#### STATE PROPERTIES REVIEW BOARD

# Minutes of Meeting Held On July 28, 2022 – 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 July 28, 2022 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**

Peter Simmons, ADPM

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 July 25, 2022 Meeting. The motion passed unanimously.

#### 2. COMMUNICATIONS

Chairman Greenberg and Director Desai provided a summary of their meeting held on July 27, 2022 with Commissioner Hurlburt from the Department of Agriculture and his Staff regarding a variety of issues raised by the Board.

#### 3. REAL ESTATE- UNFINISHED BUSINESS

## 4. REAL ESTATE – NEW BUSINESS

**PRB** #: 22-112

Transaction/Contract Type: RE – Voucher Origin/Client: DOT/DOT

DOT Project #: 170-3320-001

Grantor: JSD Partners

**Property:** Waterbury, Freight St (Lot 12)

Project Purpose: Rehabilitation of Four Railroad Bridges on the Pan America

(Pan Am) Railways Line

Item Purpose: Voucher

**DAMAGES:** \$30,500

The purpose of the project is to rehabilitate four railroad bridges on Pan America Railways Line in Waterbury. The project was initiated to address deteriorating conditions of the bridges. The project includes superstructure replacement and rehabilitation, culvert re-lining, substructure retrofit and retaining wall repair. Construction is anticipated to begin in March of 2022 and end in March of 2023.

There are right-of-way impacts associated with the proposed project. A Temporary construction easement is being acquired from the owner of an adjacent parking lot to facilitate access for the retaining wall repair.

Under this Proposal (PRB #22-112) DOT is seeking SPRB approval pursuant to CGS 13a-73(h) for DOT to acquire land and easements in conjunction with the DOT Project "Rehabilitation of Four Railroad Bridges on the Pan America (Pan Am) Railways Line" with Damages totaling \$30,500. DOT's enabling legislation to acquire land and easements is pursuant to CGS13a-73(c), 13b-36(a) and 13a-79.

#### **SITE DESCRIPTION:**

The subject site consists of a 0.78659± acre (34,264± square feet) parcel of with 69'± frontage on the northern side of Freight Street. The irregular-shaped lot is accessed via one curb cut along the frontage, and has diminished visibility from the east due to an elevated railway that is abutting to the subject's eastern property line. The site is generally level with road grade, and generally cleared of most tree and brush. There are no indications of wetland soils nor flood zone encumbrances having an impact on the parcel. The site is zoned for commercial purposes via the Central Business District (CBD) zone.

The site is improved with a single-story brick building containing 3,912± square feet, constructed in 1930.



(Source: Google Maps)



<u>Highest and Best Use – As Vacant</u>: It is the opinion of the appraiser that the Highest and Best Use of the subject parcel "As Through Vacant" would be for its commercially oriented development in harmony with existing zoning regulations and consistent with the dynamic of the subject's immediate vicinity.

<u>Highest and Best Use – As Improved</u>: It is the opinion of the appraiser that the Highest and Best Use of the subject property "As Improved" would be for a continuation of the existing use for vehicular surface parking and ancillary storage on an interim basis until some future point where redevelopment of the property is economically viable.

**VALUATION:** The DOT appraisal was completed on March 29, 2022 by DOT Appraiser Steven C. Miller.

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

## **EXTRAORDINARY ASSUMPTIONS:**

The appraiser is not a qualified expert in the field of site contamination, soil remediation, environmental hazards and/or other such potentially negative soil conditions. While no such contamination or potential hazardous conditions were apparent during the property inspection and due diligence process, for the purposes of this report, the appraiser is valuing the subject property with the *Extraordinary Assumption* that the subject in whole is 'Free and Clear' of any and all environmental contamination, hazardous waste material, and any and all other potentially negative soil conditions not specifically indicated, including but not limited to USTs, PCBs, VOCs, SVOCs, ACMs, lead paint, toxic chemicals and gases, and radioactive material. The appraiser reserves the right to reconsider value after a qualified soil scientist and/or hazardous material remediation expert has delivered a signed inspection and remediation report.

The appraiser is utilizing Right of Way Survey 170 - 3320 - 001 dated November 2021 and titled "Rehabilitation Of Four Bridges On The Pan America Railways Line," which has been produced by the State of Connecticut's Department of Transportation for the purposes of this appraisal. This Class D site map indicates property-specific data which deviates from information acquired from the municipality, and has been given primary consideration in regard to factual data via an Extraordinary Assumption. If it were found that the State of Connecticut's Class D site map does not accurately represent the physical characteristics of the subject property, your appraiser reserves the right to consider its impact on value.

The appraiser was not in contact with the property owner during the appraisal process, despite requesting access via letter dated December 22, 2021. As such, the appraiser conducted an Exterior-Only inspection from the road frontage as of the Effective Date of Appraisal, March 29, 2022. Given the lack of interior access and otherwise more thorough inspection, the appraiser is valuing the subject via the *Extraordinary Assumption* that the interior of the subject building demonstrates commensurate condition and finish quality that is in harmony with the building's outward appearance, with the physical characteristics influencing value generally 'as-described' within this appraisal report. If it were found that the subject property and/or the structural improvements deviate from what is specified within this report, the appraiser reserves the right to consider its impact on value.

## **HYPOTHETICAL CONDITIONS:**

The methodology used in this Appraisal Report is a standard State format in the form of a "Before and After" valuation appraisal used for eminent domain purposes. This 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 appraiser has based the appraisal report 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" start date.

<u>Land Valuation</u>: Based on the sales comparison approach, the appraiser considered three sales (2019-2021) of similarly zoned, with a similar highest and best use, as follows:

	Subject	Sale Comparable #1		Sale Comparable #2		Sale Comparable #3		
	Lot 12 Freight Street Waterbury	Lot 8 Huntingdon Avenue Waterbury		1005 Chase Parkway Waterbury		3025 East Main Street Waterbury		
Sale Price		\$220,000		\$389,000		\$175,000		
Rights Transferred	Fee Simple	Fee Simple		Fee Simple		Fee Simple		
Sale Date	Effective Date: March 29, 2022	9/10/2021		11/20/2020		9/20/2019		
		Sale Price per Sq. Ft.	\$6.71	Sale Price per Sq. Ft.	\$9.74	Sale Price per Sq. Ft.	\$3.23	

After adjusting for Transactional, Locational and Physical characteristics, the Appraiser concluded that the fair market value of the subject land was \$6.50/sf, calculated as follows:

Item	Calculation		Value
Land Valuation (Fee Simple)	34,264 sf x \$6.50/sf		\$222,716
	Ro	unded	\$223,000

The appraiser estimated the contributory value of the site improvements utilizing *Marshall & Swift Cost Estimation Service* at \$17,000.

## **Building Valuation**

<u>Sales Comparison Approach</u>: The appraiser analyzed three sales of similar commercial buildings (2021), as follows:

	Subject	Sale Comparable #1	Sale Comparable #1		Sale Comparable #2		
	Lot 12 Freight Street Waterbury	7 East Aurora Street Waterbury		34 Judd Street Waterbury		561 Watertown Avenue Waterbury	
Sale Price		\$500,000		\$140,000		\$350,000	
Rights Transferred	Fee Simple	Fee Simple		Fee Simple		Fee Simple	
Sale Date	Effective Date: March 29, 2022	5/26/2021		3/25/2021		4/29/2021	
Site		Sale Price per Sq. Ft.	\$104.17	Sale Price per Sq. Ft.	\$63.64	Sale Price per Sq. Ft.	\$100.66

After adjusting for Transactional, Locational and Physical characteristics, the Appraiser concluded that the fair market value of the subject property was  $92/\text{sf} \times 3.912 \text{ sf} = 359.904$ , rounded to 360.000.

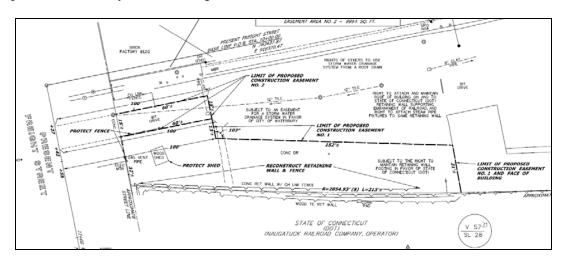
Reconciliation and Value Conclusion - Before

Approach	Opinion of Market Value
Sales Comparison Approach - Land	\$223,000
Income Capitalization Approach – Building	N/A
Sales Comparison Approach Building	\$360,000
Conclusion of Market Value	\$360,000

#### TAKING DESCRIPTION:

DOT requires acquiring the following:

- A temporary construction easement acquired over an area totaling 7,246± square feet for the purpose of storage of equipment and materials and the reconstruction of retaining wall and fence during the rehabilitation project; and
- A temporary construction easement acquired over an area totaling 899± square feet to provide access only between Freight Street.



#### **AFTER VALUATION:**

<u>After Land Valuation</u>: Based on the sales comparison approach, the appraiser considered the same sales as in the Before Valuation and concluded that the fair market value of the subject land was unchanged at \$6.50/sf, calculated as follows:

Item	Calculation	Value
Land Valuation (Fee Simple)	34,264 sf x \$6.50/sf	\$222,716
	Rounded	\$223,000

# After Building Valuation

After Sales Comparison Approach: The appraiser analyzed the same sales as in the Before Valuation and concluded that the fair market value of the subject property was unchanged at  $92/\text{sf} \times 3,912 \text{ sf} = 359,904$ , rounded to 360,000.

Reconciliation and Value Conclusion - Before

Approach	Opinion of Market Value
Sales Comparison Approach - Land	\$223,000
Income Capitalization Approach – Building	N/A
Sales Comparison Approach Building	\$360,000
Conclusion of Market Value	\$360,000

## **Calculation of Permanent Damages**

Item	Value
Before Valuation	\$360,000
After Valuation	\$360,000
Permanent Damages	\$0

## **Calculation of Temporary Damages**

The Appraiser then accounted for Temporary Damages and Temporary Severance Damages as follows:

It is important to note the diminished utility of the property in total during the State's construction project. The temporary construction easement #1 which provides working area for the rehabilitation work encumbers over  $21.1\pm\%$  of the subject parcel during the term of the project. Further, there will be substantial truck traffic utilizing the site's sole curb cut. The parcel cannot be redeveloped for commercial purposes during the term of the project, further limiting what a property owner can do during this period of time. The increased traffic on-site, loud heavy machinery, and ancillary construction activity impacting the property for a period of 17 months limits the leasing potential of the building improvements. It is likely the property would lease for a substantially diminished monthly rate.

It is the opinion of the appraiser that, if permanent, the property would suffer from severance damages at a rate of 30%. Further, an expected typical holding period of the subject property would be 8 years (equitable to 96 months).

Severance damage calculation is as follows:

\$360,000 (Fair Market Value) x 30% (Estimated Severance if Permanent) x 17 months/96 months = \$19,127 rounded to \$19,250.

Calculation of Value of Land impacted as a result of the construction easement is \$11,250 (rounded), calculated as follows:

- 1. Temporary construction easement area of  $7.246 \pm \text{sf x } \$6.50/\text{sf x } 1.25\%/\text{mo. x } 17 \text{ months} = \$10,009.$
- 2. Temporary construction easement area of  $899 \pm \text{sf x } \$6.50/\text{sf x } 1.25\%/\text{mo. x } 17 \text{ months} = \$1,242.$

Total damages are then Permanent Damages plus Temporary Damages plus Temporary Severance Damages, or \$0 + \$11,250 + \$19,250 = \$30,500.

**RECOMMENDATION:** Staff recommend the Board approval this proposal in the amount of \$30,500 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 value is supported by the DOT appraisal report.

# 5. ARCHITECT-ENGINEER - UNFINISHED BUSINESS

## 6. ARCHITECT-ENGINEER – NEW BUSINESS

PRB # 22-114
Origin/Client: DCS/CCSU
Transaction/Contract Type
Project Number CF-RC-402
Contract CF-RC-402-CA

Consultant: Jacobs Project Management, Co.

Property New Britain, Stanley St (1615) – Willard DiLoreto Parking

Garage

**Project purpose:** Extended CA Services (128 days)

Item Purpose Amendment #1 for Extended CA Services

At 9:31 Mr. Simmons of DAS/DCS joined the Meeting to participate in the Board's discussion of this Proposal. He left the meeting at 10AM.

CONSULTANT FEE: \$74,974

At the March 15, 2018 SPRB Meeting, the Board approved, under PRB #18-033, the Consultant's Contract (CF-RC-402-CA) for the design and construction of a new 500-600-car parking garage (reported at 603) on Manafort Drive on the Central Connecticut State University campus. A pedestrian bridge was also constructed connecting the garage to Willard-DiLoreto Hall. The overall compensation rate for this basic service was \$592,370.

Under this proposal (PRB #22-114), DCS is now seeking Board approval of Amendment #1 to the Consultant Contract to expend an additional \$74,974 for 128 days of extended CA services beyond the original 491-day construction phase/closeout services.

Notice to Proceed was issued on October 19, 2020, with Close Out ending on February 22, 2022.

DCS provided the following support for the extended services:

The Amendment is required to increase construction phase services fees due to an extended construction phase from February through June, 2022. The extended construction duration resulted principally from unforeseen subsurface conditions, a change in the ceiling system in the pedestrian bridge and material availability.

The Consultant provided a matrix in support of their requested fee increase.

Role	Feb.	Mar.	Apr.	May	Jun.	Total Hours	Staff Hourly Rate (\$/Hr)	Amount (\$)
Project Executive	2	8	8	8	4	30	\$200.00	\$6,000.00
Construction Project Manager	8	32	32	32	0	104	\$143.77	\$14,952.08
Field Manager	16	80	80	80	80	336	\$129.53	\$43,522.08
Engineering Intern	12	60	60	60	0	192	\$54.69	\$10,500.48
							Total:	\$74,974.64

DCS <u>has not</u> confirmed for SPRB that funding is available for this contract in its entirety (\$74,974). CSCU has confirmed \$63,750 is available.

As part of this contract amendment DCS states that the construction budget is \$16,877,691 and the total project budget is \$25,327,104.

JPC Fee for Basic Services (PRB 18-033)	COST (\$)	Special	Total Fee	Construction	% of
	(BASIC)	Services	1 otal 1 cc	Budget (\$)	Budget
Pre-Construction Phase Services	\$138,468				
Bidding and Review Phase	\$6,160				
Construction Administration Phase	\$402,968				
Project Close-Out Phase	+\$44,774				
BASIC SERVICE FEE (#18-033) (A)	\$592,370			\$13,225,000	4.48%
SPECIAL SERVICES:					
Building Commissioning		TBD			
Multi-Vista Documentation		TBD			
TOTAL SPECIAL SERVICES(B)		TBD			
TOTAL FEE ( PRB #18-033) (A) + (B)			\$592,370	\$13,225,000	4.48%
Basic Services (PRB #22-114)					
Extended CA Services to 6-30-22 (A1)	\$74,974				
TOTAL BASIC SERVICES (A) + (A1)	\$667,344			\$16,877,691	3.95%

Staff have requested clarification of the following issues:

1. What is the status of the project? If completed, why this amendment is submitted now?

DCS Response: This project is in the final stages of completion punch list remaining at this time.

There was some confusion in our office and the amendment was lost in the process for a few months. Staff Response: OK

2. Please clarify if funds are available to fully fund this \$74,974 fee increase beyond the \$63,750 confirmed available by CSCU

<u>DCS</u> Response: Funding is available, a revised funding verification request will be included in the package by the meeting day.

Staff Response: OK

3. Please provide updated Budget in the memo reflecting actual expenses for various line items and revised B1105

<u>DCS Response</u>: A current budget for this project will be included in your package for this project. Staff Response: OK

- 4. In the original Contract, the Consultant's Core Staff was identified with changes in the Core Staff permitted with DCS approval. Under this Amendment #1, the Consultant has provided a matrix identifying the Core Staff, all of whom are not identified in the original Contract. Please clarify the following:
  - a. Please confirm if DCS was aware of, and approved of, the Consultant's changes in Core Staff; and

<u>DCS Response</u>: DAS removed the original person from the project and asked for the replacement. The staff in the amendment is the staff which was approved by the PM at the time the original staff was removed.

Staff Response: OK

b. Please clarify DCS policy with respect to the Consultant's use of an engineering intern, or any other related intern with respect to professional services rendered to the State.

<u>DCS Response</u>: The intern was providing services to the project under the supervision of Jacob's higher level staff and the intern's rate is in alignment with their skills and services they provided.

<u>Staff Response</u>: DCS team - I have concerns with services provided by an intern. I believe I have not seen services by "interns" for any of the DCS contracts in the past, unless old age is doing its magic.

Need to address this. May be involve legal/procurement and see what their take is?

<u>DCS Response</u>: Regarding the "engineering intern", that title is the title Jacob's uses for entry level non licensed employees – similar to project engineer. They performed services and received compensation based on their level of experience while working under the supervision of a more senior staff member.

<u>Staff Response</u>: I want to make sure that the Engineering Intern is a staff identified when the CA was hired. Also want to make sure that the hours spent by the supervisor are within reasonable range to oversee the engineering intern.

I will explain the Board the use of engineering intern for this proposal. But going forward I will need some more details. Peter, we can discuss the procedure for this if you like.

OK

5. Correct Contract Amendment Log to reflect proper \$ amount

<u>DCS Response</u>: The revised contract amendment log will be attached to the package by the meeting day.

Staff Response: OK

**RECOMMENDATION:** Staff recommend approval of Amendment #1 in the amount of \$74,974 to provide extended CA Services for the Project. The overall basic services fee percentage of 3.95% is generally consistent with the guideline rate of 5% for CA services.

Re: PRB # 18-033, Standard Fixed-Fee - CA Services Contract - Project CF-RC-402-CA Manafort Drive Parking Garage Project - Total Fee \$592,370

Central Connecticut State University – Jacobs Project Management Company

PROJECT BRIEF— In general this project involves the design and construction of the planned major development of a new 500-600 vehicle parking garage on 2.2-acre site within the southwest quadrant of the campus. The proposed project site is currently located adjacent to Paul Manafort Drive, Stratford Road and existing private retail businesses. The current plans envision developing an exterior façade design that will minimize visual impacts to the surrounding neighborhood as well recessing a portion of the first level below grade. The garage will have both perimeter and roof top security fencing as well as security access control points and an electronic parking monitor system. The overall program will included both fixed and digital signage points to direct cars to open and available spots. The project design requirements will also include structural and foundation design criteria to add two additional precast decks in the future. The overall construction and total project budget have been established at \$13,225,000 and \$18,835,000 respectively.

In July 2017 the Department of Construction Services ("DCS") issued a Request for Qualifications (RFQ) for *Construction Administrator Consultant Teams* related to the <u>CCSU Manafort Drive Parking Garage Project.</u> DCS elicited eleven (11) responses to the advertisement of which all the respondents were considered "responsive". DCS then proceeded to review the ten submittals and after the completion of the internal review process, five firms were selected for short-listed interviews. These firms were as follows, STV Construction, Inc., Urban Engineers, Inc., HAKS Engineers, P.C., Jacobs Project Management Company and Strategic Building Solutions, LLC. 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 Strategic Building Solutions, LLC as the most qualified firm but the rejected the selection due to the fact that the firm exceeded the current DCS Guidelines for active projects. The committee then recommended Jacobs Project Management Company ("JPC") as the next most qualified firm.

This contract is for *Construction Administrator Consultant Teams* related to the <u>CCSU Manafort Drive</u> <u>Parking Garage Project</u> through design phase services, bidding and construction administration. The overall compensation rate for this basic service is \$592,370. The contract fee does not include any special services. FEE – The costs of basic and special services are as follows:

JPC Fee for Basic Services (PRB 18-033)	COST (\$)	COST (\$)	C. Budget	(%)
	(BASIC)	(SPECIAL)	<u>(S)</u>	Budget
Pre-Construction Phase Services	\$138,468			
Bidding and Review Phase	\$6,160			
Construction Administration Phase	\$402,968			
Project Close-Out Phase	+\$44,774			
TOTAL BASIC SERVICE FEE (#18-033)	\$592,370		\$13,225,00	4.48%
(A)			0	
SPECIAL SERVICES:				
Building Commissioning		TBD		
Multi-Vista Documentation		TBD		
TOTAL SPECIAL SERVICES(B)				
TOTAL FEE ( PRB #18-033) (A) + (B)		\$592,370	\$13,225,00 0	4.48%

- The RFQ posted in July 2017 elicited 11 candidates. The Selection Panel interviewed five firms and recommended the appointment of JPC ranked #2 by the selection interview panel. The selection was approved by Commissioner Currey on 9/5/2017.
- TCC is locally located in Rocky Hill, Connecticut. This subsidiary of Jacobs Engineering, Inc. was
  established in 1999 and has a local office staff of 80+ professionals. The office has 10± engineers and
  40± construction related professionals involved with project management, field services, scheduling,
  inspection and estimating.
- JPC corporation counsel reported that over the past 5 years the company has been exposed to over eighteen (18) professional and/or general liability claims none of which are related to projects in this state.
- The submittal is accompanied by a Consulting Agreement Affidavit notarized on 5/1/2017.

<u>RECOMMENDATION:</u> SPRB Staff recommends <u>Approval</u> of this contract for Jacobs Project Management Company to provide services at the <u>CCSU Manafort Drive Parking Garage Project</u>. The overall basic services fee percentage of 4.48% is generally consistent with the guideline rate of 5% for CA services.

#### 7. OTHER BUSINESS

Vice Chairman Josephy made, and Mr. Halpert seconded, a motion to approve Board Fees for Chairman Greenberg's participating in the 7-25-2022 meeting with the Department of Agriculture. The motion passed unanimously.

## 8. VOTES ON PRB FILE:

**PRB FILE #22-112** – Mr. Berger moved and Mr. Halpert seconded a motion to approve PRB FILE #22-112. The motion passed unanimously.

**PRB FILE** #22-114 – Mr. Halpert moved and Mr. Valengavich seconded a motion to approve PRB FILE #22-114. The motion passed unanimously.

9. NEXT ME	ETING – Monday, August 1, 2022	•	
The meeting ad	journed.		
APPROVED:		Date:	_
	John Valengavich, Secretary		