

# STATE PROPERTIES REVIEW BOARD

## Minutes of Meeting Held On September 10, 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 September 10, 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. Berger seconded a motion to approve the minutes of the September 8, 2021 Meeting. The motion passed unanimously.

### 2. COMMUNICATIONS

Chairman Greenberg informed the Board Members that Vice Chairman Josephy has received a communication from Legislative Leadership informing him of his reappointment to the Board.

### 3. REAL ESTATE- UNFINISHED BUSINESS

### 4. REAL ESTATE – NEW BUSINESS

### 5. ARCHITECT-ENGINEER - UNFINISHED BUSINESS

### 6. ARCHITECT-ENGINEER - NEW BUSINESS

<i>PRB #</i>	21-134
<i>Origin/Client:</i>	DCS/OSCGR
<i>Transaction/Contract Type</i>	AE / Task Letter
<i>Project Number:</i>	BI-CRE-001
<i>Contract:</i>	OC-DCS-CA-0026
<i>Consultant:</i>	Colliers Project Leaders USA, LLC
<i>Property</i>	Bloomfield, Griffin Rd. North (29)
<i>Project purpose:</i>	CA Services pursuant to PA 18-138(b) – Ana Grace Academy of the Arts
<i>Item Purpose</i>	Task Letter #2A to compensate the consultant for extended Construction Administration Services

PROPOSED AMOUNT: \$33,000 NTE

On November 5, 2018, under PRB File #18-209, the Board approved Task Letter #2 in the amount of \$489,000 for the Consultant to provide construction administration services for the following scope of work:

1. CA Services limited to the construction of the new building only
2. Building occupancy and close out services are not included
3. Utilization of PMWeb project management system
4. Schedule Reviews
5. Supervision and Inspections
6. Attend all project related meetings
7. Documentation, Recording and Reporting of all construction activities
8. Review and Negotiation of Change Orders
9. Review and Approve Payment Applications
10. Monitor the Construction Budget
11. Project Closeout
12. Gather Data and Track Potential Claims

Notice to Proceed for construction phase services (670 days / 22 months) was issued on September 30, 2019. The Consultant's 22-month period ended on July 31, 2021. CA Services during the initial 22-month construction phase equated to \$729.85/day (\$489,000 / 670 days = \$729.85/day).

Under this proposal (PRB #21-134), DCS is seeking SPRB approval of TASK LETTER #2A in the amount of \$33,000 to compensate the consultant for the following scope of work:

- Provide 3 additional months of on-site Construction Administration Services during the construction phase for new building construction of the CREC - Ana Grace Academy of the Arts Elementary & Middle School, 129 Griffin Road North, Bloomfield, CT.

On June 8, 2017, SPRB approved (#17-145) Strategic Building Solutions, LLC. ("SBS") as one of seven firms under the latest *On-Call Construction Administrator Series* of consultant contracts. These contracts expire on March 31, 2019 and have a maximum cumulative fee of \$1,000,000.

On October 11, 2018, SPRB approved (#18-177) Contract Amendment #1 to increase the maximum contract amount from \$1,000,000 to \$1,500,000 while maintaining the common contract expiration date of July 31, 2019.

In July 2019, the Contract was amended (#2) to change the consultant's name to Colliers Project Leaders USA NE, LLC from Strategic Building Solutions, LLC.

On July 31, 2019, SPRB approved (#19-156) Contract Amendment #3 to extend the common contract expiration date of January 31, 2020.

CPL has been approved for the following task(s) under this series:

• Task Letter #1	Parking Garage Repairs, Housatonic CC	\$277,400	PRB #17-151
• Task Letter #2	Ana Grace Academy	\$489,000	PRB #18-209
• Task Letter #3	Harkness Mansion Maintenance Plan	\$15,400	(Informal)
Total Fee to Date:		\$781,800	

\*PRB 17-151, approved by the Board on July 6, 2017 was originally presented under DCS Contract OC-DCS-CA-0019, Task Letter #8. Subsequent to Board approval, the contract expired on June 30, 2017. DCS Staff

informed Board Staff that at that time it was agreed to utilize the new On-Call Contract approved by the Board on June 8, 2017.

The Construction Budget and total Project Budget are \$83,108,618 and \$108,308,509, respectively.

<b>CPL Basic Service Fee (#18-209)</b>	CA Base Fees (\$)	Special Services	Total Fee	Construction Budget (\$)	% of Budget
Schematic Design Phase	\$0				
Design Development Phase	\$0				
Construction Document Phase	\$0				
Bidding Phase	\$0				
Construction Administration Phase & Close Out	<u>\$489,000</u>				
	-				
<b>TOTAL BASIC SERVICE FEE (#18-209) (A)</b>	\$489,000			\$73,583,572	0.66%
<b>CPL Amendment #1 (#21-134)</b>					
Extended CA Phase Services - 3 months (A1)	\$33,000				
<b>TOTAL BASIC SERVICE FEE (#21-134) (A) + (A1)</b>	\$522,000			\$83,108,618	0.63%

Under this Proposal, the part time CA phase services (services limited to approximately 3 days/week) is billed at \$138/hour, indicating the Consultant plans on expending 239 hours ( $\$33,000 / \$138 = 239$ ) over the 90-day period. A 90-day period includes 13 weeks x 3 days/week = 39 days on site. This equates to \$846.15/day ( $\$33,000 / 39 \text{ days} = \$846.15/\text{day}$ ).

**RECOMMENDATION:** It is recommended that the Board **approve** Task Letter #2A in the amount of \$33,000 to provide extended CA services in conjunction with this project. The CA fee of 0.6% of construction cost is within the DCS guideline of 5%.

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From PRB #18-209

PROPOSED AMOUNT: \$489,000

In general this project involves a new CREC Ana Grace Academy of the Arts Elementary School to be constructed in Bloomfield, CT. The building consists of a new 156,800 square foot elementary school facility on a 28.85 acre site.

On June 8, 2017, SPRB approved (#17-145) Strategic Building Solutions, LLC. (“SBS”) as one of seven firms under the latest *On-Call Construction Administrator Series* of consultant contracts. These contracts expire on March 31, 2019 and have a maximum cumulative fee of \$1,000,000.

On October 11, 2018, SPRB approved (#18-177) Contract Amendment #1 to increase the maximum contract amount from \$1,000,000 to \$1,500,000 while maintaining the common contract expiration date of July 31, 2019.

SBS has been approved for the following task(s) under this series:

• Task Letter#1	Parking Garage Repairs, Housatonic CC	<u>\$277,400</u>	(PRB 17-151*)
	Total Fee to Date:	\$277,400	

\*PRB 17-151, approved by the Board on July 6, 2017 was originally presented under DCS Contract OC-DCS-CA-0019, Task Letter #8. Subsequent to Board approval, the contract expired on June 30, 2017. DCS Staff

informed Board Staff that at that time it was agreed to utilize the new On-Call Contract approved by the Board on June 8, 2017.

TASK LETTER #2 is a new task letter and is subject to SPRB approval because the total project fee will exceed the threshold cost of \$100,000. The Total Project and Construction Budget for this project is \$91,463,841 and \$109,708,509 respectively. As detailed in the latest scope letter from SBS to DCS dated August 28, 2018 the task letter fee is intended to compensate the Construction Administrator for the following project scope:

- SBS CA Services limited to the construction of the new building only
- Building occupancy and close out services are not included
- Utilization of PMWeb project management system
- Schedule Reviews
- Supervision and Inspections
- Attend all project related meetings
- Documentation, Recording and Reporting of all construction activities
- Review and Negotiation of Change Orders
- Review and Approve Payment Applications
- Monitor the Construction Budget
- Project Closeout
- Gather Data and Track Potential Claims

Task Letter #2 - SBS PRB 18-209	<u>COST (\$)</u> <u>(BASIC)</u>	<u>COST (\$)</u> <u>(SPECIAL)</u>	<u>Total</u> <u>Cost</u>	<u>C. Budget</u> <u>(\$)</u>	<u>(%)</u> <u>Budget</u>
Construction Phase & Close Out	<u>\$489,000</u>				
TOTAL CA SERVICE FEE (#18-209)	\$489,000		\$489,000	\$73,583,572	0.66%

Staff asked following to clarify (this memo has been revised based on an email from Kosta dated November 2, 2018):

1. What type of facility is actually being built? An elementary school, elementary & middle school, or a high school? Project Number 241-0104 MAG/N/PS, and enabling legislation – PA-13-243 references this project as Two Rivers Magnet High School. The agreement between State/DAS and CREC mentions elementary school.
  - Response: Elementary & Middle School (Pre-K through 8<sup>th</sup> Grade)  
The PA 13-243 references Magnet High School when the funds were authorized. Was there an amendment to this PA to change it from High School to Elementary and Middle School?
  - Response: Please note in that same public act project 102 the elementary school \$50m and 103 the middle school \$75m were also approved. Name change is not required by public act the Commissioner has authority to accept and approve the name change and did so via correspondence. The projects you note were originally 3 separate schools. Upon review of the projects we determined the two rivers high school project was not justified. The elementary and middle schools in fact were warranted. The high school property was owned by Crec with State funds. The other two schools were leased spaces.. The decision was made to move the two projects to the two rivers site project 104 whose name was changed to Ana grace Elementary on December 14, 2017 by letter signed by the Commissioner. in one building using the 108,308,509 as the authorized amount, and the other two projects were canceled. See PA-18-138.
2. Provide the source of funding for the CA and DCS Fees on Form 1105 (\$1,400,000 that includes CA fee for the proposed TL - legislation and bonding). The source of \$108,308,509 is PA-13-243, Sec. 1.

- Per Kosta, the source of the funds is the same public act. OSCGR has permission from OPM to utilize progress payment funding to cover CA and DCS Fee costs on the Ana Grace and Aerospace projects. I have copied Kosta on this email so that he may correct any inaccurate statement on my part.

PA 13-243 has authorized \$108,308,509 and so has the Agreement between State and CREC. Based on B1105, the project does not have additional \$1,075,000 on top of \$108,308,509. If the CA and DCS fees are coming out of the original \$108,308,509 that is authorized by the PA, I understand. Am I wrong in assuming that the project cost cannot exceed \$108,308,509 as authorized by PA 13-243? Please clarify and also provide OPM permission that authorizes the use of PA funds for these activities.

- Response: There are in fact exceptions to the not to exceed the grant commitment by the commissioner for mitigating circumstances. However, our office prefers all projects come under the the grant recognizing the total is based on estimates. Historically they are high and historically they would spend up to it. Currently our policy is you spend what is required. The best case scenario is to be within the total grant. However, the uniqueness of this process has allowed us to plan on additional costs such as those requested which the Commissioner has agreed to. Furthermore this was accomplished with the assistance of OPM
- A meeting was held with OPM staff including the Secretary and the Governors' office, SDE and DAS. The result was PA18-138 and the ability to use additional progress funds to meet the requirements of the statute

3. Clarify the difference in the construction budget included in the DSC Memo/Form 1105 (\$91,463,841), Form 1135 (\$75,583,573) and Task Letter (73,583,572). Pl provide construction estimate.

- The progress of the project and clarification of the scope has refined the budget numbers. A copy of the actual budget is attached.

Pl reconcile various construction costs #s – The actual budget attached shows \$73,763,526 (which is very close to the task letter # - \$73,583,572). However, SPRB memo/B1105 says Total Construction cost - \$91,463,841 and the total project cost exceeds the PA authorized amount.

- Response: In the original submission by CREC, in their application, the amount they establish was \$75,474,893.00. Based upon the uniqueness of the project we have agreed to bring in costs associated and expended by Crec in projects 102 and 103. The increase in construction costs was anticipated for the primary reason that the dynamic of the project has changed. By two schools in one .The B1105 accurately reflects the agreement between CREC and OSCGR

4. Please provided the most recent project schedule. **OK**

**RECOMMENDATION:** Staff recommends to APPROVE this file based on the clarification provided by OSCGR via email.



7. OTHER BUSINESS

8. VOTES ON PRB FILE:

**PRB FILE #21-134** – Mr. Halpert moved and Mr. Berger seconded a motion to approve PRB FILE #21-134. The motion passed unanimously.

**9. NEXT MEETING** – Monday, September 13, 2021.

The meeting adjourned.

**APPROVED:** \_\_\_\_\_ **Date:** \_\_\_\_\_  
John Valengavich, Secretary