

ATTACHMENT A

This Personal Service Agreement (hereinafter “Agreement”) entered into this ____ day of _____, 2008 (the “date of execution”), is between the STATE OF CONNECTICUT (hereinafter the “State”) acting through the Commissioner of the Department of Economic and Community Development pursuant to Conn. Gen. Stat sections 32-1c, 32-5, 4-8, and 32-1o and HR & A Advisors, Inc. (hereinafter “Contractor”). The parties hereto agree that the services specified below shall be provided by the Contractor in strict compliance with the provisions of this Agreement.

TERM

Performance under this Agreement shall commence on July 11, 2008 but may be terminated at will by either party upon thirty 30 days written notice as more fully set forth in Section 18, Part 1 of this Agreement.

Part 1

CONDITIONS

1. Entire Agreement

This Agreement embodies the entire agreements between the State and the Contractor on the matter specifically addressed herein. The parties shall not be bound by or be liable for any statement, representation, promise, inducement or understanding of any kind or nature not set forth herein. This Agreement shall supersede all prior written agreements between the parties and the predecessors. No change, amendments or modifications of any of the terms or conditions of the Agreement shall be valid unless reduced to writing, signed by both parties and approved by the Attorney General or his Deputy. This Agreement shall insure to the benefit of each party’s heirs, successors, and assigns.

2. Changes in Services

When changes in the services are required or requested by the State, Contractor shall promptly estimate their monetary effect and so notify the State. Contractor shall implement no change unless it is approved by the State in writing; and, unless otherwise agreed to in writing, the provisions of this Agreement shall apply to all changes in the services. If the State determines that any change materially affects the cost or time of performance of this Agreement as a whole, Contractor and the State will mutually agree in writing to an equitable adjustment.

3. Independent Contractor

Contractor represents that it is fully experienced and properly qualified to perform the services provided for herein, and that it is properly licensed, equipped,

organized and financed to perform such services. Contractor shall act as an independent contractor in performing this Agreement, maintaining complete control over its employees and all of its subcontractors. Contractor shall perform all services in accordance with its methods, subject to compliance with this Agreement and all applicable laws and regulations. Contractor shall furnish fully qualified personnel to perform the services under this Agreement. It is acknowledged that services rendered by the Contractor to the State hereunder do not in any way conflict with other contractual commitments with or by the Contractor.

4. Notices

Unless otherwise expressly provided to the contrary notices provided for hereunder shall be in writing and may be delivered personally or by mail. Notices will be effective if delivered personally or, if by mail, upon receipt, to the following addresses:

STATE: Department of Economic and Community Development
505 Hudson Street
Hartford, CT 06106
U. S. A.

ATTENTION: Sophia Hastings, Office of Finance and Administration

CONTRACTOR: HR & A Advisors, Inc.
1790 Broadway, Suite 800
New York, NY 10019

ATTENTION: Candace P. Damon, Vice Chair

The parties may change their respective addresses for notices under this paragraph 4 upon prior written notification to the other.

5. Laws and Regulations

This Agreement shall be interpreted under and governed by the laws of the State of Connecticut.

Contractor, its employees and representatives shall at all times comply with all applicable laws, ordinances, statutes, rules, regulations and orders of the governmental authorities, including those having jurisdiction over its registration and licensing to perform services hereunder.

6. Labor and Personnel

At all times, Contractor shall utilize approved, qualified personnel and any State approved subcontractor necessary to perform the services under this Agreement.

Contractor shall advise the State promptly, in writing, of any labor dispute or anticipated labor dispute or other labor related occurrence known to Contractor involving Contractor's employees' performance or subcontractor's performance which may reasonably be expected to affect Contractor's performance of services under this Agreement. The State may then, at its option, ask Contractor to arrange for a temporary employee(s) or subcontractor(s) satisfactory to the State to provide the services otherwise performable by Contractor hereunder. Contractor will be responsible to the State for any economic detriment caused the State by such subcontract arrangement.

Contractor shall, if requested to do so by the State, reassign from the State's account any employee or authorized representatives whom the State, in its sole discretion, determines is incompetent, dishonest or uncooperative. In requesting the reassignment of an employee under this paragraph, the State shall give a thirty-day (30) notice to Contractor of the State's desire for such reassignment. Contractor will then have fifteen (15) days to investigate the situation and attempt, if it so desires, to satisfy the State that employee should not be reassigned. However, at the State's decision and sole discretion, after such fifteen days thereafter, or thirty days from the date of the notice of reassignment, the employee shall be reassigned from the State's account.

7. Conflicts, Error, Omissions and Discrepancies

- a. In the event of any conflict between the provisions of this Agreement and the provisions of Form CO-802A to which this Agreement is attached, the provisions of this Agreement shall control.
- b. In case of conflicts, discrepancies, error or omissions among the various parts of this Agreement, any such matter shall be submitted immediately by the Contractor to the State for clarification. The State shall issue such clarification within a reasonable period of time. Any services affected by such conflicts, discrepancies, error or omissions which are performed by Contractor prior to clarification by the State shall be at Contractor's risk.

8. Indemnity

Contractor hereby indemnifies and shall defend and hold harmless the State, its officers, and its employees from and against any and all suits, actions, legal or administrative proceedings, claims, demands, damages, liabilities, monetary loss, interest, attorney's fees, costs and expenses of whatsoever kind or nature arising out of the performance of this agreement, including those arising out of injury to or death of Contractor's employees or subcontractor, whether arising before, during or after completion of the services hereunder and in any manner directly or indirectly caused, occasioned or contributed to in whole or in part, by reason of

any act, omission, fault or negligence of Contractor or its employees, agents or subcontractors.

9. Nondisclosure

Contractor shall not release any information concerning the services provided pursuant to this Agreement or any part thereof to any member of the public, press, business entity or official body unless prior written consent is obtained from the State.

10. Quality Surveillance

All services performed by Contractor shall be subject to the inspection and approval of the state at all times, and Contractor shall furnish all information concerning the services and grant the State's duly authorized representatives free access at all reasonable time upon 24-hour notice to Contractor's facilities where the services under the Agreement are performed or where the books and records relative to such services are maintained, and shall allow such representatives free access to any and all such books and records. At the State's request, the Contractor shall provide the State with hard copies of or magnetic media containing any data or information in the possession of the Contractor, which pertain to the State's business under this Contract.

11. Non-Waiver

None of the conditions of this Agreement shall be considered waived by the State or the Contractor unless given in writing. No such waiver shall be a waiver of any past or future default, breach or modification of any of the conditions of this Agreement unless expressly stipulated in such waiver.

12. Examination of Contractor's Records

The State or its representatives shall have the right at reasonable hours to examine any books, records and other documents of Contractor or its subcontractor pertaining to work performed under this Contract. The State will give Contractor or such subcontractor 24-hour notice of such intended examination. At the State's request, the Contractor shall provide the State with hard copies of or magnetic tapes containing any data or information relating to the State's business, which data or information is in the possession or control of the Contractor. The Contractor shall incorporate this paragraph 12 verbatim into any agreement it enters into with any subcontractor providing services under this Agreement.

13. Promotion

Unless specifically authorized in writing by the Commissioner of the Department of Economic and Community Development on a case by case basis, Contractor

shall have no right to use, and shall not use, the name of the State of Connecticut, its officials or employees, or seal of the State:

- (a) in any advertising, publicity, promotion; or
- (b) to express or to imply any endorsement of Contractor's products or services; or
- (c) to use the names of the State, its officials or employees or the State Seal in any manner (whether or not similar to uses prohibited by subparagraphs (a) and (b) above), except only to manufacture and deliver in accordance with this Agreement such items as are hereby contracted for by the State.

14. Survival

The rights and obligations of the parties which by their nature survive termination or completion of this Agreement, including but not limited to those set forth herein in Part 1, Sections 8, 9, 13 and 15 of this Agreement, shall remain in full force and effect.

15. Confidentiality

All data provided to Contractor by the State or developed internally by Contractor with regard to the State will be treated as proprietary to the State and confidential unless the State agrees in writing to the contrary. Contractor agrees to forever hold in confidence all files, records, documents or other information as designated, whether prepared by the State or others, which may come into Contractor's possession during the term of this Agreement, except where a disclosure of such information by Contractor is required by other governmental authority to ensure compliance with the laws, rules or regulations, and such disclosure will be limited to that actually so required. Where such disclosure is required, Contractor will provide advance notice to the State of the need for the disclosure and will not disclose absent consent from the State.

16. Non-Discrimination

- (a) For the purposes of this Section, "minority business enterprise" means any small contractor or supplier of materials fifty-one (51) 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. Section 32-9n; and "good faith" means that degree of diligence which a reasonable person would exercise in 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.

- (b) For the purposes of this Section, “Commission” means the Commission on Human Rights and Opportunities.
- (c) For the purposes of this Section, “public works contract” means any agreement between any individual, firm or corporation and the State or any political subdivision of the State other than a municipality for construction, rehabilitation, conversion, extension, demolition, or repair of public building, highways or other changes or improvements in real property, or which is financed in whole or in part by the State, including, but not limited to, matched expenditures, grants, loans, insurance or guarantees.
- (d) (1) The Contractor agrees and warrants that in the performance of the contract such Contractor 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 Contractor that such disability prevents performance of the work involved, in any manner prohibited by the laws of the United States or the State of Connecticut. The Contractor 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 Contractor that such disability prevents performance of the work involved; (2) the Contractor agrees, in all solicitations or advertisements for employees placed by or on behalf of the Contractor, to state that it is an “affirmative action-equal opportunity employer” in accordance with regulations adopted by the Commission; (3) the Contractor agrees to provide each labor union or representative of workers with which the Contractor has a collective bargaining agreement or other contract or understanding and each vendor with which the Contractor has a contract or understanding, a notice to be provided by the Commission, advising the labor union or worker’s representative of the Contractor’s commitments under its section and to post copies of the notice in conspicuous places available to employees and applicants for employment; (4) the Contractor agrees to comply with each provision of this section and Conn. Gen. Stat. sections 46a-68e and 46a-68f and with each regulation or relevant order issued by said Commission pursuant to Conn. Gen. Stat. Sections 46a-56, as amended by Section 5 of Public Act 89-253, 46a-68e and 46a-68f; (5) the Contractor 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 Contractor as related to the provisions of this section and section 46a-56. If the contract is a public works contract, the Contractor agrees and warrants that he will make good faith efforts to employ minority business enterprises as subcontractors and suppliers of materials on such public works projects.

- (e) Determination of the Contractor's good faith efforts shall include but shall not be limited to the following factors: The Contractor'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.
- (f) The Contractor shall develop and maintain adequate documentation, in a manner prescribed by the Commission, of its good faith efforts.
- (g) The Contractor shall include the provisions of subsection (d) of this Section in every 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. section 46a-56, as amended by section 5 of Public Act 89-253; providing if such contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the Commission, the Contractor may request the State of Connecticut to enter into any such litigation, or negotiation prior thereto to protect the interest of the State and the State may so enter.
- (h) The Contractor 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.
- (i) The Contractor agrees to the following provisions: The Contractor agrees and warrants that in the performance of the agreement such contractor will not discriminate against or permit discrimination against any persons or group of persons on the grounds of sexual orientation, in any manner prohibited by the laws of the United States or the State of Connecticut, and that employees are treated when employed without regard to their sexual orientation; the Contractor agrees to provide each labor union or representative of workers with which such contractor has a collective bargaining agreement or other contract or understanding and each vendor with which such Contractor 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 Contractor's commitments under this section and to post copies of the notice in conspicuous places available to employees and applicants for employment; the Contractor 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; the Contractor 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 Contractor which relate to the provisions of this section and Section 46a-56 of the General Statutes.

- (j) The Contractor shall include the provisions of the foregoing paragraph in every subcontract or purchase order entered into in order to fulfill any obligation of a contract with the State and such provision shall be binding on a subcontractor, vendor or manufacturer unless exempted by regulations or orders of the Commission. The Contractor 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 Contractor becomes involved in, or is threatened with, litigation with a subcontractor it 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 enter.

17. Sovereign Immunity

Notwithstanding any provisions to the contrary contained in this Agreement, it is agreed and understood that the State of Connecticut shall not be construed to have waived any rights or defenses of sovereign immunity, which it may have with respect to all matters arising out of this Agreement.

18. Termination

The parties mutually agree that either may terminate this Agreement upon thirty (30) days written notice delivered to the other by certified or registered mail to the notice addresses as provided in Section 4 of this Part.

19. Terms

Wherever the term "Commissioner" is used in this Agreement it shall include the State Commissioner of the Department of Economic and Community Development or his authorized agent, employee or designee.

20. Assignment

This agreement shall not be assigned by either party without the written consent of the other.

21. Severability

If any part or parts of this Agreement shall be held to be void or unenforceable, such part or parts shall be treated as severable, leaving valid the remainder of this Agreement notwithstanding the part or parts found to be void or unenforceable.

22. Subpoenas

In the event the State's records are subpoenaed pursuant to Conn. Gen. Stat. section 36a-43, the Contractor shall, within twenty-four (24) hours of service of the subpoena, notify the person designated for the State in Section 4 of part 1 of this Agreement of such subpoena. Within thirty-six (36) hours of service, the Contractor shall send a written notice of the subpoenas together with a copy of the same to the person designated for the State in Section 4 of Part 1 of this Agreement.

23. Violence in the Workplace Prevention

This agreement 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.

24. Governor M. Jodi Rell's Executive Order No. 7C

Pursuant to Governor M. Jodi Rell's Executive Order No. 7C, paragraph 10(a), Contractor shall comply with the gift and campaign contribution certification requirements of Connecticut General Statutes § 4-252 and section 8 of Governor M. Jodi Rell's Executive Order Number 1. For purposes of this paragraph, the term "certification" shall include the campaign contribution and annual gift affidavits required by section 8 of Executive Order Number 1.

25. State Contracting Standards Board

Pursuant to paragraph 6(a) of Governor M. Jodi Rell's Executive Order No. 7C, Contractor acknowledges and accepts that, for cause, the State Contracting Standards Board may review and recommend, for DECD's consideration and final DECD determination, termination of this contract. "For Cause" means: (1) a violation of the State ethics laws (Chapter 10 of the Connecticut General Statutes) or Connecticut General Statutes § 4a-100 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.

26. Disclosure of Consulting Agreements

Pursuant to subsection (b) of Section 51 of P.A. No. 05-287, the chief official of the Contractor, for all contracts with a value to the State of fifty thousand dollars or more in any calendar or fiscal year, shall attest in an affidavit as to whether any consulting agreement has been entered into in connection with such contract. Such affidavit shall be required if any duties of the consultant included communications concerning business of such State agency, whether or not direct contact with a State agency, State or public official or State employee was expected or made. As used herein "consulting agreement" means any written or oral agreement to retain the services, for a fee, of a consultant for the purposes of (A) providing counsel to a contractor, vendor, consultant or other entity seeking to conduct, or conducting, business with the state, (B) contacting, whether in writing or orally, any executive, judicial, or administrative office of the state, including any department, institution, bureau, board, commission, authority, official or employee for the purpose of solicitation, dispute resolution, introduction, requests for information or (C) any other similar activity related to such contract. Consulting agreement does not include any agreements entered into with a consultant who is registered under the provisions of Chapter 10 of the general statutes as of the date such affidavit is submitted in accordance with the provisions of Section 51 of P.A. No. 05-287.

27. Insurance Requirements for Personal Service agreement of \$100,000 or more

(a) Contractor shall procure and maintain for the duration of the contract the following types of insurance, in amounts no less than the stated limits, against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work hereunder:

- 1) Commercial General Liability: \$1,000,000 combined single limit per occurrence for bodily injury, personal injury and property damage. Coverage shall include Premises and Operation, Independent Contractors, Product and Completed Operations and Contractual Liability. If a general aggregate is used the general aggregate limit shall apply separately to this agreement or the general aggregate limit shall be twice the occurrence limit.
- 2) Workers' Compensation and Employer's Liability: Statutory coverage in compliance with compensation laws of The State of Connecticut. Coverage shall include Employer's Liability with a minimum limit of \$100,000 each accident, \$500,000 Disease – Policy limit, \$100,000 each employee.
- 3) Professional Liability: The contractor shall maintain professional liability coverage providing for a total limit of \$1,000,000 to cover any act, error or omission to cover any claim arising from the performance of the designated professional services (if available).

(b) Additional Insurance Provisions

1. The State of Connecticut Department of Economic and Community Development, its officials and employees shall be named as an Additional Insured on the Commercial General Liability Policy.
2. Described insurance shall be primary coverage and contractor and contractor's insurer shall have no right of subrogation recovery or subrogation against the State of Connecticut.
3. Contractor shall assume any and all deductibles in the described insurance policies.
4. Each insurance policy shall not be suspended, voided, cancelled or reduced except after 30 days prior written notice by certified mail has been given to the State of Connecticut.
5. Each policy shall be issued by an Insurance Company licensed to do business by Connecticut Department of Insurance and having a Best Rating of A-, VII, or better.

28. Large State Contracts

Pursuant to Connecticut General Statutes §§ 4-250, 4-251 and 4-252, Contractor must present at the execution of each large State contract (having a total cost to the State of more than \$500,000 in a calendar or fiscal year) an executed gift affidavit, which Contractor shall update on an annual basis in accordance with paragraph 8 of Governor M. Jodi Rell's Executive Order No. 1. In addition, pursuant to paragraph 8 of Governor M. Jodi Rell's Executive Order No. 1, anyone who executes and files said gift affidavit shall also execute and file a campaign contribution affidavit disclosing all contributions made to campaigns of candidates for statewide public office or the General Assembly.

29. Large State Construction Or Procurement Contract

Pursuant to subsection (a) of Section 37 of P.A. No. 05-287, every contractor to a large State construction or procurement contract shall review the summary of State ethics laws developed by the State Ethics Commission pursuant to Connecticut General Statutes Section 1-81b (the "Summary") and shall promptly affirm to OPM in writing that the key employees of such Contractor have received, reviewed and understand the Summary and agree to comply with the provisions of the State ethics laws. A copy of the Summary is attached and incorporated herein as Attachment B. Pursuant to subsection (b) of Section 37 of P.A. No. 05-287, Contractor shall incorporate and include the Summary in all contracts with any subcontractor or consultant working or assisting the Contractor with the large state construction or procurement contract. Contractor shall require

in said contracts that the key employees of any subcontractor or consultant affirm that they have received, reviewed and understand the Summary and agree to comply with the provisions of the State ethics laws. Contractor shall supply such affirmations to DECD promptly. "Large state construction or procurement contract" means any contract, having a cost of more than five hundred thousand dollars, for (A) the remodeling, alteration, repair or enlargement of any real asset, (B) the construction, alteration, reconstruction, improvement, relocation, widening or changing of the grade of a section of a state highway or a bridge, (C) the purchase or lease of supplies, materials or equipment, as defined in Section 4a-50 of the Connecticut General Statutes, or (D) the construction, reconstruction, alteration, remodeling, repair or demolition of any public building.

30. Campaign Contribution Restrictions

For all State contracts as defined in P.A. 07-1 having a value in a calendar year of \$50,000 or more or a combination or series of such agreements or contracts having a value of \$100,000 or more, the authorized signatory to this Agreement expressly acknowledges receipt of the State Elections Enforcement Commission's notice advising state contractors of state campaign contribution and solicitation prohibitions, and will inform its principals of the contents of the notice. See Attachment C [SEEC Form 11].

31. Set-Aside Requirement

The Contractor must include a minimum set-aside of ten percent (10%) of the contract value to Connecticut Department of Administrative Services certified Minority Owned Business Enterprises (MBE). MBE subconsultant(s) must be currently certified by the Department of Administrative Services. A small minority owned business is defined as a business with gross revenues not exceeding \$10,000,000 during its most recent fiscal year and in which 51% ownership is held by one or more minority person(s) who exercises operational authority over daily affairs of the business, has the power to direct management and policies, and receives the beneficial interests of the business and a minority is defined as a person(s) who is American Indian, Asian, Black, Hispanic, has origins in the Iberian Peninsula, a woman, or an individual with a disability.

This Agreement may not be subcontracted or assigned by the Contractor, in whole or in part, without the prior written consent of the State. Such consent, if granted, shall not relieve the Contractor of any responsibilities under the contract. The Contractor must attach a list of said subcontractor(s) for approval as well as an itemization of the products and/or services to be supplied by the subcontractor(s). Nothing contained in this agreement shall be construed as creating any contractual relationship between any subcontractor(s) and the State. The prime consultant must perform the major part of the work with employees of the firm.

Subcontractors may be used to comply with MBE requirements or perform specialized work.

Part 2

SPECIFICATION OF SERVICES

1. Scope

This Agreement is entered into by the State of Connecticut, Department of Economic and Community Development (“DECD”) with HR & A Advisors, Inc. (“Contractor”) to provide the Department of Economic and Community Development with assistance in preparing an Economic Strategic Plan pursuant to section four of State of Connecticut Public Act (PA) 07-239 as it may be amended.

The planning process includes but is not limited to the following: consultation with applicable State agencies and stakeholders and conducting regional forums to elicit public input; researching and analyzing the current Connecticut economy, including all relevant and applicable economic growth factors and the structure of the state’s economic development system; and utilizing the results of DECD’s outreach and consultation efforts along with the results of the research and analysis efforts to prepare a strategic plan that establishes and articulates a vision for Connecticut that identifies where the state should be in five, ten, fifteen and twenty years. Further it is required that the strategic plan include clear and measurable goals and objectives for the state and regions to meet the short and long-term goals required under the Public Act, and that clear steps and strategies to achieve said goals and objectives be provided. The plan must also contain a clear and replicable measurement methodology and provide recommendations on how the State can best achieve the goals under the strategic plan and cost estimates for implementation of the plan and the projected return on investment for those activities; ensure that the resulting strategic plan is consistent with the State plan of conservation and development, adopted pursuant to chapter 297 of the general statutes, the long-range State housing plan, adopted pursuant to section 8-37t of the general statutes, and the transportation strategy adopted pursuant to section 13b-57g of the general statutes.

2. Contractor’s Responsibilities

The Contractor shall ensure that all statutory requirements of section four of Public Act 07-239 are included in its final report. This requirement shall be deemed fulfilled with respect to those tasks that shall be performed by DECD by inclusion of material provided by DECD in the final report. The Contractor shall be expected to perform, within available funding, some or all of the specific tasks in the following scope of services as indicated below. The Contract shall be

terminated, and the Contractor shall not be held responsible for completion of tasks once funds have been depleted:

Section I - Project Management

The Contractor shall coordinate bi-weekly with relevant subcontractors and DECD throughout the duration of the project. Coordination meetings may be conducted via conference call or in person, as required.

Section II - Research and Analysis

The Contractor and DECD staff shall collaborate as detailed below on conduct of the tasks required to prepare the deliverables, research, and analysis stipulated in this Section II. Various issues and topics identified and described below and shall be included in a “white paper” for subsections A (1) a., b., c., (2) and B in accordance with the specific content requirements identified herein. Research and analysis, shall include a literature search and review of existing relevant and applicable papers, studies, reports and plans and to use all available relevant and applicable sources of data/information. For the purposes of this section of this Agreement, the term “recent” means published within the past five years. All sources used in preparing the white paper, shall be properly and clearly identified and notated.

A. Propose a definition of the economic challenges that the Plan shall address and a statement of the goals of the Plan.

Based on research conducted the Contractor shall propose and DECD shall establish a Statement of Challenges and Goals to inform subsequent work and the organization of the Plan. The Statement of Challenges and Goals shall be informed by analysis that shall cover:

1. **The Connecticut Economy** - A review and analysis of (1) the Connecticut economy, its competitive strengths, weaknesses, opportunities and threats and (2) the state’s economic development system (State and local government economic development apparatus, policies and procedures).

Deliverable:

- a) *Characterization and Analysis of the Connecticut Economy* - A review and evaluation of the economy of the state. Such review and evaluation shall include, but not be limited to, a sectoral analysis, housing market and housing affordability analysis, labor market and labor quality analysis, demographic analysis, and historic trend analysis and projections. The sectoral analysis shall also identify and analyze those economic clusters and industry

sectors that are growing or declining within the state and are of current or future importance to the growth of the state's economy and to its global competitive position. Further it must identify what those economic clusters and industry sectors need for continued growth and any and all current and potential impediments to their growth. The demographic analysis must characterize Connecticut's current and future demographic composition and identify and describe the implications of change.

- b) *Competitive Analysis* – An assessment and evaluation of the economic development challenges and opportunities facing the state and a comparison of Connecticut's economic development competitiveness to other states and regions.
- c) *Economic Development in Connecticut* - A review and evaluation of the economic development structure in the state, including, but not limited to, a review and analysis of the past and current economic, community and housing development structures, budgets and policies, efforts and responsibilities of its constituent parts in Connecticut; and an analysis of the performance of the current economic, community and housing development structures, and its individual constituent parts, in meeting its statutory obligations, responsibilities and mandates and their impact on economic development and responsible growth in Connecticut.

2. **Foundations of Economic Growth**

Deliverable: *Foundations of Economic Growth Review and Analysis* - A review and analysis of factors, issues and forces that impact or impede economic development and responsible growth in Connecticut and its constituent regions. Factors, issues and forces to be reviewed and analyzed shall include, but not be limited to: transportation, including, but not limited to, commuter transit, rail and barge freight; technology transfer; brownfield remediation and development; health care delivery and costs; early education, primary education, secondary and post-secondary education systems and student performance; business regulation; labor force quality and sustainability; social services costs and delivery systems; affordable and workforce housing cost and availability; land use policy; emergency preparedness; taxation; availability of capital; and energy costs and supply. In conducting this review and analysis the Contractor shall identify any and all linkages and interconnections/interdependencies among such factors, issues and forces and among such factors, issues and forces and economic growth.

B. Create a Vision for the State of CT.

Deliverable: *Vision* -Based on information gathered from various research and DECD consultations including the regional forums and analysis conducted under Section II A of this Scope of Services, the Contractor shall synthesize and articulate a vision for Connecticut that identifies where the state should be in five, ten, fifteen and twenty years. This vision must include, but not be limited to specifically addressing the topics and issues researched in Section I A of this Scope of Services.

Due Date: Draft – Mid-August, 2008. The Contractor shall be responsible for preparation of the Draft Document. Assuming its reasonable acceptability to DECD, all revisions to the Draft shall be the responsibility of DECD, which may consult with the Contractor on finalization of the document; however, neither party expects such consultation to consume significant Contractor time or resources. DECD and the Contractor expect completion of the Final Document in Mid-September, 2008.

Section III - Strategic Planning

A. Propose a set of initiatives to respond to the challenges identified in Section II.

The Contractor shall evaluate initiatives that are guided by the vision statement and accomplish the goals and objectives defined in this Section III.

1. **Goals & Objectives** - The Contractor, based on the vision articulated under Section II B of this Scope of Services and the research and analysis conducted under Section II A of this Scope of Services, shall develop and articulate clear and measurable goals and objectives for the state and regions to meet the short and long-term goals established under this section and provide clear steps and strategies to achieve said goals and objectives, which may include the following: the promotion of economic development and opportunity; the fostering of effective transportation access and choice including the use of airports and ports for economic development; the enhancement and protection of the environment; the promotion of the use of technology in economic development, including access to high-speed telecommunications; and the balance of resources through sound management of physical development. Goals and objectives shall be prioritized.

2. **Metrics for Initiatives** - The Contractor shall create a template for evaluating State initiatives. This template shall include criteria such as:
 - Description of initiative
 - How the initiative responds to the stated challenge
 - Major implementation needs
 - Necessary implementation steps
 - Legislation or regulation needed
 - Lead agency responsible
 - Challenges related to adoption/implementation
 - Locations to be implemented
 - Costs
 - Sources of funds/financing structures

Deliverable: The Contractor shall present a template for evaluating initiatives to DECD for their approval.

Due Date: End of August, 2008.

B. Formulate State Initiatives

The Contractor shall analyze scope, budget, and effectiveness of current, relevant Connecticut initiatives related to areas of focus identified in Section II. Additionally, the Contractor shall review relevant best practices in regions and states similar to Connecticut.

1. **Develop preliminary set of initiatives** – The Contractor shall develop preliminary set of initiatives that includes order of magnitude cost estimates, preliminary funding sources and possible implementation strategies.
2. **Conduct informational interviews** – The Contractor shall meet with key stakeholders as needed to evaluate and inform initiatives.

Deliverable: The Contractor shall meet with DECD to present and review the set of preliminary initiatives. DECD shall review and comment, with an eye towards providing feedback on priority of initiatives.

Due Date: End of September, 2008.

Section IV - Finalize State Initiatives

After meeting with DECD, the Contractor shall prioritize and evaluate a refined list of initiatives based on DECD comments.

- A. Implementation** - The Contractor shall develop recommendations on how the state can best achieve goals under the strategic plan and provide cost estimates for implementation of the plan and the projected return on investment for those areas.
- B. Performance Measurement** - The Contractor, based on the goals and objectives developed under Section III A of this Scope of Services and the implementation strategies developed under Section III C of this Scope of Services shall develop and articulate relevant measures that clearly identify and quantify whether a goal and objective is being met at the state, regional, local and private sector level, and cause and effect relationships, and provide a clear and replicable measurement methodology.

Deliverable: The Contractor shall meet with DECD to present the final evaluation of initiatives.

Due Date: End of October 2008.

Section V - Strategic Plan

- A. Strategic Plan** - The Contractor shall assemble, from all of the work done under Sections II, III and IV of this Scope of Work, a concise and comprehensive economic strategic plan for the State of Connecticut, complete with an executive summary and PowerPoint presentation.

Due Date: Draft - December 2008. Final Document - April 2009.

- B. Public Presentations** - The Contractor shall provide technical support to DECD for up to two Strategic Plan Presentations to be made by the department. The Contractor shall have at each presentation appropriate staff to, if called upon by the department, provide information regarding their work on the plan and/or the results of their research and analysis effort and answer any and all questions related to their involvement with developing the plan and any of the information contained within the plan. The Contractor may be required to assist with any or all logistics related to conducting the presentations. Logistics include but are not limited to: securing of appropriate meeting space; advertising/public notification; securing all necessary audio/visual equipment; securing appropriate speakers/presenters; and meeting facilitation. DECD shall determine the dates and locations of the presentation(s) in consultation with the Contractor.

Section VI - Additional Services

There may be additional services requested beyond this scope of work, in conjunction with the preparation of the economic strategic plan pursuant to section four of Public Act 07-239 or with §§ 4-8, 32-1c and 8-37v of the Connecticut General Statutes. Such services may include research and analysis, meeting planning, and/or coordination and/or facilitation, strategic planning, report writing, presentations, graphic design, printing, marketing, and other professional services. Prior to beginning any additional work, the Contractor shall provide DECD with a cost proposal for additional services requested. The Contractor shall not proceed with the requested services without written authorization from DECD.

Additional services shall be charged on an hourly basis in accordance with the following fee structure:

▪ Partner	\$335.00
▪ Principal	\$275.00
▪ Director	\$240.00
▪ Senior Analyst	\$170.00
▪ Analyst	\$125.00
▪ Admin	\$95.00

3. State's Responsibilities

The State through the Department of Economic & Community Development shall provide the following:

- A. Establish priorities of work performed by the Contractor.
- B. Oversee the overall activities of the Contractor.
- C. Shall make existing data and material available to assist in the performance of Contractor's responsibilities.
- D. Shall conduct all Consultation, Outreach and Public Input associated with the preparation of the plan.
 - A. *Regional forums, focus groups, and surveys:*
 - a. Shall be responsible for conducting any regional forums, focus groups, and surveys with input from the Contractor;
 - b. Shall work with the Contractor to develop appropriate questions;
 - c. and shall summarize all findings from forums, focus groups and surveys for the Contractor to include in the final report.

Due Date: The contractor shall receive from DECD information regarding the forums, focus groups and survey findings by July 30, 2008.

B. Consultation:

- a. Shall be responsible for all logistics related to conducting consultation meetings and meeting follow up with such state agencies and quasi-public agencies that are enumerated in section four, subsection (a) of Public Act 07-239 and other stakeholders, for the purpose of eliciting input into the development of the plan. *Logistics include but are not limited to: securing of appropriate meeting space; setting meeting dates; identifying and inviting attendees; securing all necessary audio/visual equipment; taking meeting minutes; and meeting facilitation.*
- b. Shall summarize all findings and provide them to the Contractor to include in the final report.

Due Date: The contractor shall receive all information regarding the consultation findings by August 31, 2008.

- E. Collaborate with the Contractor on completion of certain tasks as set forth above.

Part 3

INVOICING, PAYMENT AND MISCELLANEOUS FEATURES

1. Contractor shall be paid, in total, a fee of not more than \$443,636 for work conducted during the contract period (July 11, 2008 – June 30, 2009).
2. Payment shall occur upon receipt and acceptance of the deliverables described herein. Upon acceptance by DECD of each deliverable, the Contractor shall provide an itemized invoice for work conducted with regard to said deliverable. DECD acceptance of deliverables shall occur in a timely manner and shall not be unreasonably withheld.
3. Payments shall be made upon submission and approval of all invoices by the Commissioner of DECD or his/her designee.
4. Contract value shall not exceed \$443,636.
 - a) A payment of \$150,000 shall be invoiced by the Contractor upon or after the completion of a Visioning Workshop with DECD to set strategic direction for the project and receipt by DECD of a memorandum summarizing the challenges and goals of the project.

- b) The remaining balance, not to exceed \$293,636 shall be invoiced monthly on a time and materials basis.

All invoices shall be accompanied by a brief progress summary outlining both total project progress/activities completed to date and those completed during the invoice period.