to utilize the Transmission Facility and has received approvals from regulatory agencies with jurisdiction over said Transmission Facility, the Utility may remove all or a portion of the Transmission Facility from the State highway rights-of-way. If so requested by the Utility, the State may exercise its discretion and allow the Utility to abandon all or part of the Transmission Facility in the State highway rights-of-way on such terms and conditions as the State deems appropriate.

32. Severability.

- a) To the extent that any non-material provision of this Agreement is determined to be void under applicable law or regulation by a court or regulatory agency with jurisdiction, the remaining terms shall remain in full force and effect to the extent the lawful provisions of the Agreement can be reasonably effectuated.
- b) For the purpose of this Section 32, the material provisions of this Agreement shall include the following Sections: 3; 5 through 12, inclusive; 15 through 18, inclusive; and 21 through 26, inclusive, and Sections 2, 5, 13, 25 and 26 of the Encroachment Specifications.

33. Effective Date of Agreement

Effective Date” shall mean the date on which the latest of the following shall have occurred: (i) the Agreement has been executed by duly authorized representatives of both parties; (ii) the Agreement has been approved in accordance with Section 22 of

the Encroachment Specifications; and (iii) the Utility has tendered the deposit against anticipated State Administrative Expenses described in Section 9(c) above.

IN WITNESS WHEREOF, the parties hereto do hereby set their hands and seals on the day and year indicated.

WITNESSES:

STATE OF CONNECTICUT
DEPARTMENT OF
TRANSPORTATION
Stephen E. Korta, Commissioner

Dea S Korta
NAME

By: *[Signature]*
ARTHUR W. GRUHN, P.E.
CHIEF ENGINEER
BUREAU OF ENGINEERING AND
HIGHWAY OPERATIONS

Anne I. Deval
NAME **APR 21 2006**

4/6/06
DATE

WITNESSES:

THE CONNECTICUT LIGHT AND
POWER COMPANY

Shawn A Theriault
NAME

By: *[Signature]*
JAMES A. MUNTZ
VICE-PRESIDENT
TRANSMISSION PROJECTS

Donna Lynn Williams
NAME

3/17/06
DATE

THE CONNECTICUT LIGHT AND POWER COMPANY

ASSISTANT SECRETARY'S CERTIFICATE

I, the undersigned, HEREBY CERTIFY that at a meeting of the Board of Directors of THE CONNECTICUT LIGHT AND POWER COMPANY, duly called and held on June 13, 1983, at which a quorum was present and acting throughout, the following resolution was duly adopted:

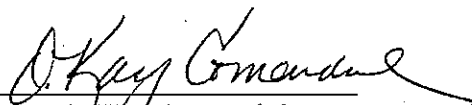
RESOLVED, that this Board hereby confirms that the officers of the Company severally have the authority, by virtue of their offices and within the scope of their respective responsibilities, to execute, deliver, acknowledge and file on behalf of the Company agreements, contracts, applications for licenses or other documents with the United States of America, any of the states, and with any political subdivisions (including any of their respective agencies) in which the Company may own property or otherwise transact business, as in the opinion of the officer so executing, delivering, acknowledging or filing such document may be in the interests of the Company.

I DO FURTHER CERTIFY that the foregoing resolution is still in full force and effect as of this date.

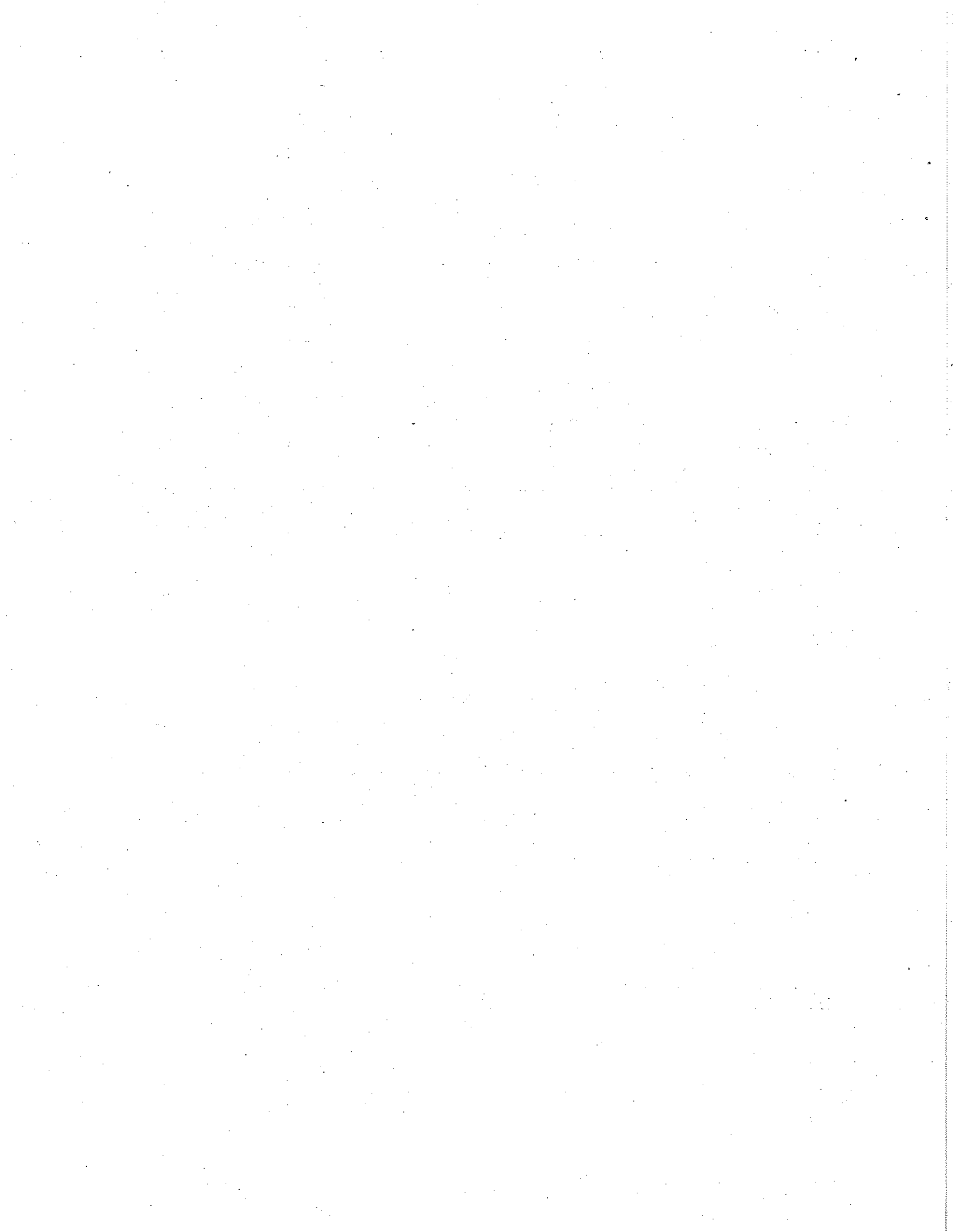
I DO FURTHER CERTIFY that James A. Muntz has been duly elected and this day is Vice President-Transmission Projects of the Company, and that in his capacity as officer of the Company he is authorized to enter into and/or amend contracts or agreements between the Company and the State of Connecticut Department of Transportation concerning or relating to the construction, operation and maintenance of transmission facilities within State highway rights of way.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the corporate seal of said Company on this 17th day of March, 2006.

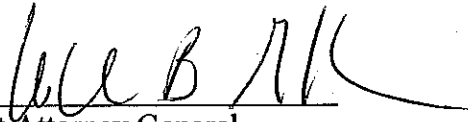
(Seal)



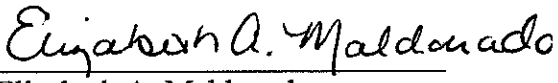
O'Kay Comendul
Assistant Secretary



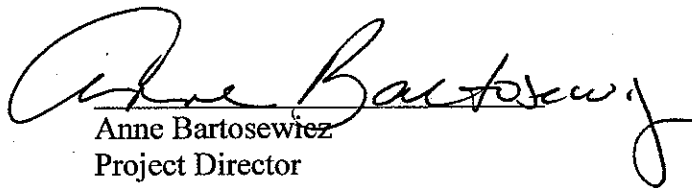
APPROVED AS TO FORM:


Asst. ~~Assistant~~ Attorney General
State of Connecticut

5/19/06
Date


Elizabeth A. Maldonado
Associate General Counsel
Northeast Utilities Service Company

3/17/06
Date


Anne Bartosewicz
Project Director
Northeast Utilities Service Company

3/17/06
Date

EXHIBIT A

CONNECTICUT DEPARTMENT OF TRANSPORTATION
ESTIMATE FOR ADMINISTRATIVE COSTS ASSOCIATED WITH
NORTHEAST UTILITIES FOR TRANSMISSION FACILITY
STATE PROJECT NO. 170-2537

Preliminary Engineering Services, Estimated Costs (UI & NU):

Installation of Underground 345 kV line.

100 days x \$2400 (daily Rate for eight (8) Engineering staff)

x 1.83 (*BF&O Rate) = \$439,200.00

NU's share at **78% = \$342,576.00

Construction Inspection Costs (NU):

Permit inspection (Estimate includes Supervising Engineers,
Inspectors, B,F,&O, OT, etc.).

700 days x \$1,170.96 (Daily rate for inspection)

x 1.83 (*BF&O Rate) = \$1,500,000.00

SUBTOTAL **\$1,842,576.00**

Accounting and Billing estimated 10% 184,257.00

Contingencies estimated 10% 184,257.00

TOTAL NU estimated costs **\$2,211,090.00**

*Burden, fringe & overhead (for straight time is 1.83 and for overtime is 1.5).

** Percentage used as supplied by NU.

**STATE OF CONNECTICUT
DEPARTMENT OF TRANSPORTATION**

GUIDELINES FOR USE OF STEEL PLATES IN STATE HIGHWAY RIGHT OF WAY

Generally, the use of plates to cover roadway excavations should be avoided. If a careful review of all reasonable alternatives indicates no other choice, the permittee may request permission from ConnDOT for their use. The use of steel plates during roadway excavations on state highways will remain solely at the discretion of the District Maintenance Director. Local traffic volumes, roadway dimensions, weather conditions and other existing circumstances could alter the following conditions.

Steel Plates can be used under the following conditions:

- 1.) For a trench that does not exceed 3' in width, the steel plate must be a minimum of 1" thick and a minimum of 12' in length
- 2.) For a trench that exceeds 3' in width, a professional engineer (licensed in Connecticut) must design the plate and support system. The plate and support system must be capable of supporting a 4 axle construction vehicle (see attachment)
- 3.) The maximum covered trench length - 160' or as determined by the District Maintenance Director as field conditions warrant
- 4.) The maximum trench width - 8' or as determined by the District Maintenance Director as field conditions warrant. If trench is wider, the trench walls support system must be designed by a Professional Engineer
- 5.) If the trench depth is greater than 3', sidewall shoring must be installed
- 6.) Plates must have permanent slip-resistant surface
- 7.) Plates must be pinned and ramped in place. When plates are left in place in excess of 48 hours, the plates must be recessed to road level and pinned
- 8.) Traffic control signs must be installed to warn motorists of steel plates
- 9.) Plates must be in accordance with ASTM Standards and certification must be provided by the permittee prior to securing permission.

Steel Plates can not be used:

- 1.) Between November 1st to April 30th
- 2.) During holidays or weekends

Steel Plates can not be left in place at the following locations:

- 1.) At intersections
- 2.) Near stop bars or stop signs (minimum distance of 100')
- 3.) On limited access highways
- 4.) At handicapped ramps
- 5.) On bridges
- 6.) In areas where crosswalks are present including schools, hospitals, churches or elderly housing
- 7.) At any other locations deemed unsuitable by the District Maintenance Director

Agreement No. 2.23-01(06)

**STANDARD ENCROACHMENT AGREEMENT
SPECIFICATIONS & COVENANTS**
CONNECTICUT DEPARTMENT OF TRANSPORTATION
January 6, 2006

These "Standard Encroachment Agreement Specifications & Covenants, Connecticut Department of Transportation" are primarily intended as an integral component of, and to be used in conjunction with, the properly executed written agreement entered into by the State of Connecticut, Department of Transportation and, as the Second Party thereto, any individual, partnership, firm, or corporation seeking permission to utilize a limited portion of a State highway for a purpose not in conflict with the best interests of the State of Connecticut.

- (1) The Second Party shall not begin any phase of the Project prior to the effective date of the Permit specified as a component of the Supporting Documents identified in the Agreement.
- (2) The Second Party shall defend, indemnify and save harmless the State, its officers, agents and employees from all claims, suits, actions, damages, and costs of every name and description caused by or resulting from:
 - (a) the Project, its use, and/or maintenance by the Second Party, its subcontractors and/or invitees;
 - (b) the effect of the Project on the operation, use and/or maintenance of the State highway(s); or
 - (c) the negligent performance and/or non-performance of the Second Party pursuant to the terms of the agreement,and such indemnity shall not be limited by reason of any insurance coverage or lack thereof.

This provision shall survive this Agreement.

- (3) The Second Party shall assume all maintenance of the Project from the effective date of the Permit and through completion of the Project. Such maintenance shall include, but not be limited to, the adequate maintenance and protection of traffic at all times during all phases of the Project, in accordance with the terms of the Permit.
- (4) The Second Party shall provide, upon the completion of the Project, and upon obtaining written permission of the State on each such occurrence, all physical maintenance of all portions of the Project within the State highway limits, except as may be otherwise specified in the Agreement, which maintenance shall not be the occasion of any cost or expense to the State in any manner whatsoever. Any cost or expense incurred by the State in connection herewith shall be reimbursed to the State upon official notice to the Second Party as specified in this Agreement.

- (5) In the event that the State deems it advisable, convenient or necessary to design, construct, reconstruct, install or maintain a highway or portion thereof or any storm drainage facilities or any other highway appurtenance or construction activity within the Project area, the Second Party shall bear the entire cost of relocating the Project that may be required as a result of such future State activity.

The Second Party acknowledges that notwithstanding the fact that it may be eligible for reimbursement from the State under the laws of the State of Connecticut, for its costs to readjust, relocate or remove the Project within or from the state highway right-of-way, the Second Party, on behalf of itself and its successors in interest, does herein waive any right to reimbursement that it may have against the State with respect to the Project.

This provision shall survive the Agreement.

- (6) All the obligations incurred by the Second Party under the Agreement shall be binding upon any successors in interest to the Second Party unless a Supplemental Agreement properly executed by both the State and the Second Party changes this requirement.
- (7) The Second Party shall record the Agreement (including any supplements thereto, if any) in the land records of the Town(s) wherein the Project is located, at no expense to the State; and the recording shall be done immediately upon notification that the fully executed and approved Agreement is ready to be recorded.

*4/10/06
ms*

~~Failure to record the Agreement as specified herein is understood to be sufficient grounds for the State to revoke the permit, terminate the Agreement, or both, whichever is later determined and/or stated by the State.~~

DOES NOT APPLY

- (8) The State reserves the right to claim and recover by process of law such sums or otherwise receive satisfaction as may be sufficient to correct any and all errors or make good any and all defects in the workmanship and/or materials involved pursuant to the Agreement.
- (9) The Second Party shall reimburse the State for any and all costs and expenses of every name and description borne by the State as a result of the Project, including but not limited to: investigation; inspection; administration; legal; and processing; it being mutually understood and agreed that there shall be no exception to, exclusion from, or limitation of this specification unless the same is set forth in a properly executed Supplemental Agreement specifically written for this purpose.
- (10) With respect to the operations performed by the Second Party under the terms of the Agreement and also those performed for the Second Party by its subcontractors, the

Second Party will be required to carry for the duration of the Agreement, and any supplements thereto, with the State being named as an additional insured party for paragraphs A and B below, the following minimum insurance coverages at no direct cost to the State. In the event the Second Party secures excess/umbrella liability insurance to meet the minimum requirements specified in paragraphs A and/or B below, the State of Connecticut shall be named as an additional insured.

A. COMMERCIAL GENERAL LIABILITY

The Second Party shall carry Commercial General Liability Insurance, including Contractual Liability Insurance, providing for a total limit of One Million Dollars (\$1,000,000) for all damages arising out of bodily injuries to or death of all persons in any one accident or occurrence, and for all damages arising out of injury to or destruction of property in any one accident or occurrence, and, subject to that limit per accident, a total (or aggregate) limit of Two Million Dollars (\$2,000,000) for all damages arising out of bodily injuries to or death of all persons in all accidents or occurrences and out of injury to or destruction of property during the policy period.

B. AUTOMOBILE LIABILITY

The operation of all motor vehicles, including those hired or borrowed, used in connection with the Agreement shall be covered by Automobile Liability Insurance providing for a total limit of One Million Dollars (\$1,000,000) for all damages arising out of bodily injuries to or death of all persons in any one accident or occurrence, and for all damages arising out of injury to or destruction of property in any one accident or occurrence. In cases where an insurance policy shows an aggregate limit as part of the automobile liability coverage, the aggregate limit must be at least Two Million Dollars (\$2,000,000).

C. RAILROAD PROTECTIVE LIABILITY

When the Agreement requires work on, over or under the right of way of any railroad company, the Second Party shall provide, with respect to the operations that it or its subcontractors perform under the Agreement, Railroad Protective Liability Insurance for and on behalf of the railroad company as named insured, and the State named as additional insured, providing for coverage limits of (1) not less than Two Million Dollars (\$2,000,000) for all damages arising out of any one accident or occurrence, in connection with bodily injury or death and/or injury to or destruction of property; and (2) subject to this limit per accident, a total (or aggregate) limit of Six Million Dollars (\$6,000,000) for all

injuries to persons or property during the policy period. If such insurance is required, the Second Party shall obtain and submit the minimum coverage indicated above to the State prior to the commencement of rail related work and/or activities and shall maintain coverage until the work and/or activities is/are accepted by the State.

D. WORKERS' COMPENSATION

With respect to all operations the Second Party performs and all those performed for the Second Party by subcontractor(s), the Second Party and subcontractor(s) shall carry Workers' Compensation Insurance and, as applicable, insurance required in accordance with the U.S. Longshore and Harbor Workers' Compensation Act, in accordance with the requirements of the laws of the State of Connecticut, and of the laws of the United States respectively.

- (11) In conjunction with the above, the Second Party agrees to furnish to the State, only on the form or forms supplied by the State, a "Certificate of Insurance (CON-32)", fully executed by an insurance company or companies satisfactory to the State, for the insurance policy or policies required hereinabove, which policy or policies shall be in accordance with the terms of said Certificate(s) of Insurance. For the Workers' Compensation Insurance and, as applicable, U.S. Longshore and Harbor Workers' Compensation Act Coverage, the policy number(s) and term of the policy(ies) shall be indicated on the CON-32. Each insurance policy shall state that the insurance company agrees to investigate and defend the insured against all claims for damages, even if groundless.
- (12) The State reserves the right to investigate and to inspect at all times, all phases of the Project, including appurtenances.
- (13) The Second Party shall comply with and conform to all pertinent laws, ordinances, rules and regulations, whether State, Federal, or Municipal, both during the construction phase of the Project and the subsequent permanent maintenance thereof.
- (14) The Second Party and its invitees shall be cognizant of and fully comply with the following:
 - A. The Second Party shall comply with the Regulations of the United States Department of Transportation (Title 49, Code of Federal Regulations, Part 21) issued in implementation of Title VI of the Civil Rights Act of 1964, 78 Stat. 252, 42 U.S.C. 2000d to 2000d-4, and Appendix CR attached hereto, both of which are hereby made a part of this Agreement.

- B. (a) For the purposes of this section, "minority business enterprise" means any small contractor or supplier of materials fifty-one percent or more of the capital stock, if any, or assets of which is owned by a person or persons: (1) who are active in the daily affairs of the enterprise, (2) who have the power to direct the management and policies of the enterprise and (3) who are members of a minority, as such term is defined in subsection (a) of Conn. Gen. Stat. Sect. 32-9n; and "good faith" means that degree of diligence which a reasonable person would exercise in the performance of legal duties and obligations. "Good faith efforts" shall include, but not be limited to, those reasonable initial efforts necessary to comply with statutory or regulatory requirements and additional or substituted efforts when it is determined that such initial efforts will not be sufficient to comply with such requirements.

For purposes of this section, "Commission" means the Commission on Human Rights and Opportunities.

- (b) (1) The Second Party agrees and warrants that in the performance of the contract such Second Party will not discriminate or permit discrimination against any person or group of persons on the grounds of race, color, religious creed, age, marital status, national origin, ancestry, sex, mental retardation or physical disability, including, but not limited to, blindness, unless it is shown by such Second Party that such disability prevents performance of the work involved, in any manner prohibited by the laws of the United States or of the State of Connecticut. The Second Party further agrees to take affirmative action to insure that applicants with job related qualifications are employed and that employees are treated when employed without regard to their race, color, religious creed, age, marital status, national origin, ancestry, sex, mental retardation, or physical disability, including, but not limited to, blindness, unless it is shown by such Second Party that such disability prevents performance of the work involved; (2) the Second Party agrees, in all solicitations or advertisements for employees placed by or on behalf of the Second Party, to state that it is an "affirmative action-equal opportunity employer" in accordance with regulations adopted by the Commission; (3) the Second Party agrees to provide each labor union or representative of workers with which such Second Party has a collective bargaining agreement or other contract or understanding and each vendor with which such Second Party has a contract or understanding, a notice to be provided by the Commission, advising the labor union or worker's representative of the Second Party's commitments under this section and to post copies of the notice in conspicuous places available to employees and applicants for employment; (4) the Second Party agrees

to comply with each provision of this section and Conn. General Stat. Sections 46a-68e and 46a-68f and with each regulation or relevant order issued by said Commission pursuant to Conn. General Stat. Sections 46a-56, 46a-68e and 46a-68f; (5) the Second Party agrees to provide the Commission on Human Rights and Opportunities with such information requested by the Commission, and permit access to pertinent books, records and accounts, concerning the employment practices and procedures of the Second Party as relate to the provisions of this section and Section 46a-56. If the contract is a public works contract, the Second Party agrees and warrants that it will make good faith efforts to employ minority business enterprises as subcontractors and suppliers of materials on such public works project.

(c) Determination of the Second Party's good faith efforts shall include but shall not be limited to the following factors: The Second Party's employment and subcontracting policies, patterns and practices; affirmative advertising, recruitment and training; technical assistance activities and such other reasonable activities or efforts as the Commission may prescribe that are designed to ensure the participation of minority business enterprises in public works projects.

(d) The Second Party shall develop and maintain adequate documentation, in a manner prescribed by the Commission, of its good faith efforts.

(e) The Second Party shall include the provisions of subsection (b) of this section in every subcontract or purchase order entered into in order to fulfill any obligation of a contract with the State and such provisions shall be binding on a subcontractor, vendor or manufacturer unless exempted by regulations or orders of the Commission. The Second Party shall take such action with respect to any such subcontract or purchase order as the Commission may direct as a means of enforcing such provisions including sanctions for noncompliance in accordance with Conn. Gen. Stat. Sect. 46a-56; provided if such Second Party becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the Commission, the Second Party may request the State of Connecticut to enter into any such litigation or negotiation prior thereto to protect the interests of the State and the State may so enter.

(f) The Second Party agrees to comply with the regulations referred to in this section as they exist on the date of this contract and as they may be adopted or amended from time to time during the term of this contract and any amendments thereto.

- C. This Agreement is subject to the provisions of Executive Order No. Three of Governor Thomas J. Meskill promulgated June 16, 1971, and, as such, this Agreement may be cancelled, terminated or suspended by the State Labor Commissioner for violation of or noncompliance with said Executive Order No. Three, or any State or Federal law concerning nondiscrimination, notwithstanding that the Labor Commissioner is not a party to this Agreement. The parties to this Agreement, as part of the consideration hereof, agree that said Executive Order No. Three is incorporated herein by reference and made a part hereof. The parties agree to abide by said Executive Order and agree that the State Labor Commissioner shall have continuing jurisdiction in respect to Agreement performance in regard to nondiscrimination, until the Agreement is completed or terminated prior to completion.
- D. The Second Party agrees, as part consideration hereof, that this Agreement is subject to the Guidelines and Rules issued by the State Labor Commissioner to implement Executive Order No. Three, and that it will not discriminate in its employment practices or policies, will file all reports as required, and will fully cooperate with the State of Connecticut and the State Labor Commissioner. A copy of said Guidelines is attached and hereby made a part of this Agreement.
- E. This Agreement is subject to the provisions of Executive Order No. Seventeen of Governor Thomas J. Meskill promulgated February 15, 1973, and, as such, this Agreement may be cancelled, terminated or suspended by the contracting agency or the State Labor Commissioner for violation of or noncompliance with said Executive Order No. Seventeen, notwithstanding that the Labor Commissioner may not be a party to this Agreement. The parties to this Agreement, as part of the consideration hereof, agree that Executive Order No. Seventeen is incorporated herein by reference and made a part hereof. The parties agree to abide by said Executive Order and agree that the contracting agency and the State Labor Commissioner shall have joint and several continuing jurisdiction in respect to Agreement performance in regard to listing all employment openings with the Connecticut State Employment Service.
- F. The Second Party hereby acknowledges and agrees to comply with the CONNECTICUT REQUIRED CONTRACT/AGREEMENT PROVISIONS entitled "Specific Equal Employment Opportunity Responsibilities," dated March 6, 1998, a copy of which is attached hereto and made a part hereof.
- G. The Second Party agrees that the attached "Policy Statement, Policy No. ADMIN. -19, May 12, 2003, Subject: Policy on Disadvantaged Business Enterprise Program", is hereby made a part of this Agreement. The

State advises the Second Party that failure to carry out the requirements set forth in this Policy Statement shall constitute a breach of contract and may result in termination of this Agreement by the State or such remedy as the State deems appropriate.

H. This contract is subject to the provisions of Executive Order No. 16 of Governor John G. Rowland promulgated August 4, 1999 and, as such, the contract may be cancelled, terminated or suspended by the State for violation of or noncompliance with said Executive Order No. 16. The parties to this contract, as part of the consideration hereof, agree that said Executive Order No. 16 is incorporated herein by reference and made a part hereof. The parties agree to abide by such Executive Order.

(15) (a) Pursuant to Section 4a-60a of the Connecticut General Statutes, (1) The Second Party agrees and warrants that in the performance of the contract such Second Party will not discriminate or permit discrimination against any person or group of persons on the grounds of sexual orientation, in any manner prohibited by the laws of the United States or of the State of Connecticut, and that employees are treated when employed without regard to their sexual orientation; (2) the Second Party agrees to provide each labor union or representative of workers with which such Second Party has a collective bargaining agreement or other contract or understanding and each vendor with which such Second Party has a contract or understanding, a notice to be provided by the commission on human rights and opportunities advising the labor union or workers' representative of the Second Party's commitments under this section, and to post copies of the notice in conspicuous places available to employees and applicants for employment; (3) the Second Party agrees to comply with each provision of this section and with each regulation or relevant order issued by said commission pursuant to section 46a-56 of the general statutes; (4) the Second Party agrees to provide the commission on human rights and opportunities with such information requested by the commission, and permit access to pertinent books, records and accounts, concerning the employment practices and procedures of the Second Party which relate to the provisions of this section and section 46a-56 of the general statutes.

(b) The Second Party shall include the provisions of subsection (a) of this section in every subcontract or purchase order entered into in order to fulfill any obligation of a contract with the State and such provisions shall be binding on a subcontractor, vendor or manufacturer unless exempted by regulations or orders of the commission. The Second Party shall take such action with respect to any such subcontract or purchase order as the commission may direct as a means of enforcing such provisions including

sanctions for noncompliance in accordance with section 46a-56 of the general statutes; provided, if such Second Party becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the commission, the Second Party may request the State of Connecticut to enter into any such litigation or negotiation prior thereto to protect the interests of the State and the State may so enter.

- (16) The Second Party hereby acknowledges and agrees to comply with the policies enumerated in "Connecticut Department of Transportation Policy Statement, Policy No. F&A-10 Subject: Code of Ethics Policy," January 6 2006, a copy of which is attached hereto and made a part hereof.

The Second Party shall comply with the provisions contained in Section 1-86e of the Connecticut General Statutes, which provides as follows:

- (a) No person hired by the State as a Second Party or independent contractor shall:
- (1) Use the authority provided to the person under the contract, or any confidential information acquired in the performance of the contract, to obtain financial gain for the person, an employee of the person or a member of the immediate family of any such person or employee;
 - (2) Accept another state contract which would impair the independent judgment of the person in the performance of the existing contract; or
 - (3) Accept anything of value based on an understanding that the actions of the person on behalf of the State would be influenced.
- (b) No person shall give anything of value to a person hired by the State as a Second Party or independent contractor based on an understanding that the actions of the Second Party or independent contractor on behalf of the State would be influenced.
- (17) The Second Party shall not use the defense of sovereign immunity in the adjustment of claims or in the defense of any suit, unless requested to do so by the State.
- (18) In the event that the Second Party has not appointed a registered agent for service of process within the State of Connecticut, the Secretary of the State of the State of Connecticut (including any successor thereto) is hereby appointed by the Second Party as its agent for service of

process for any action arising out of or as a result of the Agreement, such appointment to be in effect throughout the life of the Agreement including any supplements hereto and all renewals thereof, if any, and six (6) years thereafter, except as otherwise provided by Statute.

(19) The duration of the Agreement shall not be limited by the term of the Permit issued by the State, but shall remain in full force and effect until the State and the Second Party mutually agree in writing to terminate the Agreement.

(20) It is mutually understood and agreed by the parties hereto that any official notice from one such party to the other such party (or parties), in order for such notice to be binding thereon, shall:

(a) - be in writing addressed to:

(i) when the State is to receive such notice -

Commissioner of Transportation,
Connecticut Department of Transportation,
2800 Berlin Turnpike,
P.O. Box 317546,
Newington, Connecticut 06131-7546;

(ii) when the Second Party (or Parties) is (are) to receive such notice -

the person acting herein as signatory for the Second Party (or Parties) receiving such notice;

(b) - be delivered in person or be mailed United States Postal Service - "Certified Mail" to the address recited herein as being the address of the party(ies) to receive such notice; and

(c) - contain complete and accurate information in sufficient detail to properly and adequately identify and describe the subject matter thereof.

The term "official notice" as used herein, shall be construed to include but not be limited to any request, demand, authorization, direction, waiver, and/or consent of the party(ies) as well as any document(s) provided, permitted, or required for the making or ratification of any change, revision, addition to or deletion from the document, contract, or agreement in which this "official notice" specification is contained.

Further, it is understood and agreed that nothing hereinabove contained shall preclude the parties hereto from subsequently agreeing, in writing, to designate alternate persons (by name, title, and affiliation) to which such notice(s) is (are) to be

addressed; alternate means of conveying such notice(s) to the particular party(ies); and/or alternate locations to which the delivery of such notice(s) is (are) to be made, provided such subsequent agreement(s) is (are) concluded pursuant to the adherence to this specification.

(21) Suspended or debarred second parties, suppliers, materialmen, lessors or other vendors may not submit proposals for a State contract or subcontract during the period of suspension or debarment regardless of their anticipated status at the time of contract award or commencement of work.

(a) The signature on the Agreement by the Second Party shall constitute certification that to the best of its knowledge and belief the Second Party or any person associated therewith in the capacity of owner, partner, director, officer, principal investigator, project director, manager, auditor or any position involving the administration of Federal or State funds:

1. Is not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any Federal department or agency;
2. Has not within a three-year period preceding this Agreement been convicted of or had a civil judgment rendered against him/her for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State or local) transaction or contract under a public transaction, violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;
3. Is not presently indicted for or otherwise criminally or civilly charged by a governmental entity (Federal, State or local) with commission of any of the offenses enumerated in paragraph (a)2. of this certification; and
4. Has not within a three-year period preceding this Agreement had one or more public transactions (Federal, State or local) terminated for cause or default.

(b) Where the Second Party is unable to certify to any of the statements in this certification, such Second Party shall attach an explanation to this Agreement.

The Second Party agrees to insure that the following certification be included in each subcontract Agreement to which it is a party, and further, to require said certification to be included in any lower tier subcontracts and purchase orders:

1. The prospective lower tier participant certifies, by submission of this proposal, that neither it nor its principals is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any Federal department or agency.
 2. Where the prospective lower tier participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal.
- (22) The Agreement shall not be effective until the Agreement has been approved, as to form, by the Attorney General of the State of Connecticut.
- (23) In case of conflict between the Agreement and terms or requirements of any other document, the Agreement shall govern.
- (24) This clause applies to those Second Parties who are or will be responsible for compliance with the terms of the American with Disabilities Act of 1990 ("Act"), Public Law 101-336, during the term of the Agreement. The Second Party represents that it is familiar with the terms of this Act and that it is in compliance with the Act. Failure of the Second Party to satisfy this standard as the same applies to performance under this Agreement, either now or during the term of the Agreement as it may be amended, will render the Agreement voidable at the option of the State upon notice to the Second Party. The Second Party warrants that it will hold the State harmless and indemnify the State from any liability which may be imposed upon the State as a result of any failure of the Second Party to be in compliance with this Act, as the same applies to performance under this Agreement.
- (25) (a) "Environmental Laws" shall mean and include any federal, state or local statute, law, ordinance, code, rule, regulation, order, or decree regulating or relating to the protection of human health or the environment, or imposing liability or standards of conduct concerning any hazardous, toxic, or waste substance, element, compound, mixture or material, as now or at any time hereafter in effect, including, without limitation, the Federal Comprehensive Environmental Response, Compensation and Liability Act, as amended, 42 U.S.C. Sect. 9601 et seq.; the Federal Oil Pollution Act of 1990, 33 U.S.C. Sect. 2701 et seq., the Federal Toxic Substances Control Act, 15 U.S.C. Sect. 2601 et seq., the Federal Resource Conservation and Recovery Act, as amended, 42 U.S.C. Sect. 6901 et seq., the Federal Hazardous Material Transportation Act, 49 U.S.C. Sect. 1801 et seq., the Federal Clean Air Act, 42 U.S.C. Sect. 7401 et seq., the Federal Water Pollution Control Act, 33 U.S.C. Sect. 1251 et seq., the River and Harbors Act of 1899, 33 U.S.C. Sect. 401 et seq., and all rules and regulations of

the United States Environmental Protection Agency, or any other state, local or federal agency or entity having jurisdiction over environmental or health and safety matters, as such may have been amended.

- (b) "Hazardous Substances" shall mean any and all materials, chemicals, or other substances that are hazardous or toxic or otherwise regulated or controlled pursuant to any of the Environmental Laws.
 - (c) The Second Party shall test all soils and materials excavated from the state highway right of way and shall not replace any soils or materials containing Hazardous Substances within state highway rights-of-way.
 - (d) The Second Party shall comply strictly and in all respects with the requirements of the Environmental Laws. Furthermore, the Second Party shall not store, generate or use any Hazardous Substances at, on, or under the area within the right of way in which the Project is located.
 - (e) The Second Party shall not list the State as the owner, generator or transporter of any Hazardous Substances excavated from state highway rights of way. All costs associated with the handling, storage, use, transportation or disposal of Hazardous Substances shall be borne by the Second Party.
 - (f) This provision shall survive this Agreement.
- (26) All the Second Party's obligations hereunder shall survive this Agreement or any other agreement or action, including, without limitation, any consent decree, or order, between the Second Party and the government of the United States or any department or agency thereof, the State and/or the municipality.
- (27) In addition to Item (2) of these Standard Encroachment Agreement Specifications and Covenants, the Second Party hereby agrees as follows:

The Second Party shall or if the Second Party is one of several parties, the parties shall jointly and severally, protect, indemnify, defend, and hold harmless the State and any of its officers, employees and agents and their respective heirs, legal representatives, successors and assigns, from and against any and all loss, damage, cost, charge, lien, debt, fine, penalty, injunctive relief, claim, demand, expense, suit, order, judgment, adjudication, liability, or injury to person, property or natural resources, including attorneys' fees and consultants' fees (any of the foregoing being referred to in this Agreement as a "Claim") arising out of, attributable to, which may accrue out of, or which may result from (i) any violation or alleged violation of the Environmental Laws by any person or entity or other source whether related or unrelated

to the Second Party, or (ii) the disposal or alleged disposal of Hazardous Substances (whether intentional or unintentional, direct or indirect, foreseeable or unforeseeable) by any person or entity or other source, whether related or unrelated to the Second Party.

- (28) The Agreement, when fully executed by both parties and this "Standard Encroachment Agreement Specifications & Covenants, Connecticut Department of Transportation" together constitute the entire agreement between the parties hereto and shall supersede all previous communications, representations, or agreements, either oral or written, between the parties hereto with respect to the subject matter hereof; and no agreement or understanding varying or extending the same shall be binding upon either party hereto unless in writing signed by both parties hereto; and nothing contained in the terms or provisions of the Agreement shall be construed as waiving any of the rights of the State under the laws of the State of Connecticut.
- (29) That the sole and exclusive means for the presentation of any claim against the State arising from or in connection with this Agreement shall be in accordance with Chapter 53 of the Connecticut General Statutes (Claims against the State) and the Second Party further agrees not to initiate legal proceedings in any State or Federal Court in addition to, or in lieu of, said Chapter 53 proceedings.
- (30) That this Agreement shall be governed, interpreted and construed under and in accordance with the laws of the State of Connecticut, whether or not its conflict of laws principles would dictate otherwise. This Agreement shall be deemed to have been made in Hartford, Connecticut.

The Second Party irrevocably consents with respect to any claims or remedies at law or in equity, arising out of or in connection with this Agreement to the jurisdiction of the Connecticut Superior Court (except as otherwise required by law or that Agreement), and, with respect to any claim between the Parties, to venue in Judicial District of Hartford-New Britain at Hartford or the United States Federal Court, District of Connecticut, and irrevocably waives any objections that it may have to such jurisdiction on the grounds of lack of personal jurisdiction of such court or the laying of venue of such court or on the basis of forum non conveniens or otherwise. Nothing herein shall be construed to waive any of the State's immunities.

- (31) This provision and its subsections are included in this Agreement in accordance with Section 6 of the Governor M. Jodi Rell's Executive Order No. 7B: The State Contracting Standards Board (the "Board") may review the contract and recommend to the State contracting agency termination of the contract for cause. For the purpose of this Section, "for cause" means" (1) a violation of the State Ethics Code (Chapter 10 of the general statutes) or section 4a-100 of the general statutes or (2) wanton or reckless disregard of any state contracting and procurement process by any person substantially involved in such contract or state contracting agency. The Board shall provide the results of its review with its recommendations. to the state

contracting agency and any other affected party in accordance with the notice provisions in the contract no later than fifteen (15) days after the Board finalizes its recommendation. The state contracting agency shall consider the recommendations of the Board and act in accordance with the contract and applicable law.

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During the performance of this Agreement, the Second Party, for itself, its assignees and successors in interest agrees as follows:

(1) Compliance with Regulations: The Second Party shall comply with the Regulations relative to nondiscrimination in Federally-assisted programs of the United States Department of Transportation, Title 49, Code of Federal Regulations, Part 21, as they may be amended from time to time, (hereinafter referred to as the Regulations), which are herein incorporated by reference and made a part of this Agreement.

(2) Nondiscrimination: The Second Party, with regard to the work performed by it during the Agreement, shall not discriminate on the grounds of race, color, or national origin in the selection and retention of subcontractors, including procurements of materials and leases of equipment. The Second Party shall not participate either directly or indirectly in the discrimination prohibited by section 21.5 of the Regulations, including employment practices when the Agreement covers a program set forth in Appendix B of the Regulations.

(3) Solicitations for Subcontractors, Including Procurements of Materials and Equipment: In all solicitations either by competitive bidding or negotiation made by the Second Party for work to be performed under a subcontract, including procurements of materials or leases of equipment, each potential subcontractor or supplier shall be notified by the Second Party of the Second Party's obligations under this Agreement and the Regulations relative to nondiscrimination on the grounds of race, color, or national origin.

(4) Information and Reports: The Second Party shall provide all information and reports required by the Regulations, or directives issued pursuant thereto, and shall permit access to its books, records, accounts, other sources of information, and its facilities as may be determined by the Connecticut Department of Transportation or the appropriate Federal Agency directly involved therewith, to be pertinent to ascertain compliance with such Regulations or directives. Where any information required of a Second Party is in the exclusive possession of another who fails or refuses to furnish this information, the Second Party shall so certify to the Connecticut Department of Transportation, or the appropriate Federal Agency directly involved therewith, if appropriate, and shall set forth what efforts it has made to obtain the information.

(5) Sanctions for Noncompliance: In the event of the Second Party's noncompliance with the nondiscrimination provisions of this Agreement, the Connecticut Department of Transportation shall impose such sanctions as it or the appropriate Federal Agency directly involved therewith, may determine to be appropriate, including, but not limited to:

- (a) withholding of payments to the Second Party under the Agreement until the Second Party complies, and/or
- (b) cancellation, termination or suspension of the Agreement, in whole or in part.

(6) Incorporation of Provisions: The Second Party shall include the provisions of paragraphs (1) through (6) in every subcontract, including procurements of materials and leases of equipment, unless exempt by the Regulations, or directives issued pursuant thereto. The Second Party shall take such action with respect to any subcontract or procurement as the Connecticut Department of Transportation or the appropriate Federal Agency directly involved therewith, may direct as a means of enforcing such provisions including sanctions for non-compliance: Provided, however, that, in the event a Second Party becomes involved in, or is threatened with, litigation with a subcontractor or supplier as a result of such direction, the Second Party may request the Connecticut Department of Transportation to enter into such litigation to protect the interests of the State of Connecticut, and, in addition, the Second Party may request the United States to enter into such litigation to protect the interests of the United States.

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STATE OF CONNECTICUT
BY HIS EXCELLENCY
THOMAS J. MESKILL
GOVERNOR
EXECUTIVE ORDER NO. THREE

WHEREAS, sections 4-61d (b) and 4-114a of the 1969 supplement to the general statutes require nondiscrimination clauses in state contracts and subcontracts for construction on public buildings, other public works and goods and services and

WHEREAS, section 4-61e (c) of the 1969 supplement to the general statutes requires the labor department to encourage and enforce compliance with this policy by both employers and labor unions, and to promote equal employment opportunities, and

WHEREAS, the government of this state recognizes the duty and desirability of its leadership in providing equal employment opportunity, by implementing these laws,

NOW, THEREFORE, I, THOMAS J. MESKILL, Governor of the State of Connecticut, acting by virtue of the authority vested in me under section twelve of article fourth of the constitution of the state, as supplemented by section 3-1 of the general statutes, do hereby ORDER and DIRECT, as follows, by this Executive Order:

I

The labor commissioner shall be responsible for the administration of this Order and shall adopt such regulations as he deems necessary and appropriate to achieve the purposes of this Order. Upon the promulgation of this Order, the commissioner of finance and control shall issue a directive forthwith to all state agencies, that henceforth all state contracts and subcontracts for construction on public buildings, other public works and goods and services shall contain a provision rendering such contract or subcontract subject to this Order, and that such contract or subcontract may be cancelled, terminated or suspended by the labor commissioner for violation of or noncompliance with this Order or state or federal laws concerning nondiscrimination, notwithstanding that the labor commissioner is not a party to such contract or subcontract.

II

Each contractor having a contract containing the provisions prescribed in section 4-114a of the 1969 supplement to the general statutes, shall file, and shall cause each of his subcontractors to file, compliance reports with the contracting agency or the labor commissioner, as may be directed. Such reports shall be filed within such times and shall contain such information as to employment policies and statistics of the contractor and each subcontractor, and shall be in such form as the labor commissioner may prescribe. Bidders or prospective contractors or subcontractors may be required to state whether they have participated in any previous contract subject to the provisions of this Order or any preceding similar Order, and in that event to submit on behalf of themselves and their proposed subcontractors compliance reports prior to or as an initial part of their bid or negotiation of a contract.

III

Whenever the contractor or subcontractor has a collective bargaining agreement or other contract or understanding with a labor organization or employment agency as defined in section 31-122 of the general statutes, the compliance report shall identify the said organization or agency and the contracting agency or the labor commissioner may require a compliance report to be filed with the contracting agency or the labor commissioner, as may be directed, by such organization or agency, signed by an authorized officer or agent of such organization or agency, with supporting information, to the effect that the signer's practices and policies, including but not limited to matters concerning personnel, training, apprenticeship, membership, grievance and representation, and upgrading, do not discriminate on grounds of race, color, religious creed, age, sex, or national origin, or ancestry of any individual, and that the signer will either affirmatively cooperate in the implementation of the policy and provisions of this Order, or that it consents and agrees that recruitment, employment and the terms and conditions of employment under the proposed contract shall be in accordance with the purposes and provisions of the Order.

IV

The labor commissioner may by regulation exempt certain classes of contracts, subcontracts or purchase order from the implementation of this Order, for standard commercial supplies or raw materials, for less than specified amounts of money or numbers of workers or for subcontractors below a specified tier. The labor commissioner may also provide by regulation for the exemption of facilities of a contractor which are in all respects separate and distinct from activities of the contractor related to the performance of the state contract, provided only that such exemption will not interfere with or impede the implementation of this Order, and provided further, that in the absence of such an exemption, all facilities shall be covered by the provisions of this Order.

V

Each contracting agency shall be primarily responsible for obtaining compliance with the regulations of the labor commissioner with respect to contracts entered into by such agency or its contractors. All contracting agencies shall comply with the regulations of the labor commissioner in discharging their primary responsibility for securing compliance with the provisions of contracts and otherwise with the terms of this Order and of the regulations of the labor commissioner issued pursuant to this Order. They are directed to cooperate with the labor commissioner and to furnish the labor commissioner such information and assistance as he may require in the performance of his functions under this Order. They are further directed to appoint or designate from among the personnel of each agency, compliance officers, whose duty shall be to seek compliance with the objectives of this Order by conference, conciliation, mediation, or persuasion.

VI

The labor commissioner may investigate the employment practices and procedures of any state contractor or subcontractor and the practices and policies of any labor organization or employment agency hereinabove described, relating to employment under the state contract, as concerns nondiscrimination by such organization or agency as hereinabove described, or the labor commissioner may initiate such investigation by the appropriate contract agency, to determine whether or not the contractual provisions hereinabove specified or statutes of the state respecting them have been violated. Such investigation shall be conducted in accordance with the procedures established by the labor commissioner and the investigating agency shall report to the labor commissioner any action taken or recommended.

VII

The labor commissioner shall receive and investigate or cause to be investigated complaints by employees or prospective employees of a state contractor or subcontractor or members or applicants for membership or apprenticeship or training in a labor organization or employment agency hereinabove described, which allege discrimination contrary to the contractual provisions specified hereinabove or state statutes requiring nondiscrimination in employment opportunity. If this investigation is conducted for the labor commissioner by a contracting agency, that agency shall report to the labor commissioner what action has been taken or is recommended with regard to such complaints.

VIII

The labor commissioner shall use his best efforts, directly and through contracting agencies, other interested federal, state and local agencies, contractors and all other available instrumentalities, including the commission on human rights and opportunities, the executive committee on human rights and opportunities, and the apprenticeship council under its mandate to provide advice and counsel to the labor commissioner in providing equal employment opportunities to all apprentices and to provide training, employment and upgrading opportunities for disadvantaged workers, in accordance with section 31-51 (d) of the 1969 supplement to the general statutes, to cause any labor organization or any employment agency whose members are engaged in work under government contracts or referring workers or providing or supervising apprenticeship or training for or in the course of work under a state contract or subcontract to cooperate in the implementation of the purposes of this Order. The labor commissioner shall in appropriate cases notify the commission on human rights and opportunities or other appropriate state or federal agencies whenever it has reason to believe that the practices of any such organization or agency violate equal employment opportunity requirements or state or federal law.

IX

The labor commissioner or any agency officer or employee in the executive branch designated by regulation of the labor commissioner may hold such hearings, public or private, as the labor commissioner may deem advisable for compliance, enforcement or educational purposes under this Order.

X

(a) The labor commissioner may hold or cause to be held hearings, prior to imposing ordering or recommending the imposition of penalties and sanctions under this Order. No order for disbarment of any contractor from further state contracts shall be made without affording the contractor an opportunity for a hearing. In accordance with such regulations as the labor commissioner may adopt, the commissioner or the appropriate contracting agency may

- (1) Publish or cause to be published the names of contractors or labor organizations or employment agencies as hereinabove described which it has concluded have complied or failed to comply with the provisions of this Order or the regulations of the labor commissioner in implementing this Order.
- (2) Recommend to the commission on human rights and opportunities that in cases in which there is substantial or material violation or threat thereof of the contractual provision or related state statutes concerned herein, appropriate proceedings be brought to enforce them, including proceedings by the commission on its own motion under chapter 563 of the general statutes and the enjoining, within the limitations of applicable law, of organizations, individuals or groups who prevent directly or indirectly or seek to prevent directly or indirectly compliance with the provisions of this Order.
- (3) Recommend that criminal proceedings be brought under chapter 939 of the general statutes.
- (4) Cancel, terminate, suspend or cause to be cancelled, terminated, or suspended in accordance with law any contract or any portion or portions thereof for failure of the contractor or subcontractor to comply with the nondiscrimination provisions of the contract. Contracts may be cancelled, terminated, suspended absolutely or their continuance conditioned upon a program for future compliance approved by the contracting agency.
- (5) Provide that any contracting agency shall refrain from entering into any further contracts or extensions or modifications of existing contracts with any contractor until he has satisfied the labor commissioner that he has established and will carry out personnel and employment policies compliant with this Order.
- (6) Under regulations prescribed by the labor commissioner each contracting agency shall make reasonable efforts within a reasonable period of time to secure compliance with the contract provisions of this Order by methods of conference, conciliation, mediation or persuasion, before other proceedings shall be instituted under this Order or before a state contract shall be cancelled or terminated in whole or in part for failure of the contractor or subcontractor to comply with the contract provisions of state statute and this Order.

(b) Any contracting agency taking any action authorized by this Order, whether on its own motion or as directed by the labor commissioner or pursuant to his regulations shall promptly notify him of such action. Whenever the labor commissioner makes a determination under this Order, he shall promptly notify the appropriate contracting agency and other interested federal, state and local agencies of the action recommended. The state and local agency or agencies shall take such action and shall report the results thereof to the labor commissioner within such time as he shall specify.

XI

If the labor commissioner shall so direct, contracting agencies shall not enter into contracts with any bidder or prospective contractor unless he has satisfactorily complied with the provisions of this Order, or submits a program for compliance acceptable to the labor commissioner, or if the labor commissioner so authorizes, to the contracting agency.

XII

Whenever a contracting agency cancels or terminates a contract, or a contractor has been disbarred from further government contracts because of noncompliance with the contract provisions with regard to nondiscrimination, the labor commissioner or the contracting agency shall rescind such disbarment, upon the satisfaction of the labor commissioner that the contractor has purged himself of such noncompliance and will thenceforth carry out personnel and employment policies of nondiscrimination in compliance with the provision of this Order.

XIII

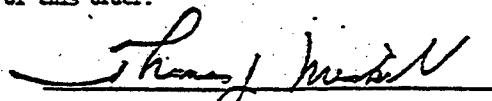
The labor commissioner may delegate to any officer, agency or employee in the executive branch any function or duty of the labor commissioner under this Order except authority to promulgate regulations of a general nature.

XIV

This Executive Order supplements the Executive Order issued on September 28, 1967. All regulations, orders, instructions, designations and other directives issued heretofore in these premises, including those issued by the heads of various departments or agencies under or pursuant to prior order or statute, shall remain in full force and effect, unless and until revoked or superseded by appropriate authority, to the extent that they are not inconsistent with this Order.

This Order shall become effective thirty days after the date of this Order.

Dated at Hartford, Connecticut, this 16th day of June, 1971.



Amg
Jan Habbe

GUIDELINES AND RULES
OF STATE LABOR COMMISSIONER
IMPLEMENTING GOVERNOR'S EXECUTIVE
ORDER NO. THREE

SEC. 1. PERSONS AND FIRMS SUBJECT TO EXECUTIVE ORDER NO. THREE AND GUIDELINES AND RULES.

a. Every contractor, or subcontractor as defined in Sec. 2 hereof, supplier of goods or services, vendor, bidder and prospective contractor or subcontractor, having ten or more employees as defined in Sec. 3 of these Guidelines, having or entering into or bidding to enter into any type of contractual relationship with the State of Connecticut or any of its agencies, boards, commissions, departments or officers, and if the consideration, cost, subject matter or value of the goods or services exceeds \$5,000.00, shall be subject to the Governor's Executive Order No. Three and these Guidelines and Rules.

b. A copy of the Governor's Executive Order No. Three and of these Guidelines and Rules shall be available to each said contractor, subcontractor, supplier, vendor, bidder and prospective contractor and subcontractor, and the said Executive Order No. Three and these Guidelines and Rules shall be incorporated by reference and made a part of the contract, purchase order, agreement or document concerned. A copy of the Executive Order and of these Guidelines and Rules shall be furnished to a contracting party or bidder on request.

c. All persons, partnerships, associations, firms, corporations and other entities having less than ten employees as defined in Sec. 3 at the time of the bid and execution of the contract and continuing through the performance of the contract are exempt from the provisions of the said Executive Order and these Guidelines and Rules. All contracts, subcontracts, purchase orders and agreements wherein the consideration is \$5,000.00 or less shall be exempt from Executive Order No. Three and from these Guidelines and Rules.

SEC. 2. SUBCONTRACTORS.

As used herein, subcontractors are persons, partnerships, associations, firms or corporations or other entities having contractual relationship with a contractor who in turn has a contract with the State of Connecticut or any of its agencies, boards, commissions or departments. Subcontractors below this tier are exempt from the Executive Order and from these Guidelines and Rules.

SEC. 3. EMPLOYEES.

As used herein, employees are persons working full or part-time irrespective of personnel classification whose wages, salaries, or earnings are subject to the Federal Insurance Contribution Act and/or to Federal Withholding Tax as a matter of law (whether in fact or not any actual withholding occurs in a given case), in an employee-employer relationship at the time of bid, contract execution, or offer or acceptance, and/or during any time thereafter during the existence of the performance period of the contract to the conclusion thereof.

SEC. 4. REPORTS.

a. Prior to the execution of the contract or prior to acceptance of a bid, as the case may be, the contractor, subcontractor, bidder or vendor shall file a report with the State Labor Commissioner, which report shall be complete and contain all of the information therein prescribed. The report shall be on Form E.O. 3-1, a facsimile of which is attached hereto and made a part hereof, or in lieu thereof the contractor, subcontractor, bidder or vendor shall submit a detailed report containing all of the information required in Form E.O. 3-1.

b. The Labor Commissioner may require the filing of additional reports prior to final payment or prior to any renewal or extension of the contract and during the duration of the contract at such times as the Commissioner may, in his discretion, from time to time deem necessary. The Labor Commissioner may require the filing of additional information or reports, and the contractor, subcontractor, bidder or vendor shall furnish said information or reports within the times prescribed by the Labor Commissioner.

c. The Labor Commissioner may, at his discretion, also require timely statistical reports on the number of minority employees employed or to be employed in the performance of the contract, and the Labor Commissioner may define such minority groups or persons.

d. Reports filed pursuant to these Guidelines and Rules in implementation of Executive Order No. Three are not public records subject to public inspection, but may be inspected only by federal and state officials having jurisdiction and authority to investigate matters of this type. All federal and state agencies empowered by law to investigate matters relating to Executive order No. Three shall have access to these reports for inspection or copying during regular business hours.

e. Any person who wilfully, wantonly or through negligence destroys or permits to be destroyed, alters or allows to be altered after filing, any reports submitted in compliance herewith shall be subject to penalties as prescribed by law.

SEC. 5. MANDATORY CLAUSES IN DOCUMENTS.

a. All contracts shall contain the following provisions verbatim:

This contract is subject to the provisions of Executive Order No. Three of Governor Thomas J. Meskill promulgated June 16, 1971 and, as such, this contract may be cancelled, terminated or suspended by the state labor commissioner for violation of or noncompliance with said Executive Order No. Three, or any state or federal law concerning nondiscrimination, notwithstanding that the labor commissioner is not a party to this contract. The parties to this contract, as part of the consideration hereof, agree that said Executive Order No. Three is incorporated herein by reference and made a part hereof. The parties agree to abide by said Executive Order and agree that the state labor commissioner shall have continuing jurisdiction in respect to contract performance in regard to nondiscrimination, until the contract is completed or terminated prior to completion.

The (contractor), (subcontractor), (bidder), (vendor) agrees, as part consideration hereof, that this (order) (contract) is subject to the Guidelines and Rules issued by the state labor commissioner to implement Executive Order No. Three, and that he will not discriminate in his employment practices or policies, will file all reports as required, and will fully cooperate with the State of Connecticut and the state labor commissioner.

These provisions are in addition to and not in lieu of other clauses required by law.*.

* N.B. The above paragraphs contain requirements additional to those set forth in July 16, 1971 directive to state agencies.

b. Every purchase order or like form submitted by a vendor or bidder, as applicable, shall contain the following clause verbatim:

Vendor agrees, as part of the consideration hereof, that this order is subject to the provisions of Executive Order No. Three and the Guidelines and Rules issued by the Labor Commissioner implementing said Order as to nondiscrimination, and vendor agrees to comply therewith.

c. Where preprinted contract forms have been prescribed by federal authority and the rules of the federal agency prohibit the alteration thereof, the compliance officer of the State agency concerned shall submit to the Labor Commissioner a suggested short form or addendum acceptable to the federal agency, and in such cases, after approval by the Labor Commissioner, said clause may be substituted.

SEC. 6. COOPERATION OF STATE AGENCIES, BOARDS AND COMMISSIONS.

Every agency, board, commission and department of the State of Connecticut shall cooperate with the Labor Commissioner in the implementation of Executive Order No. Three and shall furnish such information and assistance as the Labor Commissioner may from time to time request.

SEC. 7. INVESTIGATIONS, COMPLAINTS.

The Labor Commissioner may initiate an investigation upon receipt of a complaint alleging discrimination. The Labor Commissioner may request that an investigation be conducted by the State agency which is the party to the contract in question. Investigations shall be conducted in accordance with acceptable legal standards, safeguarding the rights of all parties involved, and obtaining all of the relevant facts necessary for a complete determination of the issues. If the Labor Commissioner is not satisfied with the investigation or any part thereof he may order it to continue or to proceed further.

SEC. 8. HEARINGS.

The Labor Commissioner or officers designated by the heads of the State agencies, boards and commissions may conduct hearings on complaints filed. Hearings shall be held only after a report of the complaint has been filed with the Labor Commissioner and after a hearing on the complaint has been authorized or directed by the Labor Commissioner. Hearings shall be conducted in accordance with the accepted principles of administrative law. All parties shall be afforded the opportunity to a full, fair, impartial and complete hearing, the opportunity to examine and cross examine witnesses and to be present at all sessions of the hearing. If any party is vulnerable to a charge of a violation of the law, he shall be afforded the opportunity to procure counsel who may be present at the hearing.

SEC. 9. EQUAL EMPLOYMENT OPPORTUNITIES.

All State contracting agencies, employers, and labor unions shall use their best efforts to provide equal employment opportunities to all apprentices and to provide training, employment and upgrading opportunities for disadvantaged workers in accordance with section 31-51(d) of the General Statutes.

SEC. 10. DUTIES OF CONTRACTING AGENCIES.

All State contracting agencies shall be responsible for compliance with said Executive Order and with all state and federal laws relating to equal employment opportunities. All contracting agencies conducting investigations for the Labor Commissioner pursuant to Executive Order No. Three and these Guidelines and Rules shall report to the Labor Commissioner the action taken or recommended with regard to each complaint filed. Each officer of the executive department, every commissioner, and each executive head of each State agency, board and commission in the executive branch of the State government is expected to assume the responsibility of seeing to complete compliance with the Governor's Executive Order No. Three and shall forthwith take steps to assure and guarantee that there shall be no discrimination within their departments, agencies, boards or commissions in the performance of any state contract or subcontract on the basis of race, creed, color, sex, age, national origin or national ancestry, or in any way in violation of any state or federal law relating thereto.

BY VIRTUE OF THE AUTHORITY VESTED IN ME PURSUANT TO EXECUTIVE ORDER NO. THREE EFFECTIVE JULY 16, 1971, AND THE GENERAL STATUTES OF CONNECTICUT.

Dated at Wethersfield, Connecticut this 19th day of

Nov. , 1971.

Jack A. Fusari

JACK A. FUSARI
LABOR COMMISSIONER

STATE OF CONNECTICUT

BY HIS EXCELLENCY
THOMAS J. MESKILL
GOVERNOR

EXECUTIVE ORDER NO. SEVENTEEN

WHEREAS, Section 31-237 of the General Statutes of Connecticut as amended requires the maintaining of the established free services of the Connecticut State Employment Service to both employers and prospective employees and

WHEREAS, Section 31-5 of the General Statutes of Connecticut requires that no compensation or fee shall be charged or received directly or indirectly for the services of the Connecticut State Employment Service and

WHEREAS, large numbers of our citizens who have served in the Armed Forces of our nation are returning to civilian life in our state and seeking employment in civilian occupations and

WHEREAS, we owe a duty as well as gratitude to these returning veterans including the duty to find suitable employment for them and

WHEREAS, many of our handicapped citizens are fully capable of employment and are entitled to be placed in suitable employment and

WHEREAS, many of the citizens of our state who are unemployed are unaware of the job openings and employment opportunities which do in fact exist in our state and

WHEREAS, notwithstanding the free services of the Connecticut State Employment Service, many of our Connecticut employers do not use its free services or do not avail themselves fully of all of the services offered.

NOW, THEREFORE, I, THOMAS J. MESKILL, Governor of the State of Connecticut, acting by virtue of the authority vested in me under the fourth article of the Constitution of the State and in accordance with Section 3-1 of the General Statutes, do hereby ORDER and DIRECT, as follows, by this Executive Order:

I

The Labor Commissioner shall be responsible for the administration of this Order and shall do all acts necessary and appropriate to achieve its purpose. Upon promulgation of this Order, the Commissioner of Finance and Control shall issue a directive forthwith to all state agencies that henceforth all state contracts and subcontracts for construction on public buildings, other public works and goods and services shall contain a provision rendering such contract or subcontract subject to this Order, and that such contract or subcontract may be cancelled, terminated or suspended by the Labor Commissioner for violation of or noncompliance with this Order, notwithstanding that the Labor Commissioner is not a party to such contract or subcontract.

II

Every contractor and subcontractor having a contract with the state or any of its agencies, boards, commissions, or departments, every individual partnership, corporation, or business entity having business with the state or who or which seeks to do business with the state, and every bidder or prospective bidder who submits a bid or replies to an invitation to bid on any state contract shall list all employment openings with the office of the Connecticut State Employment Service in the area where the work is to be performed or where the services are to be rendered.

III

All state contracts shall contain a clause which shall be a condition of the contract that the contractor and any subcontractor holding a contract directly under the contractor shall list all employment openings with the Connecticut State Employment Service. The Labor Commissioner may allow exceptions to listings of employment openings which the contractor proposes to fill from within its organization from employees on the rolls of the contractor on the date of publication of the invitation to bid or the date on which the public announcement was published or promulgated advising of the program concerned.

IV

Each contracting agency of the state shall be primarily responsible for obtaining compliance with this Executive Order. Each contracting agency shall appoint or designate from among its personnel one or more persons who shall be responsible for compliance with the objectives of this Order.

V

The Labor Commissioner shall be and is hereby empowered to inspect the books, records, payroll and personnel data of each individual or business entity subject to this Executive Order and may hold hearings or conferences, formal or informal, in pursuance of the duties and responsibilities hereunto delegated to the Labor Commissioner.

VI

The Labor Commissioner or any agency officer or employee in the executive branch designated by regulation of the Labor Commissioner may hold such hearings, public or private, as the Labor Commissioner may deem advisable for compliance, enforcement or educational purposes under this Order.

VII

(a) The Labor Commissioner may hold or cause to be held hearings, prior to imposing, ordering, or recommending the imposition of penalties and sanctions under this Order. In accordance herewith, the Commissioner or the appropriate contracting agency may suspend, cancel, terminate, or cause to be suspended, cancelled, or terminated in accordance with law any contract or any portion or portions thereof for failure of the contractor or subcontractor to comply with the listing provisions of the contract. Contracts may be cancelled, terminated, suspended absolutely or their continuance conditioned upon a program for future compliance approved by the contracting agency.

(b) Any contracting agency taking any action authorized by this Order, whether on its own motion or as directed by the Labor Commissioner, shall promptly notify him of such action. Whenever the Labor Commissioner makes a determination under this Order, he shall promptly notify the appropriate contracting agency of the action recommended. The agency shall report the results to the Labor Commissioner promptly.

VIII

If the Labor Commissioner shall so direct, contracting agencies shall not enter into contracts with any bidder or prospective contractor unless he has satisfactorily complied with the provisions of this Order.

This Order shall become effective sixty days after the date of this Order.

Dated at Hartford, Connecticut, this 15th day of February, 1973.

P. J. Hall

CONNECTICUT REQUIRED CONTRACT/AGREEMENT PROVISIONS
March 6, 1998

Specific Equal Employment Opportunity Responsibilities

1. General

- A. Equal Employment Opportunity Requirements not to discriminate and to take affirmative action to assure equal employment opportunity as required by Executive Order 11246, Executive Order 11375, the Railroad Revitalization and Regulatory Reform Act of 1976 and other U.S. Department of Transportation nondiscrimination legislation are set forth in this Required Contract/Agreement Provision. The requirements set forth in these special provisions shall constitute the specific affirmative action requirements for project activities under this contract (or agreement) and supplement the equal employment opportunity requirements set forth in other related contract provisions.
- B. "Company" refers to any entity doing business with the Connecticut Department of Transportation and includes but is not limited to the following:
- | | |
|----------------|---|
| Contractors | Vendors (where applicable) |
| Subcontractors | Suppliers of Materials (where applicable) |
| Consultants | Municipalities (where applicable) |
| Subconsultants | Utilities (where applicable) |
- C. The Company will work with the Connecticut Department of Transportation and the federal government in carrying out equal employment opportunity obligations and in their review of his/her activities under the contract or agreement.
- D. The Company and all their subcontractors or subconsultants holding subcontracts or subagreements of \$10,000 or more on federally-assisted projects and \$5,000 or more on state funded projects, will comply with the following minimum specific requirement activities of equal employment opportunity. The Company will physically include these requirements in every subcontract or subagreement meeting the monetary criteria above with such modification of language as is necessary to make them binding on the subcontractor or subconsultant.
- E. These Required Contract Provisions apply to all state funded and/or federally-assisted projects, activities and programs in all facets of the Connecticut Department of Transportation operations resulting in contracts or agreements.

2. Equal Employment Opportunity Policy

The Company will develop, accept and adopt as its operating policy an Affirmative Action Plan utilizing as a guide the Connecticut Department of Transportation Affirmative Action Plan Guideline.

3. Equal Employment Opportunity Officer

The Company will designate and make known to the State Department of Transportation contracting officers an equal employment opportunity officer (hereinafter referred to as the EEO Officer) who will have the responsibility for and must be capable of effectively administering and promoting an active program of equal employment opportunity and who must be assigned adequate authority and responsibility to do so.

4. Dissemination of Policy

- A. All members of the Company's staff who are authorized to hire, supervise, promote, and discharge employees, or who recommend such action, or who are substantially involved in such action, will be made fully cognizant of, and will implement, the Company's equal employment opportunity policy and contractual responsibilities to provide equal employment opportunity in each grade and classification of employment. To ensure that the above agreement will be met, the following actions will be taken as a minimum:
- (1) Periodic meetings of supervisory and personnel office employees will be conducted before the start of work and then not less than once every six (6) months thereafter, at which time the Company's equal employment opportunity policy and its implementation will be reviewed and explained. The meetings will be conducted by the EEO Officer or other knowledgeable Company official.

- (2) All new supervisory or personnel office employees will be given a thorough indoctrination by the EEO Officer or other knowledgeable Company official covering all major aspects of the Company's equal employment opportunity obligations within thirty (30) days following their reporting for duty with the Company.
 - (3) All personnel who are engaged in direct recruitment for the project will be instructed by the EEO Officer or appropriate Company official in the Company's procedures for locating and hiring protected class group employee.
- B. In order to make the Company's equal employment opportunity policy known to all employees, prospective employees and potential sources of employees, i.e., schools, employment agencies, labor unions (where appropriate); college placement officers, etc., the Company will take the following actions:
- (1) Notices and posters setting forth the Company's equal employment opportunity policy will be placed in areas readily accessible to employees, applicants for employment and potential employees.
 - (2) The Company's equal employment opportunity policy and the procedures to implement such policy will be brought to the attention of employees by means of meetings, employee handbooks, or other appropriate means.

5. Recruitment

- A. When advertising for employees, the Company will include in all advertisements for employees the notation: "An Equal Opportunity Employer". All such advertisements will be published in newspapers or other publications having a large circulation among minority groups in the area from which the project work force would normally be derived.
- B. The Company will, unless precluded by a valid bargaining agreement, conduct systematic and direct recruitment through public and private employee referral sources likely to yield qualified minority group applicants, including, but not limited to, State employment agencies, schools, colleges and minority group organizations. To meet this requirement, the Company will, through its EEO Officer, identify sources of potential minority group employees, and establish with such identified sources procedures whereby minority group applicants may be referred to the Company for employment consideration.

In the event the Company has a valid bargaining agreement providing for exclusive hiring hall referrals, the Company is expected to observe the provisions of that agreement to the extent that the system permits the Company's compliance with equal employment opportunity contract provisions. (The U.S. Department of Labor has held that where implementation of such agreements have the effect of discriminating against minorities or women, or obligates the Company to do the same, such implementation violates Executive Order 11246, as amended.)

- C. The Company will encourage its present employees to refer minority group applicants for employment by posting appropriate notices or bulletins in the areas accessible to all such employees. In addition, information and procedures with regard to referring minority group applicants will be discussed with employees.

6. Personnel Actions

Wages, working conditions, and employee benefits shall be established and administered, and personnel actions of every type, including hiring, upgrading, promotion, transfer, demotion, layoffs, and termination, shall be taken without regard to race, color, religion, sex, or national origin, etc. The following procedures shall be followed:

- A. The Company will conduct periodic inspections of project sites to insure that working conditions and employee facilities do not indicate discriminatory treatment of project site personnel.
- B. The Company will periodically evaluate the spread of wages paid within each classification to determine any evidence of discriminatory wage practices.

- C. The Company will periodically review selected personnel actions in depth to determine whether there is evidence of discrimination. Where evidence is found, the Company will promptly take corrective action. If the review indicates that the discrimination may extend beyond the actions reviewed, such corrective action shall include all affected persons.
- D. The Company will promptly investigate all complaints of alleged discrimination made to the Company in connection with his obligations under this contract, will attempt to resolve such complaints, and will take appropriate corrective action within a reasonable time. If the investigation indicates that the discrimination may affect persons other than the complainant, such corrective action shall include such other persons. Upon completion of each investigation, the Company will inform every complainant of all of his avenues of appeal.
- E. The general contract provision entitled A(76) Affirmative Action Requirements is made part of this document by reference. In conjunction with this contract provision, only the job categories will change in order to be comparable with the job categories utilized by the Company proposing to do business with the Connecticut Department of Transportation. The goals and time tables will remain the same throughout the contract provision.

7. Training and Promotion

- A. The Company will assist in locating, qualifying, and increasing the skills of minority group and women employees, and applicants for employment.
- B. Consistent with the Company's work force requirements and as permissible under Federal and State regulations, the Company shall make full use of training programs, i.e., apprenticeship, and on-the-job training programs for the geographical area of contract performance. Where feasible, 25 percent of apprentices or trainees in each occupation shall be in their first year of apprenticeship or training. In the event the Training Special Provision is provided under this contract, this subparagraph will be superseded.
- C. The Company will advise employees and applicants for employment of available training programs and entrance requirements for each.
- D. The Company will periodically review the training and promotion potential of minority group and women employees and will encourage eligible employees to apply for such training and promotion.

8. Unions

If the Company relies in whole or in part upon unions as a source of employees, it will use its best efforts to obtain the cooperation of such unions to increase opportunities for minority groups and women within the unions, and to effect referrals by such unions of minority and female employees. Actions by the Company either directly or through an association acting as agent will include the procedures set forth below:

- A. The Company will use its best efforts to develop, in cooperation with the unions, joint training programs aimed toward qualifying more minority group members and women for membership in the unions and increasing the skills of minority group employees and women so that they may qualify for higher paying employment.
- B. The Company will use its best efforts to incorporate an equal employment opportunity clause into each union agreement to the end that such union will be contractually bound to refer applicants without regard to their race, color, religion, sex, or national origin, etc.
- C. The Company is to obtain information as to the referral practices and policies of the labor union except that to the extent such information is within the exclusive possession of the labor union and such labor union refuses to furnish such information to the Company, the Company shall so certify to the Connecticut Department of Transportation and shall set forth what efforts have been made to obtain such information.
- D. In the event the union is unable to provide the Company with a reasonable flow of minority and women referrals within the time limit set forth in the collective bargaining agreement, the Company will, through independent recruitment efforts, fill the employment vacancies without regard to race,

color, religion, sex or national origin, etc. making full efforts to obtain qualified and/or qualifiable minority group persons and women. (The U.S. Department of Labor has held that it shall be no excuse that the union with which the Company has a collective bargaining agreement providing for exclusive referral failed to refer minority employees). In the event the union referral practice prevents the Company from meeting the obligations pursuant to Executive Order 11246, as amended, and these provisions, such Company shall immediately notify the Connecticut Department of Transportation.

9. Subcontracting

- A. The Company will use its best efforts to solicit bids from and to utilize minority group subcontractors, or subcontractors with meaningful minority group and female representation among their employees. Companies shall obtain a list of applicable Disadvantaged Business Enterprises firms from the Division of Contract Compliance.
- B. The Company will use its best efforts to ensure subcontractor compliance with their equal employment opportunity obligations.
- C. The General Contract Provisions entitled "Minority Business Enterprises as Subcontractors" is made part of this document by reference and its requirements are applicable to all entities proposing to do business with the Connecticut Department of Transportation.

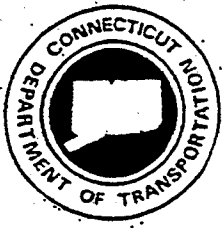
10. Records and Reports

For the duration of the project, the company will maintain records as are necessary to determine compliance with the Company's equal employment opportunity obligations and Affirmative Action requirements. Additionally, the company will submit all requested reports in the manner required by the contracting agency.

- A. The number of minority and nonminority group members and women employed in each work classification on the project.
- B. The progress and efforts being made in cooperation with unions to increase employment opportunities for minorities and women (applicable only to Companies which rely on whole or in part on unions as a source of their work force).
- C. The progress and efforts being made in locating, hiring, training, qualifying, and upgrading minority and female employees, and
- D. The progress and efforts being made in securing the services of minority and female owned businesses.
 - (1) All such records must be retained for a period of three (3) years following completion of the contract work and shall be available at reasonable times and places for inspection by authorized representatives of the State Department of Transportation and the U.S. Department of Transportation including consultant firms.
 - (2) If on-the-job training is being required by the "Training Special Provision", the Company will be required to furnish a Monthly Training Report and Supplement Report (1409) for each trainee.

11. Affirmative Action Plan

- A. Contractors, subcontractors, vendors, suppliers, and all other Companies with contracts, agreements or purchase orders completely state funded will submit an Affirmative Action Plan if the contract value is \$5,000 or over.
- B. Contractors, subcontractors, vendors, suppliers, and all other Companies with federally-assisted contracts, agreements, or purchase orders valued at \$10,000 or more will submit an Affirmative Action Plan.
- C. Companies with contracts, agreements, or purchase orders with total dollar value under that which is stipulated in A and B above shall be exempt from the required submission of an Affirmative Action Plan unless otherwise directed by the Division of Contract Compliance.



CONNECTICUT DEPARTMENT OF TRANSPORTATION
POLICY STATEMENT

Policy No. ADMIN.-19
May 12, 2003

SUBJECT: Policy on Disadvantaged Business Enterprise Program

The Department of Transportation (DOT) is committed to an effective implementation of a Disadvantaged Business Enterprise (D.B.E.) Program as defined in Title 49, Code of Federal Regulations, Part 26, and includes the following objectives:

- (a) To ensure nondiscrimination in the award and administration of DOT-assisted contracts in the Department's highway, transit, and airport financial assistance programs;
- (b) To create a level playing field in which D.B.E.s can compete fairly for DOT-assisted contracts;
- (c) To ensure that the Department's D.B.E. Program is narrowly tailored in accordance with applicable law;
- (d) To ensure only firms that fully meet this part's eligibility standards are permitted to participate as D.B.E.s;
- (e) To help remove barriers to the participation of D.B.E.s in DOT-assisted contracts; and
- (f) To assist the development of firms that can compete successfully in the marketplace outside the D.B.E. Program.

The Director of Equal Opportunity Assurance has been designated as the D.B.E. Liaison Officer. In that capacity, the Director of Equal Opportunity Assurance is responsible for implementing all aspects of the D.B.E. Program. Implementation of the D.B.E. Program is accorded the same priority as compliance with all other legal obligations incurred by the Connecticut Department of Transportation in its financial assistance agreements with the U.S. Department of Transportation.

As part of the requirements for Title 49, Code of Federal Regulations, Part 26, effective immediately, I am directing the following be included in all federal-aid contracts, all financial assistance agreements, and in all subcontracts.

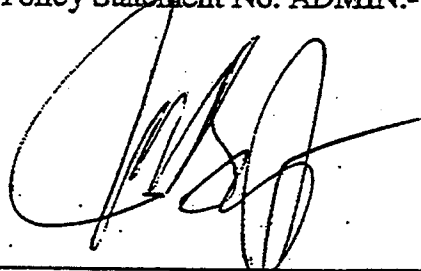
For all agreements with contractors, subcontractors, consultants, cities, towns, and all recipients of State or federal-assistance funds:

- 1) The contractor, subrecipient, or subcontractor shall not discriminate on the basis of race, color, national origin, or sex in the performance of this contract. The contractor shall carry out applicable requirements of 49 CFR Part 26 in the award and administration of DOT-assisted contracts. Failure by the contractor to carry out these requirements is a material breach of this contract, which may result in the termination of this contract or such other remedy as the recipient deems appropriate.

In addition to the above, all financial agreements shall also contain the following statement:

- 2) The recipient shall not discriminate on the basis of race, color, national origin, or sex in the award and performance of any DOT-assisted contract or in the administration of its D.B.E. Program or the requirements of 49 CFR Part 26. The recipient shall take all necessary and reasonable steps under 49 CFR Part 26 to ensure nondiscrimination in the award and administration of DOT-assisted contracts. The recipient's D.B.E. Program, as required by 49 CFR Part 26 and as approved by DOT, is incorporated by reference in this agreement. Implementation of this program is a legal obligation and failure to carry out its terms shall be treated as a violation of this agreement. Upon notification to the recipient of its failure to carry out its approved program, the Department may impose sanctions as provided for under Part 26 and may, in appropriate cases, refer the matter for enforcement under 18 U.S.C. 1001 and/or the Program Fraud Civil Remedies Act of 1986 (31 U.S.C. 3801 et seq).

(This statement supersedes the Commissioner's Policy Statement No. ADMIN.-19, dated March 14, 2003.)



James F. Byrnes, Jr.
Commissioner

State of Connecticut by His Excellency

John G. Rowland

Executive Order No. 16

my John 4/16/00

WHEREAS, the State of Connecticut recognizes that workplace violence is a growing problem that must be addressed; and

WHEREAS, the State is committed to providing its employees a reasonably safe and healthy working environment, free from intimidation, harassment, threats, and /or violent acts; and

WHEREAS, violence or the threat of violence by or against any employee of the State of Connecticut or member of the public in the workplace is unacceptable and will subject the perpetrator to serious disciplinary action up to and including discharge and criminal penalties.

NOW, THEREFORE, I, John G. Rowland, Governor of the State of Connecticut, acting by virtue of the authority vested in me by the Constitution and by the statutes of this state, do hereby ORDER and DIRECT:

1. That all state agency personnel, contractors, subcontractors, and vendors comply with the following **Violence in the Workplace Prevention Policy**:

The State of Connecticut adopts a statewide zero tolerance policy for workplace violence.

Therefore, except as may be required as a condition of employment —

- No employee shall bring into any state worksite any weapon or dangerous instrument as defined herein.
- No employee shall use, attempt to use, or threaten to use any such weapon or dangerous instrument in a state worksite.
- No employee shall cause or threaten to cause death or physical injury to any individual in a state worksite.

Weapon means any firearm, including a BB gun, whether loaded or unloaded, any knife (excluding a small pen or pocket knife), including a switchblade or other knife having an automatic spring release device, a stiletto, any police baton or nightstick or any martial arts weapon or electronic defense weapon.

Dangerous instrument means any instrument, article, or substance that, under the circumstances, is capable of causing death or serious physical injury.

Violation of the above reasonable work rules shall subject the employee to disciplinary action up to and including discharge.

2. That each agency must prominently post this policy and that all managers and supervisors must clearly communicate this policy to all state employees.

3. That all managers and supervisors are expected to enforce this policy fairly and uniformly. *pm*
4. That any employee who feels subjected to or witnesses violent, threatening, harassing, or intimidating behavior in the workplace immediately report the incident or statement to their supervisor, manager, or human resources office. *John 4/10/06*
5. That any employee who believes that there is a serious threat to their safety or the safety of others that requires immediate attention notify proper law enforcement authorities and his or her manager or supervisor.
6. That any manager or supervisor receiving such a report shall immediately contact their human resources office to evaluate, investigate and take appropriate action.
7. That all parties must cooperate fully when questioned regarding violations of this policy.
8. That all parties be advised that any weapon or dangerous instrument at the worksite will be confiscated and that there is no reasonable expectation of privacy with respect to such items in the workplace.
9. That this order applies to all state employees in the executive branch.
10. That each agency will monitor the effective implementation of this policy.
11. That this order shall take effect immediately.

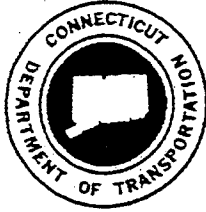
Dated in Hartford, Connecticut this 4th day of August 1999.

John G. Rowland
John G. Rowland, Governor

Filed this 4th day of August 1999



Bisney



CONNECTICUT DEPARTMENT OF TRANSPORTATION POLICY STATEMENT

POLICY NO. F&A-10
January 6, 2006

SUBJECT: Code of Ethics Policy

The purpose of this policy is to establish and maintain high standards of honesty, integrity, and quality of performance for all employees of the Department of Transportation ("DOT" or "Department"). Individuals in government service have positions of significant trust and responsibility that require them to adhere to the highest ethical standards. Standards that might be acceptable in other public or private organizations are not necessarily acceptable for the DOT.

It is expected that all DOT employees will comply with this policy as well as the Code of Ethics for Public Officials, and strive to avoid even the appearance of impropriety in their relationships with members of the public, other agencies, private vendors, consultants, and contractors. This policy is, as is permitted by law, in some cases stricter than the Code of Ethics for Public Officials. Where that is true, employees are required to comply with the more stringent DOT policy.

The Code of Ethics for Public Officials is State law and governs the conduct of all State employees and public officials regardless of the agency in which they serve. The entire Code, as well as a summary of its provisions, may be found at the Office of State Ethics' web site: www.ct.gov/ethics/site/default.asp. For formal and informal interpretations of the Code of Ethics, DOT employees should contact the Office of State Ethics or the DOT's Ethics Compliance Officer or his designee.

All State agencies are required by law to have an ethics policy statement. Additionally, all State agencies are required by law to have an Ethics Liaison or Ethics Compliance Officer. The DOT, because of the size and scope of its procurement activities, has an Ethics Compliance Officer who is responsible for the Department's: development of ethics policies; coordination of ethics training programs; and monitoring of programs for agency compliance with its ethics policies and the Code of Ethics for Public Officials. At least annually, the Ethics Compliance Officer shall provide ethics training to agency personnel involved in contractor selection, evaluation, and supervision. A DOT employee who has a question or is unsure about the provisions of this policy, or who would like assistance contacting the Office of State Ethics, should contact the Ethics Compliance Officer or his designee.

The DOT Ethics Compliance Officer Is:

Dave F. Crowther, Director
Office of Management Services

For questions, contact the Ethics

Compliance Officer's Designee:

Alice M. Sexton, Principal Attorney
Office of the Commissioner
2800 Berlin Turnpike
Newington, CT 06131-7546
Tel. (860) 594-3045

To contact the Office of State Ethics:

Office of State Ethics
20 Trinity Street, Suite 205
Hartford, CT 06106
Tel. (860) 566-4472
Facs. (860) 566-3806
Web: www.ethics.state.ct.us

Enforcement

The Department expects that all employees will comply with all laws and policies regarding ethical conduct. Violations of the law may subject an employee to sanctions from agencies or authorities outside the DOT. Whether or not another agency or authority imposes such sanctions, the Department retains the independent right to review and respond to any ethics violation or alleged ethics violation by its employees. Violations of this policy or ethics statutes, as construed by the DOT, may result in disciplinary action up to and including dismissal from State service.

Prohibited Activities

1. **Gifts:** DOT employees (and in some cases their family members) are prohibited by the Code of Ethics and this Policy from accepting a gift from anyone who is: (1) doing business with, or seeking to do business with, the DOT; (2) directly regulated by the DOT; (3) prequalified as a contractor pursuant to Conn. Gen. Stat. §4a-100 by the Commissioner of the Department of Administrative Services (DAS); or (4) known to be a registered lobbyist or a lobbyist's representative. These four categories of people/entities are referred to as "restricted donors." A list of registered lobbyists can be found on the web site of the Office of State Ethics (www.ct.gov/ethics/site/default.asp). A list of prequalified consultants and contractors, *i.e.*, those seeking to do business with the DOT, can be found on the DOT's Internet site under "Consultant Information" and "Construction/Bidding Contracts Menu," respectively.

The term "gift" is defined in the Code of Ethics for Public Officials, Conn. Gen. Stat. §1-79(e), and has numerous exceptions. For example, one exception permits the acceptance of food and/or beverages valued up to \$50 per calendar year from any one donor and consumed on an occasion or occasions while the person paying or his representative is present. Another exception permits the acceptance of items having a value up to ten dollars (\$10) provided the aggregate value of all things provided by the donor to the recipient during a calendar year does not exceed fifty dollars (\$50). Depending on the circumstances, the "donor" may be an individual if the individual is bearing the expense, or a donor may be the individual's employer/group if the individual is passing the expense back to the employer/group he/she represents.

This policy requires DOT employees to immediately return any gift (as defined in the Code of Ethics) that any person or entity attempts to give to the employee(s). If any such gift or other item of value is received by other than personal delivery from the subject person or entity, the item shall be taken to the Office of Human Resources along with the name and address of the person or entity who gave the item. The Office of Human Resources, along with the recipient of the item of value, will arrange for the donation of the item to a local charity (e.g., Foodshare, local soup kitchens, etc.). The Office of Human Resources will then send a letter to the gift's donor advising the person of the item's donation to charity and requesting that no such gifts be given to DOT employees in the future.

2. **Gift Exchanges Between Subordinates and Supervisors:** A recent change in the Code of Ethics prohibits exchanges of gifts valued at \$100 or more between (*i.e.*, to and from) supervisors and employees under their supervision. Advisory opinions of the Citizen Ethics Advisory Board's predecessor, the State Ethics Commission, suggest that, absent any other applicable exception, gifts exchanges between State employees of *any reporting relationship* should be limited to benefits with a cumulative value of less than \$100 *per year* where the benefits are given by virtue of the State employee's or public official's office/position.

3. **Acceptance of Gifts to the State.** A recent change to the Code of Ethics for Public Officials placed limits on the ability of State employees and public officials to accept "gifts to the State" that facilitate or benefit State action or functions. Before accepting any benefit as a "gift to the State," DOT employees shall contact the Ethics Compliance Officer.
4. **Charitable Organizations and Events:** No DOT employee shall, either individually or as a member of a group, directly or indirectly solicit the sale of tickets for a charitable event, or accept any gift, discount or other item of monetary value for the benefit of a charitable organization, from any person or entity seeking official action from, doing or seeking business with, or conducting activities regulated by, the Department, or from any person or entity whose interests may be substantially affected by the performance or nonperformance of the employee's duties.
5. **Use of Office/Position for Financial Gain:** DOT employees shall not use their public office, position, or influence from holding their State office/position, nor any information gained in the course of their State duties, for private financial gain (or the prevention of financial loss) for themselves, any family member, any member of their household, nor any "business with which they are associated." In general, a business with which one is associated includes any entity of which a DOT employee or his/her immediate family member is a director, owner, limited or general partner, beneficiary of a trust, holder of 5% or more stock, or an officer (president, treasurer, or executive or senior vice president).

DOT employees shall not use or distribute State information (except as permitted by the Freedom of Information Act), nor use State time, personnel, equipment, or materials, for other than State business purposes.

6. **Other employment:** DOT employees shall not engage in, nor accept, other employment that will either impair their independence of judgment with regard to their State duties or require or induce them to disclose confidential information gained through their State duties.

Any DOT employee who engages in or accepts other employment (including as an independent contractor) shall complete an Employment/Outside Business Disclosure Form (see attached) and submit it to the Department's Human Resources Administrator. Disclosure of other employment to the DOT Human Resources Administrator shall *not* constitute approval of the other employment for purposes of the Code of Ethics for Public Officials.

Inquiries concerning the propriety of a DOT employee's other employment shall be directed to the Office of State Ethics to assure compliance with the Code of Ethics for Public Officials. Employees anticipating accepting other employment as described above should give ample time (at least one month) to the Office of State Ethics to respond to such outside employment inquiries.

No employee of the DOT shall allow any private obligation of employment or enterprise to take precedence over his/her responsibility to the Department.

7. **Outside business interests:** Any DOT employee who holds, directly or indirectly, a financial interest in any business, firm, or enterprise shall complete an Employment/Outside Business Disclosure Form (see attached) and submit it to the Department's Human Resources Administrator. Disclosure of such outside business interests to the DOT Human Resources Administrator shall *not* constitute approval of the outside business interest under this Policy or the Code of Ethics for Public Officials. No DOT employee shall have, directly or indirectly, a financial interest in any business, firm, or enterprise doing business with the State of Connecticut which could cause or create a conflict with, or influence the performance of, the employee's duties with the Department.

8. **Contracts with the State:** DOT employees, their immediate family members, and/or a business with which a DOT employee is associated, may not enter into a contract with the State valued at \$100 or more unless the contract has been awarded through an open and public process.
9. **Sanctioning Another's Ethics Violation:** No DOT official or employee shall counsel, authorize, or otherwise sanction action that violates any provision of the Code of Ethics.
10. **Certain Persons Have An Obligation to Report Ethics Violations:** If the DOT Commissioner, Deputy Commissioner, or "person in charge of State agency procurement" and contracting has reasonable cause to believe that a person has violated the Code of Ethics or any law or regulation concerning ethics in State contracting, he/she *must* report such belief to the Office of State Ethics. All DOT employees are encouraged to disclose waste, fraud, abuse, and corruption about which they become aware to the appropriate authority (see also Policy Statement EX.O.-23 dated March 31, 2004), including, but not limited to, their immediate supervisor or a superior of their immediate supervisor, the DOT Office of Management Services, the Ethics Compliance Officer, the Auditors of Public Accounts, the Office of the Attorney General, or the Office of the Chief State's Attorney.
11. **Political Activities:** Certain political activities may also result in a conflict of interest for DOT employees. Political activities of State employees are governed by both the Federal Hatch Act, Conn. Gen. Stat. §5-266a, as well as Regs. of Conn. State Agencies §5-266a-1. Employees are encouraged to review DAS General Letter regarding political activities of employees, found at: <http://www.das.state.ct.us/HR/om/GL214D.pdf>, and contact the Ethics Compliance Officer, the Office of State Ethics, and, if necessary, the federal Office of Special Counsel, Hatch Act Unit: www.osc.gov/hatchact.htm.

In addition to the above-stated policies of the Department, DOT employees are advised that the Code of Ethics for Public Officials bars certain conduct by State employees *after they leave State service*. **Upon leaving State service:**

- **Confidential Information:** DOT employees must not disclose or use confidential information gained in State service for the financial benefit of any person.
- **Prohibited Representation:** DOT employees must *never* represent anyone (other than the State) concerning any "particular matter" in which they participated personally and substantially while in State service and in which the State has a substantial interest.

DOT employees also must not, for one year after leaving State service, represent anyone other than the State for compensation before the DOT concerning a matter in which the State has a substantial interest. In this context, the term "represent" has been very broadly defined. Therefore, any former DOT employee contemplating post-State employment work that might involve interaction with any bureau of DOT (or any Board or Commission administratively under the DOT) within their first year after leaving State employment should contact the DOT Ethics Compliance Officer and/or the Office of State Ethics.

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- **Employment With State Vendors:** DOT employees who participated substantially in, or supervised, the negotiation or award of a State contract valued at \$50,000 or more must not accept employment with a party to the contract (other than the State) for a period of one year after resigning from State service, if the resignation occurs within one year after the contract was signed.

Training for DOT Employees

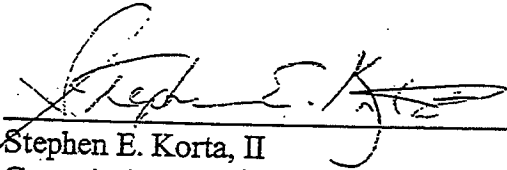
A copy of this policy will be posted throughout the Department, and provided to each employee either in hard copy or by e-mail. As set forth above, State law requires that certain employees involved in contractor/consultant/vendor selection, evaluation and supervision must undergo annual ethics training coordinated or provided by the Ethics Compliance Officer. If you believe your duties meet these criteria, you should notify your Bureau Chief to facilitate compilation of a training schedule. In addition, the DOT Ethics Compliance Officer can arrange for periodic ethics training provided by the Office of State Ethics. Finally, the Department will make available, on its web site or otherwise, a copy of this policy to all vendors, contractors, and other business entities doing business with the Department.

Important Ethics Reference Materials

It is strongly recommended that every DOT employee read and review the following:

- Code of Ethics for Public Officials, Chapter 10, Part 1, Conn. General Statutes Sections 1-79 through 1-89a found at: www.ct.gov/ethics/site/default.asp
- Ethics Regulations Sections 1-81-14 through 1-81-38, found at: www.ct.gov/ethics/site/default.asp
- DAS General Letter regarding political activities of employees, found at: <http://www.das.state.ct.us/HR/om/GL214D.pdf>
- The Office of State Ethics web site which includes summaries and the full text of formal ethics advisory opinions interpreting the Code of Ethics, as well as summaries of previous enforcement actions: www.ct.gov/ethics/site/default.asp. DOT employees are strongly encouraged to contact the Department's Ethics Compliance Officer or his designee, or the Office of State Ethics with any questions or concerns they may have.

(This Policy Statement supersedes Policy Statement No. F&A-10 dated February 8, 2005)



Stephen E. Korta, II
Commissioner

Attachment

List 1 and List 3

(Managers and supervisors are requested to distribute a copy of this Policy Statement to all employees under their supervision.)

cc: Office of the Governor, Department of Administrative Services, Office of State Ethics