

Testimony from Matthew Tonello, P.E., Director of Operations, Consigli Construction Co., Inc., Portland Maine

I am a 1994 graduate of the University of Maine Civil Engineering program and Director of Operation for Consigli Construction. Consigli Construction is an Employee-Owned Construction Management firm with our local operations based in Portland, Maine

Our team is focused on new and renovation project throughout the state of Maine. We currently employ 75 salary personnel who are Maine residents. Our salary positions start at over \$70,000 and average over \$110,000 We also employ over fifty hourly employees who are all skilled craft workers as masons, carpenters and laborers.

Our clients are primarily in the Healthcare, Higher Education, Biotechnology and Life Science markets. We work for clients like Maine Medical Center in healthcare market. The University of Maine, The University of New England and Northeastern University in Higher Education and Bigelow Laboratory for Ocean Sciences and The Jackson Laboratory in the Biotech/Life Science markets.

Although, we as a construction manager are not the direct recipients of Research and Development bond funding, our employees enormously benefit from the construction jobs that the funding creates. Not only do the construction projects deliver pay checks to our people. Our people learn and develop their skills through the challenging projects with the advanced technologies incorporated in the buildings that we are constructing.

The work we do includes scheduling, budgeting, procuring and planning of the construction phase with our clients. We then work on coordinating the complex building structures, mechanical electrical systems and manage the installation, budget and schedule of the project. The type of projects that are funded with R&D

bonds allow us to attract employees from the University of Maine, technical and vocational schools along with allowing us to bring back workers who have worked in the life science, laboratory and science-based projects who want to live and work in Maine.

Utilizing the Association of General Contractors Economic Investment metrics, a \$1,000,000 investment in New Commercial Structures supports over \$1.8 million of in-state spending and supports 15 full-time jobs * (see exhibit below)

With this funding you will be helping fund projects in the future, for our future workers, for the future of the high technology markets in Maine that will allow us to advance in areas like mass timber construction, oceanographic science, data science and 3D printing. These projects build our brand in Maine and are needed for us to continue to attract a new and diverse workforce.

With funding for projects in these markets, we not only help drive innovation, but we also support the local material suppliers, timber industry and workforce who come to work every day wearing work boots along with our engineers and managers, all of whom contribute to making Maine great place to work and live.

Some additional background data on previous projects for reference:

- Bigelow Laboratory for Ocean Sciences Center for Blue Biotechnology (Bldg A) was funded by an MTI grant.
 - The MTI Grant allowed Bigelow to obtain federal grants from NSF and NIST to build Buildings B & C completed in 2012.
 - Overall a \$26M construction project leveraged from a 2009 MTI award.
- The Jackson Laboratory Importation and Isolation Facility was funded by MTI grant Consigli completed project in 2011.
- The University of Maine Marine Science Laboratory funded by MTI grant -Consigli complete projet in 2008

Exhibit - AGC Economic Impact of \$1,000,000 in Commercial Construction Funding.

The Associated General Contractors of America

Variables (Select Dropdown):

State **Project Start Year** Maine 2024

Report Year \$ (Adjusts report to new base year for inflation)

2023

Project Duration (Years)

Amount (\$)

\$1,000,000

Project Link to Census Construction definitions: Construction of new commercial structures, including farm structures

https://www.census.gov/construction/c30/definitions.html

An investment of \$1 million in construction of new commercial structures, including farm structures in Maine beginning in 2024, and lasting for 1 year, would support total in-state spending at businesses in Maine of \$2 million in 2023 dollars. This level of activity would support 15 full-time and part-time jobs. The economic and employment impacts are generated by direct investment, supply-chain purchases (indirect impacts), and spending throughout the state by employees and proprietors of affected businesses (induced impacts).

The Economic Impact table below shows the total impact (direct, indirect, and induced) on in-state employment, labor income of employees and proprietors (including employee compensation), value added by each industry, and gross output by each industry. The sales (total output) table shows the top 10 industries impacted by the change in construction spending.

Economic Impact:

| Impact Type | Employment (Job Years) | Employee Compensation | Labor Income | Value Added | Gross Output |
|------------------|---------------------------|--------------------------|-----------------|----------------|-----------------|
| Direct Effect | 9 | \$280,023 | \$466,117 | \$425,243 | \$980,505 |
| Indirect Effect | 2 | \$96,811 | \$110,866 | \$174,068 | \$349,092 |
| Induced Effect | 3 | \$144,585 | \$161,840 | \$285,075 | \$485,141 |
| Total Effect | 15 | \$521,418 | \$738,823 | \$884,386 | \$1,814,738 |
| Average Per Year | 15 | \$521,418 | \$738,823 | \$884,386 | \$1,814,738 |

| Sale | s (Total Output): Top 10 Industries Impacted | \$ |
|------|--|-----------|
| 1 | Construction of new commercial structures, including farm structures | \$961,389 |
| 2 | Owner-occupied dwellings | \$56,201 |
| 3 | Hospitals | \$45,843 |
| 4 | Other real estate | \$43,525 |
| 5 | Monetary authorities and depository credit intermediation | \$24,471 |
| 6 | Architectural, engineering, and related services | \$23,632 |
| 7 | Wholesale - Other durable goods merchant wholesalers | \$21,765 |
| 8 | Truck transportation | \$19,548 |
| 9 | Management of companies and enterprises | \$18,499 |
| 10 | Offices of physicians | \$18,059 |