

STATE PROPERTIES REVIEW BOARD

Minutes of Meeting Held On August 20, 2020 – remotely via telephone conference –

Pursuant to Governor Lamont's Executive Order No. 7B regarding suspension of In-Person Open Meeting requirements, the State Properties Review Board conducted its Regular Meeting at 9:30AM on August 20, 2020 remotely via telephone conference at (866)-692-4541, passcode 85607781.

Members Present:

Edwin S. Greenberg, Chairman
Bruce Josephy, Vice Chairman
John P. Valengavich, Secretary
Jack Halpert
Jeffrey Berger
William Cianci

Members Absent:

Staff Present:

Dimple Desai
Thomas Jerram

Guests Present

Chairman Greenberg called the meeting to order.

Mr. Valengavich moved and Mr. Halpert seconded a motion to enter into Open Session. The motion passed unanimously.

OPEN SESSION

1. ACCEPTANCE OF MINUTES

Mr. Valengavich moved and Mr. Berger seconded a motion to approve the minutes of the August 17, 2020 Meeting. The motion passed unanimously.

2. COMMUNICATIONS

3. REAL ESTATE- UNFINISHED BUSINESS

4. REAL ESTATE – NEW BUSINESS

PRB #	20-151
Transaction/Contract Type:	RE – Sale
Origin/Client:	DOT/DOT
Project Number:	39-35-2A
Grantee:	62 Rainbow Road, LLC
Property:	East Granby, Rainbow Rd (3,130 sf land)
Project Purpose:	Sale by Sole Abutter Bid
Item Purpose:	Quit Claim Deed

Sale Price: \$26,000

Under this proposal, DOT will release a triangularly-shaped, 3,130 square foot parcel of land with 162 feet of frontage on the southwesterly side of Rainbow Road (Rt. 20) to the Sole Abutter located at 62 Rainbow Road, East Granby.

The sole abutter located at 62 Rainbow Road is comprised of a 1.251 acre (54,496 sf) commercially-zoned site improved with a c.1760 single-family dwelling and barn. A permit has been issued to raze the improvements to permit redevelopment of the site. The site has full approvals to be developed with a convenience store/gas station.



Valuation – With the release of this parcel via a Sale by Sole Abutter Bid, DOT Appraiser James Mansfield appraised the property, as of October 24, 2019, in both the Before and After assemblage, valuing the two contiguous properties in the Before Valuation as they meet the standard of the Larger Parcel per Yellow Book Standards. Based on the sales comparison approach, the Appraiser utilized three sales of commercially-zoned land with approvals to develop with similar uses in Stafford, East Hartford and East Granby and concluded the fair market value of the Larger Parcel was \$7.00/sf x 54,496 sf = \$381,472, rounded to \$381,000.

In the After Valuation, the Appraiser utilized the same three sales and concluded the fair market value of the subject property was \$7.00/sf x 57,626 sf = \$403,382, rounded to \$403,000.

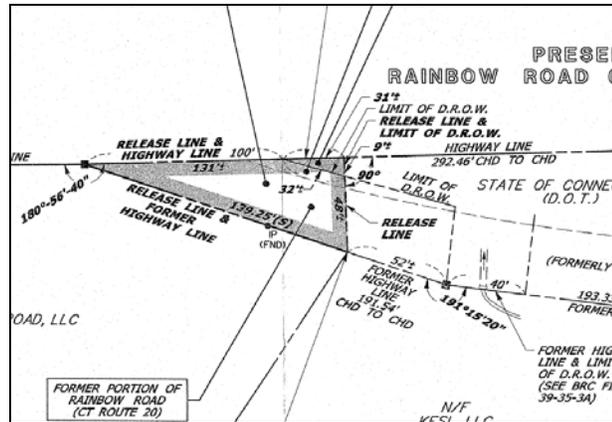
Value of the Release

After Valuation	\$403,000
Before Valuation	\$381,000
Value of Release	\$22,000

Sale by Sole Abutter Bid & Negotiations – On December 10, 2019, the Sole Abutter was offered the State Property for a sale price of \$26,000, inclusive of a \$1,000 Administrative Fee, which was accepted.

Recommendation – Staff recommend approval of the proposed Sale by Sole Abutter Bid in the amount of \$26,000 for the following reasons:

- The proposed sale complies with Sections §3-14b, and §13a-80 of the CGS in that the Town of East Granby declined to purchase pursuant to §3-14b(b) and the legislative delegation received the required notification on March 16, 2020.
- The release value of \$26,000 is reasonable in that it represents 118% of the appraised value and it will return the property to the East Granby tax rolls and relieve the State of all future expenses.
- The description in the Quit Claim Deed is consistent with the compilation plan to be filed in the East Granby Land Records.



PRB #	20-152
Transaction/Contract Type:	RE – Sale
Origin/Client:	DOT/DOT
Project Number:	39-35-3A
Grantee:	KESL, LLC
Property:	East Granby, Rainbow Rd (42,384 sf land)
Project Purpose:	Sale by Sole Abutter Bid
Item Purpose:	Quit Claim Deed

Sale Price: \$100,000

Under this proposal, DOT will release an irregularly-shaped, 42,384 square foot parcel of land with 767.70 feet of frontage on the southwesterly side of Rainbow Road (Rt. 20) to the Sole Abutter located at Rainbow Road (Lot #11), East Granby.

The sole abutter located at Rainbow Road (Lot #11) is comprised of an unimproved 128.8 acre (5,610,528) commercially-zoned site with 1,107 feet of frontage on the southwesterly side of Rainbow Road and 50 feet of frontage on School Street.



Valuation – With the release of this parcel via a Sale by Sole Abutter Bid, DOT Appraiser James Mansfield appraised the property, as of October 24, 2019, in both the Before and After assemblage, valuing the two contiguous properties in the Before Valuation as they meet the standard of the Larger Parcel per Yellow Book Standards. Based on the sales comparison approach, the Appraiser utilized three sales of commercially-zoned land of similar sized parcels. None were located. The Appraiser then utilized 25-40 acre sales in South Windsor, Bloomfield and Vernon and concluded the fair market value of the Larger Parcel was \$90,000/acre x 128.8 acres = \$11,592,000, rounded to \$11,590,000.

In the After Valuation, the Appraiser utilized the same three sales and concluded the fair market value of the subject property was \$90,000/acre x 129.8 acres = \$11,682,000, rounded to \$11,680,000.

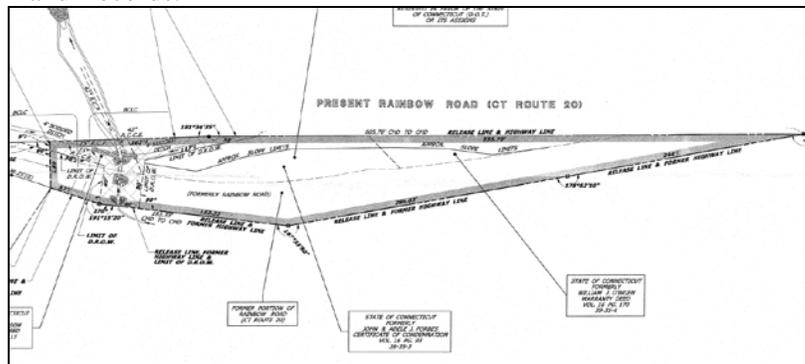
Value of the Release

After Valuation	\$11,680,000
Before Valuation	\$11,590,000
Value of Release	\$90,000

Sale by Sole Abutter Bid & Negotiations – On December 10, 2019, the Sole Abutter was offered the State Property for a sale price of \$100,000, inclusive of a \$1,000 Administrative Fee, which was accepted.

Recommendation – Staff recommend approval of the proposed Sale by Sole Abutter Bid in the amount of \$100,000 for the following reasons:

- The proposed sale complies with Sections §3-14b, and §13a-80 of the CGS in that the Town of East Granby declined to purchase pursuant to §3-14b(b) and the legislative delegation received the required notification on March 16, 2020.
- The release value of \$100,000 is reasonable in that it represents 111% of the appraised value and it will return the property to the East Granby tax rolls and relieve the State of all future expenses.
- The description in the Quit Claim Deed is consistent with the compilation plan to be filed in the East Granby Land Records.



5. ARCHITECT-ENGINEER - UNFINISHED BUSINESS

PRB #	19-279
Origin/Client:	DCS/WCSU
Transaction/Contract Type	AE / Amendment #1
Project Number:	BI-RD-290
Contract:	BI-RD-290-CA
Consultant:	O & G Industries, Inc.
Property	Danbury, White St (181) – WCSU
Project Purpose:	Higgins Hall Major Renovation Project
Item Purpose:	Amendment # 1

PROPOSED AMOUNT: \$58,575

At the State Properties Review Board meeting held on January 23, 2020, the Board suspended #19-279, Amendment #1 (BI-RD-290-CA), in the amount of \$58,575, for the Higgins Hall Major Renovation Project, pending clarification of the following issues:

1. What was the date of Notice to Proceed? What was the substantial completion date based on NTP and 411 calendar days per the Contract?

DCS Response:

NTP Date: June 12, 2018

SC Phase 1: June 6, 2019

SC Phase 2: August 17, 2019 - OK

2. Provide a scheduled prepared when NTP was authorized

DCS Response: See attached schedule, which was included in the CMR's GMP Amendment.

Staff Response: There was no attachment. Can you pl provide the original schedule and amended one? Why was CMR's GMP amended?

DCS Response: Attached is the schedule from the GMP. This is the original construction schedule. The CMR's original contract is issued during Preconstruction, so it only includes the dollar value for Preconstruction. Once the project is designed and bid, and the actual Construction costs are known, the CMR receives a GMP Amendment for the costs of Construction. - OK

3. What were the reason/s for early work authorization? When was the date?

DCS Response: WAO 1 Date: May 9, 2018

Staff Response: Pl provide the executed WAO 1? Were there 4 separate bids for these items or just one? Pl provide copies of the bid/s (just summaries, not the entire bid package) that were awarded prior to authorization of WAO 1 including dates when these packages were put out to bid and the award dates.

DCS Response: WAO was issued to allow CMR to commence the following:

- Abatement and Demolition
- Temporary Light and Power
- Temporary Fencing
- Temporary Facilities and Controls

Staff Response: Wasn't CA supposed to provide these services in his original contract?

DCS Response: There were four separate bids for the items in the WAO, I have requested copies of the bids from the CMR. Yes this work was always in the project, but due to the schedule and time constraints we were working under it was necessary to have a WAO so this work could be started early. -

OK

4. What were the reasons of the delay in completing Phase 1?

- a. Delay of Major Items

- Windows/Curtainwall
- Metal Panels
- AHU's
- Switchgear

Staff Response: What were the reasons? Are these due to CMR's performance?

DCS Response: The delays were partially created by the CMR's performance because there were long lead items that they did not procure early enough, but some of the subcontractors were also difficult to deal with. Some of the long lead items, specifically the windows and curtain wall were the result of the Architect specifying custom colors and finishes.

- b. Unforeseen Conditions

- Inaccurate as-builts not showing buried structure and utilities at canopy addition - OK
- Trenching of lower level slab because conduits would not fit overhead

Staff Response: Is this a design error? Why was this not picked up during the design phase?

- Additional MEP Coordination on 2nd Floor of Area A due to low ceilings

Staff Response: Is this a design error? Why was this not picked up during the design phase?

DCS Response: The height issue in the lower level could have been accounted for in Design with better planning, but on the 2nd Floor existing conditions were hidden in some areas by multiple layers of ceilings.

c. Items a. and b. above led to lost time that the CA needed to help manage.

Staff Response: Is CMR liable for the lost time?

DCS Response: The CMR is only liable for lost time if we assess liquidated damages, which we have not assessed yet.

DCS 7-28-2020 Response: I know it has been a while since we talked about the CA Amendment for BI-RD-290. In response to your question in the email below from March, yes a liquidated damages letter was sent to Downes Construction (CMR) in June. The CA's additional fees should be assigned to the CMR, but I believe we still need an amendment for the CA. Let me know if you need any additional information from me. Thanks.

Staff Response: Pl provide a copy of the letter sent to Downes in June

DCS 7-29-2020 Response: DCS provided a copy of the June 10, 2020 correspondence to Downes Construction stating DCS was assessing Liquidated Damages in the amount of \$1,171,635 for failure to meet the terms of the Contract.

Staff Response: **OK.** This CA fees will come out of the liquidated damages and as such should be considered as savings as the letter assessing liquidated damages was issued after the Board raised question about liquidated damages.

5. What is the Added Phase II referenced in the O & G extension of CA services request dated 5-22-19?

DCS Response: There were academic laboratories that were in use throughout construction on the Lower Level. Phase II was added to move these spaces back to their previous locations on the upper floors and to complete renovations of this portion of the Lower Level.

Staff Response: So the lower level renovation was not part of the original scope of the project?

DCS Response: No, the Lower Level Renovation was always part of the project. **- OK**

6. What is the current status of the project?

DCS Response: Substantial Completion Date was 8-15-19. Punch list is expected to be complete by 1-31-20 with the exception of about 10 items, mostly exterior/landscaping work. **- OK**

7. What caused the \$1,771,390 increase in project cost to \$24,255,576, from established \$22,484,186 in CA Consultant Contract?

DCS Response: The Construction cost in the CA Contract, dated 8-26-16 was based on the original 1105. Since then, costs have been refined and the revised Construction value is based the GMP dated 6-1-18. **- OK**

8. When did the CA Schedule Consultant inform DCS of delay in the 411 day schedule as required by Exhibit A (H.1) Scope of Services – Scheduling Services?

DCS Response: The CA first informed DAS of a delay in their August 2018 CA monthly report. Throughout the project, DAS and the CA made a continuing effort to track the delays and request recovery schedules from the CMR.

Staff Response: Was any effort made to address the delays by revising the CPM schedule?

DCS Response: The CMR did revise their schedule multiple times, but they were unable to adhere to their schedules.

Staff Response: **- OK**

9. Did the CA Consultant provide a Recovery Schedule to DCS as required in Exhibit A (H.1.1.3.5) Scope of Services – Scheduling Services?

DCS Response: Dimple, I have a voice mail in to you regarding this question. I believe there is some confusion on assignment of responsibilities. The CA requested recovery schedules from the CMR on multiple occasions, but the CMR was never able to provide a recovery schedule that they were able to adhere to.

Staff Response: So there was no effort to curtail the schedule. Are there any delays because of CMR's inability to produce a recovery schedule and avoid delays?

DCS Response: There was effort on the part of the CMR to revise the schedules, but again, they were not able to adhere to the revised schedules, which slowed them down and delayed the completion of the first phase of the project.

Staff Response: - OK

10. Has the Certificate of Completion been issued? If yes, when.

DCS Response: Yes, a Certificate of Substantial Completion was issued, dated 8-15-19. - OK

RECOMMENDATION: Staff recommends **APPROVAL** of this consultant contract in the amount of \$58,575. The CA fee of 4.99% of construction cost is within the DCS CA Services guideline of 5.0%. As noted by DCS, these fees will come out of the liquidated damages. DCS to provide status when damages are collected.

From January 23, 2020 Meeting

At the State Properties Review Board meeting held on August 1, 2016, the Board approved #16-187 (BI-RD-290-CA), in the amount of \$1,152,676, for the Higgins Hall Major Renovation Project.

DCS is now seeking approval of an additional \$58,575 in fees for the following services:

- CA Project Manager for additional 60 calendar days - \$52,800
- Commissioning MEP - \$5,775

The overall construction budget was increased by \$1,771,390 to \$24,255,576. The total project budget remains unchanged at \$34,576,000.

DCS has confirmed funding is in place.

O&G Fee for Basic Services (PRB 16-187)	<u>COST (\$)</u> <u>(BASIC)</u>	<u>COST (\$)</u> <u>(SPECIAL)</u>	<u>C. Budget</u> <u>(\$)</u>	<u>(%)</u> <u>Budget</u>
Pre-Construction Phase	\$218,084			
Bid Phase Phase	\$50,000			
Construction Administration Phase	\$716,103			
Project Close-Out Phase	+\$34,950			
TOTAL BASIC SERVICE FEE (#16-187) (A)	\$1,019,137		\$22,184,486	4.59%

SPECIAL SERVICES:				
Mechanical System Commissioning (CES Engineering)		\$86,289		
Building Envelope Commissioning (TBD)		+\$47,250		
TOTAL SPECIAL SERVICES(B)		\$133,539		
O&G - AMENDMENT #2 (#19-279) (A1)				
Extended CA Services	\$52,800			
Commissioning MEP	\$5,775			
O&G - AMENDMENT #2 (#19-279) (A1)	\$58,575			
TOTAL BASIC SERVICE FEE (#19-279) (A)+(A1)	\$1,077,712		\$24,255,576	4.44%
TOTAL FEE (PRB #19-279) (A) + (A1) + (B)		\$1,211,251	\$24,255,576	4.99%

Staff have requested clarification of the following issues:

1. What was the date of Notice to Proceed? What was the substantial completion date based on NTP and 411 calendar days per the Contract?
2. Provide a schedule prepared when NTP was authorized
3. What were the reason/s for early work authorization? When was the date?
4. What were the reasons of the delay in completing Phase 1?
5. What is the Added Phase II referenced in the O & G extension of CA services request dated 5-22-19?
6. What is the current status of the project?
7. What caused the \$1,771,390 increase in project cost to \$24,255,576, from established \$22,484,186 in CA Consultant Contract?
8. When did the CA Schedule Consultant inform DCS of delay in the 411 day schedule as required by Exhibit A (H.1) Scope of Services – Scheduling Services?
9. Did the CA Consultant provide a Recovery Schedule to DCS as required in Exhibit A (H.1.1.3.5) Scope of Services – Scheduling Services?
10. Has the Certificate of Completion been issued? If yes, when.

RECOMMENDATION: Staff recommends _____ of this consultant contract in the amount of \$58,575. The CA fee of 4.99% of construction cost is within the DCS CA Services guideline of 5.0%.

FROM PRB #16-187

PRB # 16-187, Standard Fixed-Fee—A/E Services Contract
Western Connecticut State University– Higgins Hall Major Renovation Project
Project #BI-RD- 290-ARC– O&G Industries, Inc. - Total Fee \$1,152,676

PROJECT BRIEF– In general this project involves the design and construction of a planned major renovation to Higgins Hall at the Western Connecticut State University (“WCSU”) Campus. Higgins Hall is comprised of two buildings encompassing approximately 90,000 GSF of existing structure. The overall goal of the project is to complete a major “like new” renovation of the existing structure inclusive of complete space re-programming and utilization. The primary goal of the project is to create an updated plan and atmosphere for classrooms, faculty offices and support services area. The project program may include a small building addition to establish a more formal building entrance that is cohesive with planned program and space layout. As part of the project, all building systems will be replaced including but not limited to HVAC Systems, Plumbing, electrical Services, A/V equipment and telecommunication requirements. The overall construction and total project budget have been established at \$22,184,486 and \$34,576,000 respectively.

In July 2015 the Department of Construction Services (“DCS”) issued a Request for Qualifications (RFQ) for Construction Administrator Consultant Teams related to the WCSU Major Renovations to Higgins Hall Project. DCS elicited eleven (7) responses to the advertisement of which all of the respondents were considered “responsive”. DCS then proceeded to review the seven submittals and after the completion of the internal review process, five firms were selected for short-listed interviews. These firms were as follows, Hill International, Inc., Newfield Construction, Inc., Downes Construction Company, LLC, O&G Industries, Inc. and Diversified Technology Consultants, Inc. The State Selection Panel consisted of 5 members and interviewed each firm for evaluation purposes based upon an established weighted ranking system. At the conclusion of the process DCS identified O&G Industries, Inc. (“O&G”) as the most qualified firm.

This contract is for Construction Administrator Consultant Teams for the completion of the WCSU Major Renovations to Higgins Hall Project from preconstruction phase services, into bidding, through the completion of construction and the subsequent project close-out. The overall compensation rate for this basic service is \$1,019,137 with an additional \$133,539 for special services. As such the total project fee is

\$1,152,676. The special services detailed in the project scope include mechanical building system commissioning and building envelope commissioning.

DCS has confirmed for SPRB that funding is available for this contract. FEE – The costs of basic and special services are as follows:

O&G Fee for Basic Services (PRB 16-187)	<u>COST (\$)</u> <u>(BASIC)</u>	<u>COST (\$)</u> <u>(SPECIAL)</u>	<u>C. Budget</u> <u>(\$)</u>	<u>(%)</u> <u>Budget</u>
Pre-Construction Phase	\$218,084			
Bid Phase Phase	\$50,000			
Construction Administration Phase	\$716,103			
Project Close-Out Phase	+\$34,950			
TOTAL BASIC SERVICE FEE (#16-187) (A)	\$1,019,137		\$22,184,486	4.59%
<u>SPECIAL SERVICES:</u>				
Mechanical System Commissioning (CES Engineering)		\$86,289		
Building Envelope Commissioning (TBD)		+\$47,250		
TOTAL SPECIAL SERVICES(B)		\$133,539		
TOTAL FEE (PRB #16-187) (A) + (B)		\$1,152,676	\$22,184,486	5.20%

- The RFQ posted July 2015 elicited 7 candidates. The Selection Panel interviewed five firms and ultimately recommended the appointment of O&G Industries, Inc. (“O&G”). The selection was approved by Commissioner Currey on 10/20/2015.
- O&G is locally located in Torrington. This firm was established in 1923 and has over 100 employees in its Torrington Office inclusive of 20± construction managers, 5 cost estimators and 2 scheduling coordinators.
- Zurich Insurance Inc. reported that over the past 5 years TCC has been exposed to over 100 general liability or professional liability claims. These claims are primarily attributed to the Major Contracting nature of O&G’s business as well as the incident at the Kleen Energy Plant in Middletown. It should be noted that none of these claims are directly related to DCS Construction Projects.
- The submittal is accompanied by a Consulting Agreement Affidavit notarized on 10/27/2015.

RECOMMENDATION: It is recommended that **SPRB APPROVE** this new contract for O&G Industries to provide pre-construction and construction phase services at the **WCSU Major Renovations to Higgins Hall Project**. The overall basic service rate of 4.59% is generally consistent with the established guideline rate of 5% for this Group B Phased Renovation Project.

6. ARCHITECT-ENGINEER - NEW BUSINESS

7. OTHER BUSINESS

8. VOTES ON PRB FILE:

PRB FILE #20-151 – Mr. Halpert moved and Mr. Valengavich seconded a motion to approve PRB FILE #20-151. The motion passed unanimously.

PRB FILE #20-152 – Mr. Valengavich moved and Mr. Halpert seconded a motion to approve PRB FILE #20-152. The motion passed unanimously.

PRB FILE #19-279 – Mr. Valengavich moved and Mr. Berger seconded a motion to approve PRB FILE

#19-279. The motion passed unanimously.

9. NEXT MEETING – Monday, August 24, 2020.

The meeting adjourned.

APPROVED: _____ **Date:** _____
John Valengavich, Secretary