

STATE PROPERTIES REVIEW BOARD

Minutes of Meeting Held On May 24, 2021 – 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 May 24, 2021 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

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. Halpert seconded a motion to approve the minutes of the May 20, 2021 Meeting. The motion passed unanimously.

2. COMMUNICATIONS

Mr. Berger provided Board Members with an update on his ongoing conversations and review about certain proposed legislation that affects the State Properties Review Board.

The Board discussed emails received from State Auditors on a SPRB audit and AG's office.

3. REAL ESTATE- UNFINISHED BUSINESS

Mr. Valengavich moved and Mr. Halpert seconded a motion to go out of Open Session and into Executive Session at 9:58. The motion passed unanimously.

EXECUTIVE SESSION

PRB #:	21-029
Transaction/Contract Type:	RE/ Purchase and Sale Agreement
Origin/Client:	DAS/ DAS

Statutory Disclosure Exemptions: 4b-23(e), 1-200(6)(D) & 1-210(b)(24)

Mr. Valengavich moved and Mr. Berger seconded a motion to go out of Executive Session and into Open Session at 10:10. The motion passed unanimously.

PRB #	21-045
Origin/Client:	DAS/DMV
Transaction/Contract Type:	Consent to Assignment (Exhibit G)
Assignor:	Shelter Lee, LLC
Assignee:	J.A.R. Associates, LLC
Property:	Danbury, Lee Mac Ave (2)
Project Purpose:	Assign terms of the Amended Lease approved by the Board in August 2019 under PRB #19-144
Item Purpose:	Consent for Assignment (Exhibit G)

May 5, 2021 Update.

At its meeting held on May 3, 2021 the State Properties Review Board voted to suspend this item for the following reasons:

- Clarification of the emboldened “Assignment Date” included in Exhibit G of the Lease should be entered to identify which date the Assignee takes full responsibility for the terms of the Lease.

DAS responded on May 3, 2021 with an updated Exhibit G (page 1) with the “Assignment Date” now properly completed and stated as January 29, 2021.

RECOMMENDATION: Staff recommendation is to approve the Consent to Assignment as the terms and conditions of the submittal are consistent with Section 17 and Exhibit G of the underlying lease.

BACKGROUND:

DMV moved to this location in 2003 under the original base lease approved under PRB #03-033 and a five-year option was approved under PRB #07-217. DAS did not seek approval for the second five-year option and the Board approved a new Lease under PRB #13-232. The Lease was amended under PRB #19-144.

Under this submittal Shelter Lee, LLC is requesting DAS approval for assignment of this lease to J.A.R. Associates, LLC. The property was sold on January 21, 2021, and recorded in the Danbury land records on February 2, 2021 (QC Deed V.2547/P.238) and a copy of the Quit Claim Deed filed with the City of Danbury was requested to accompany this submittal. Under the Consent to Assignment; J.A.R. Associates, LLC accepts and acknowledges all of the existing lease terms with the State.

Staff asked DAS to clarify the following:

1. Please provide a Certificate of Insurance as required by Section 9 of the Lease.
DAS Response: DAS provided the Certificate of Insurance on 5-3-2021.
Staff Response: OK
2. Please provide a copy of the Deed conveying the property to J.A.R. Associates, LLC as you have provided a deed in four previous submissions.
DAS Response: DAS provided the deed on 4-6-2021.
Staff Response: OK
3. Please clarify what date is the “Assignment Date” as this is not identified in Exhibit G.
 - i. As of commencement of business on **ASSIGNMENT DATE** (“Assignment Date”) the LESSEE shall pay all rental and all other obligations under the lease.
 - a. Does this need to be corrected prior to delivery to the Attorney General?

Recommendation: SPRB Staff recommend suspension of this Consent to Assignment pending response by DAS to the one remaining issues raised above.

4. REAL ESTATE – NEW BUSINESS

PRB #	21-071
Transaction/Contract Type:	RE – Voucher
Origin/Client:	DOT/DOT
DOT Project #:	017-187-025
Grantor:	City of Bristol
Property:	Bristol, School St (176)
Project Purpose:	Major Intersection Improvements on Route 72 at Route 69
Item Purpose:	Voucher for Partial Take

DAMAGES: \$20,000

DOT PROJECT: The purpose of the project is to reduce congestion, address traffic operational inefficiencies and improve safety for vehicles, pedestrians and bicyclists.

The configuration of the intersection of Route 72 and Route 69 will be improved by realigning Route 72 to the north which will soften curvature along Route 72 and allow geometric improvements to the intersection. Dedicated left-turn lanes will be added to both approaches of Route 72. The existing dedicated left-turn lanes on the approaches of Route 69 will remain, but will be realigned so the movements do not overlap. The new geometry of the Route 72/69 intersection will allow for tractor trailers to make all turns. The existing Divinity Street/Route 72 intersection will be eliminated; Divinity Street will be shortened to terminate at its intersection with Landry Street. A new “T” type intersection will be formed by extending Pratt Street north to Route 72. The Pratt street leg will be stop-sign controlled and a left-turn lane will be provided on Route 72 to accommodate vehicles turning left onto Pratt Street. Sidewalk and crosswalk enhancements will be included to provide pedestrian connectivity throughout the project limits. Four-foot-wide shoulders will be provided throughout the project limits to improve bicycle safety. The proposed realignment of Route 72 will result in the reduction of parking spaces in the existing parking lot located at the northeast corner of the intersection of Route 69 and 72. To compensate for the reduction in parking, and to meet the needs of the community, reasonable efforts to provide additional parking within the project limits will be included. Details and locations for the new parking is being coordinated with City of Bristol officials. There are right-of-way impacts associated with the proposed improvements: five total-property acquisitions and seven sliver acquisitions are expected.

Construction is anticipated to begin in summer 2022 based on the availability of funding. The estimated construction cost for this project is approximately \$6.0 million. This project is anticipated to be undertaken with eighty percent (80%) federal funds and twenty percent (20%) state funds.



SITE & TAKING DESCRIPTION: The subject property consists of a 0.28± acre (12,197± square feet) vacant parcel of commercial land having a narrow and elongated site shape. There is 211' frontage along the north side of School Street (Route 72) with 104' frontage along the eastern side of West Street (Route 69), with one curb cut along each length of frontage. Roughly 30% of the land area is in the Pequabuck River and not usable, and is encumbered by a flood control easement in favor of the City of Bristol. The remaining land is level and at road grade, but is within a floodway. Site improvements include asphalt-paved parking (16 vehicles), granite curbing, landscaped island and concrete-stamped walks. The property is zoned BG General Commercial and is pre-existing non-conforming regarding lot size.

The Appraiser opines the highest and best use of the site is for continued parking use.



TAKING DESCRIPTION:

DOT requires acquiring the following:

- Partial take of 4,520 sf of land in fee simple; and
- A right to grade, construct sidewalk, reconstruct parking lot, install concrete curb, install turf and remove driveway, curbing and sidewalk acquired over an area of 3,598 sf.

IMPACT OF THE TAKING:

The subject property, after the State's proposed acquisition, will be reduced by 4,520± square feet of Fee Simple land. The acquisition will reposition the highway line and push the property boundary north of its current location, essentially splitting the lot in half lengthwise and creating an even more nonconforming, narrow and elongated lot. The State shall be acquiring a significant portion of the parcel's most usable land, which has a noticeable impact on the site's overall utility. Your appraiser estimates 44% of the site's parking spaces are lost, with approximately 9 parking spaces remaining on-site and a portion of the original parking lot's northern half. The percentage of the subject's land located within the Pequabuck River has more than doubled to an estimated 65% of the parcel. The site now suffers from an increased degree of diminished utility, as the acquisition encompasses the parcel's most valuable and usable land area. Additionally, the parcel has become further non-conforming due to the State's land acquisition.

AFTER VALUATION:

The "After" valuation of the subject property is subject to the following Extraordinary Assumptions and Hypothetical Conditions:

EXTRAORDINARY ASSUMPTIONS:

As of the Effective Date, the world is engaged in a struggle to contain a viral pandemic known as 'COVID-19,' which has significantly incapacitated many nations and economies on a global scale. Countries around the world are struggling to control this novel coronavirus outbreak, causing widespread panic in most, if not all, markets and asset classes on a global scale. The pandemic is an ongoing situation on an unprecedented global scale. The effects of this outbreak are not fully quantified within real estate markets by way of sales and leasing activity, in addition to the impact of rising unemployment, non-payment of taxes and debt instruments, cash liquidity, availability or mortgage money, decreased rates of absorption, and a myriad of other variables integral to real estate valuation and buyer/seller decision making, which further influence the dynamics of supply and demand. The impact of the pandemic will likely not be fully understood for several months. As such, it must be noted that the value presented within this report considers transactions having occurred prior and during to the outbreak, with limited sales activity available as of the Date of the Report which captures the scope and severity of the pandemic's impact on value on a short-term or long-term basis. It is noted and stressed within the Appraisal Report that conditions may change and could impact future opinions of value.

Additionally, the best available information and data has been considered in the appraisal process. Numerous municipal departments, town officials, and data resources which are commonly interviewed and utilized in the verification of property-specific factors impacting value were limited or unavailable during the appraisal process. Your appraiser is utilizing the best available information available as of the date of this report.

No other Extraordinary Assumptions are necessary for the execution of this assignment. If these assumptions are proven to be different, your appraiser reserves the right to change the opinion of value.

HYPOTHETICAL CONDITIONS:

The methodology used in this report is a standard State appraisal format in the form of a "Before and After" valuation appraisal used for eminent domain purposes. The appraisal considers that there is a willing seller in an acquisition by eminent domain and has disregarded any effect on the market value brought on by the State's project.

The appraisal report was based on the Hypothetical Condition that the proposed road project will be completed as currently proposed in the Department of Transportation construction plans, on the day after the "as of" date.

No other Hypothetical Conditions are necessary for the execution of this assignment. If these assumptions are proven to be different, your appraiser reserves the right to change the opinion of value.

Land Valuation: Based on the sales comparison approach, the appraiser analyzed the same three sales of land and concluded that the fair market value of the subject property was \$2.10/sq/ft., calculated as follows:

Item	Calculation	Value
Land Valuation	7,677 sf x \$2.10/sf	\$16,122
	Rounded	\$16,000

Calculation of Permanent Damages

Item	Value
Before Valuation	\$36,000
After Valuation	\$16,000
<i>Permanent Damages</i>	\$20,000

RECOMMENDATION: Board approval of damages in the amount of \$20,000 is recommended for the following reasons:

1. The acquisition complies with Section 13a-73(c) of the CGS which governs the acquisition of property by the commissioner of transportation required for highway purposes.
2. The acquisition amount is supported by the DOT appraisal.



5. ARCHITECT-ENGINEER – UNFINISHED BUSINESS

6. ARCHITECT-ENGINEER – NEW BUSINESS

PRB #	21-073
Origin/Client:	DCS/NCC
Transaction/Contract Type	AE / Task Letter
Project Number:	BI-CTC-565
Contract:	OC-DCS-Cx-0010
Consultant:	Gale Associates, Inc.
Property:	Norwalk, Richards Ave (188) – Norwalk Community College
Project purpose:	Cx Services for B-Wing Renovation
Item Purpose:	Task Letter #2

PROPOSED AMOUNT: \$191,115

The "B Wing" of Norwalk Community College's West Campus building built in 1966 is in need of renovations. This existing structure consists of two (2) building floors of approximately 32,000 gross square feet supported on slab on grade foundation with perimeter utility tunnel confined spaces.

The project scope entails the B-Wing building's comprehensive renovations and upgrades to classrooms, student support services and faculty services. This project completely replaces the mechanical, electrical, plumbing systems (MEP). This project retrofits all new technologies and programming systems for the entire B-Wing two story building and ground level facility areas. Including, but not limited to common areas such as corridors, toilet rooms, elevators, stairs, and lobbies shall be upgraded in compliance with the current State Building Code and Fire Life Safety Code requirements.

At the State Properties Review Board meeting held on July 8, 2019, under PRB #19-073, the Board approved expending \$1,904,935 to retain Tecton Architects, Inc. for design and construction administration services for this project under contract BI-CTC-565-ARC. DCS provided information that Design Development Documents are complete (see 21-073 Consultant's Proposal).

At the State Properties Review Board meeting held on July 8, 2019, under PRB #19-139, the Board approved expending \$690,315 to retain The Morganti Group, Inc. for construction administration services for this project under contract BI-CTC-565-CA.

At the State Properties Review Board meeting held on January 6, 2020, under PRB #19-284, the Board approved Gale Associates, Inc. (GAI) and the On Call Contract OC-DCS-Cx-0010. The On-Call Contract has a maximum total cumulative fee of \$500,000 and an expiration date of 05/02/2022.

Under this Proposal (PRB #21-073), DCS is now seeking Board approval of Task Letter #2 for the Consultant to provide Cx services in conjunction with the B-Wing Renovation Project at the Norwalk Community College in Norwalk. The fee for the proposed Consultant's services is \$191,115. The Commissioning Agent scope of work shall include, but is not limited to the following:

- a. Complete building systems commissioning; and
- b. Complete building envelope commissioning services including witnessing building enclosure performance testing

All work in accordance with current enforceable Connecticut State Building Code requirements and all of DAS requirements.

A breakdown of the Consultant's fee is as follows:

The Consultant's total fee of \$191,115 shall be paid as indicated below for the completion of the work specified where previously authorized in writing and after the CCSU receives and accepts each phase of the work. Said fee includes all sub-consultant fees and the Consultant's overhead and profit.

- Contract Documents Design Phase Activities: \$39,522;
- Construction Phase Activities: \$113,528.50;
- Pre-Occupancy Phase Activities & Pre-Occupancy Commissioning Report: \$19,822.50; and
- Post-Occupancy Phase Activities & Final Commissioning Report: \$18,242.

DCS has authorized Gale Associates, Inc. to hire a sub-consultant - Hallam Associates, Inc. of Middletown, CT - to provide the Systems HVAC, MEP Commissioning (SCx) services for a total fee of \$108,400, included in the Base Fee.

The overall construction and total project budget have been established at \$14,720,000 and \$23,699,392 respectively.

Gale Associates, Inc. was approved for the following task(s) under this series:

• Task Letter #1	Statewide Energy Audit – Various Projects	\$98,819 (Informal)
Total Fee to Date:		\$98,819

Task Letter #2 – GAI Basic Services Fee (#21-073)	Base Fees (\$)	Special Services	Total Fee	Construction Budget (\$)	% of Budget
Contract Documents Phase	\$39,522				
Construction Administration	\$113,528.50				
Pre-Occupancy Phase & Commissioning Report	\$19,822.50				
Post-Occupancy Phase & Final Commissioning Report	\$18,242				
TOTAL BASIC SERVICE FEE (#21-073) (A)	\$191,115			\$14,720,000	1.0%

DCS confirmed funding is in place for this Task Letter #2.

Staff asked DCS to clarify the following:

1. What is the status of the Architect contract? Please provide dates for various phases completed and to be completed by the Architect.

DCS Response: The project is at the close of the 100% Contract Documents Phase. Cost Estimate Reconciliation phase services completed, doing cost value evaluation options for Owner. A/E will be complete with incorporating review comments into CD submission for re-submission to DAS/OSBI & DAS/OSFM the end of this month for review/approval to Bid. Bidding planned for late summer/early Fall 2021.

Staff Response: The TL includes Contract Document Design Phase Activities. Will the Gale Associates still provide these services or will they move on to Construction Phase Activities. How valuable CD Phase services are at this point?

DCS Response 05/17/2021: Contract Documents Design Phase services are essential services which the Commissioning Agent must provide. These services include the Commissioning Agent Contract Document's specification documents. The Commissioning Agent cannot do the Commissioning Construction phase activities without the having the contract documents commissioning specification.

Staff Response: OK

2. Please clarify the current construction budget. The DCS Memo states \$14,720,000 (revised 11-30-20) as compared to the Task Letter (pg 5 of 5) states \$14,320,000. The most recent Form 1105 (4/2021) does not include a current budget.

DCS Response: Per direction of DAS/DC Noel Petra the revised 1105 to include only pre-design services. The construction budget is \$14,720,000. The Commissioning Agent services were scoped to address the 1105 signed budget of \$14,320,000 at that time which services are based. The Agency later increased the construction budget by \$500k to pay for sitework and related water/sewer underground utilities issues that a previous project – which was not built – was to have in place for this project – this project now shall incur.

Staff Response: Will this increase in the construction budget and adding new activities have any impact on Gale Associate's fees? Has this been confirmed with Gale Associates?

DCS Response 05/17/2021: The Commissioning Agent services were scoped at the \$14,320,000 budget. The increase in construction budget is understood to not affect and/or require new activities for Gale Associates to perform.

Staff Response: OK

3. What is the duration of these services?

DCS Response: Please see the Project Scoping Meeting Minutes and the Commissioning Agents proposal for services.

Staff Response: I have reviewed the Commissioning Agent's proposal and there is no timeframe for the project (unless I missed it). Can you point to the page of the proposal? I do see hourly staffing matrix. Also, we do not have the Project Scoping Meeting minutes. Please remember that I do not have access to PMWeb. We go by what is uploaded on the SharePoint for our review. If it is not in the proposal, provide the duration of these services.

DCS Response 05/17/2021: The timeframe for the Commissioning Agent's services can be found half way down page #2 of Gale Associates proposal.

Staff Response: OK. It is understood from conversation with DCS that they like to keep the fees lump sum for the duration of the project rather than attaching timeframe.

4. Has the consultant started to provide these services?

DCS Response: No. Consultant services cannot and shall not begin work unless a Task Letter or Contract is fully executed and NTP issued by DAS/PM.

Staff Response: OK

RECOMMENDATION: It is recommended that the Board **APPROVE** this TL#2 in the amount of \$191,115

7. OTHER BUSINESS

8. VOTES ON PRB FILE:

PRB FILE #21-029 – Mr. Halpert moved and Mr. Berger seconded a motion to approve PRB FILE #21-029. The motion passed unanimously.

PRB FILE #21-045 – Mr. Berger moved and Mr. Valengavich seconded a motion to approve PRB FILE #21-045. The motion passed unanimously.

PRB FILE #21-071 – Mr. Valengavich moved and Mr. Halpert seconded a motion to approve PRB FILE #21-071. The motion passed unanimously.

PRB FILE #21-073 – Mr. Valengavich moved and Mr. Berger seconded a motion to approve PRB FILE #21-073. The motion passed unanimously.

9. NEXT MEETING – Thursday, May 27, 2021.

The meeting adjourned.

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