

STATE PROPERTIES REVIEW BOARD

Minutes of Meeting Held On March 4, 2014 State Office Building, Hartford, Connecticut

The State Properties Review Board held a special meeting on March 4, 2014 in the State Office Building.

Members Present: Edwin S. Greenberg, Chairman
Bennett Millstein, Vice Chairman
Bruce Josephy, Secretary
Pasquale A. Pepe

Members Absent: Mark A. Norman
John P. Valengavich

Staff Present: Brian A. Dillon, Director

Chairman Greenberg called the meeting to order.

Mr. Josephy moved and Mr. Pepe seconded a motion to enter into Open Session. The motion passed unanimously.

OPEN SESSION

ACCEPTANCE OF MINUTES OF FEBRUARY 20, 2014 AND FEBRUARY 24, 2014. Mr. Josephy moved and Mr. Pepe seconded a motion to approve the minutes of February 19, 2014 and February 24, 2014. The motion passed unanimously.

REAL ESTATE- UNFINISHED BUSINESS

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| PRB # | 14-032 | Transaction/Contract Type: RE / Sale |
| Origin/Client: | DOT / DOT | |
| Project Number: | 83-156-3A | |
| Grantee: | Leonard S. Wisniewski Grantor Retained Annuity Trust | |
| Property: | 34 Clark Street, Milford | |
| Project Purpose: | DOT, Sale of Excess Property | |
| Item Purpose: | Release of approximately 19,167+/- SF of vacant land to Grantee as a result of a public bid | |

This item was reviewed at the Board's meeting held on February 24, 2014, at which time the Board asked staff to contact DOT regarding soil contamination at this site. Since the parties acknowledge that the property contains environmental contamination, the Board recommended that DOT include language in the quitclaim deed that will hold the State harmless regarding the contamination. As a consequence of the Board's review DOT requested that the file be returned to them so that the deed can be revised and re-executed.

REAL ESTATE- NEW BUSINESS

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| PRB # | 14-033 | Transaction/Contract Type: RE / Sale |
| Origin/Client: | DOT / DOT | |
| Project Number: | 76-89-3H | |
| Grantee: | 56 Talcottville Road Company, LLC | |

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Property: Northerly side of 56 Talcottville Road & I-84 Eastbound Off-Ramp, Vernon
Project Purpose: DOT Sale of Excess Property
Item Purpose: Release of approximately 13,199+/- SF of land which is a portion of a parcel currently improved as a commuter parking lot to the Grantee as a result of a sole-abutter bid

Staff reported that the subject property in Vernon was acquired in 1969 as part of a 12.6 acre purchase for I-84. DOT describes the release parcel as an under-utilized commercial parking lot. The aerial shows that the release would affect about 24 parking spaces at the northwest corner of the commuter lot. Approximately 142 parking spaces would be unaffected by the release.

The release parcel is 13,199 SF (0.30 acre) with 98 feet of frontage (access to be denied) on the easterly side of Route 83, Talcottville Road and 137 feet on the south side of the I-84 East Bound Off Ramp at Exit 64. The zone is commercial; public water and sewer are available to the site. The file indicates that in 2012 the sole abutter requested that the property be released. The abutter's parcel is 0.68 acres of vacant land, recently the location of a gas station. The assemblage would allow for a 0.98 acre re-development site.

DOT Appraiser Michael Corazelli determined a value of \$8.50/SF (\$370,000/acre) using the before and after valuation method, and the Sales Comparison Approach. His report describes three commercial land sales, including a 0.68 acre parcel on Route 30 in Manchester that sold for \$250,000 (\$8.44/SF). The release value calculation, well supported by the appraisal report, is as follows:

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| After Assemblage: | 42,820 SF x \$8.50/SF = \$364,000 |
| Before Assemblage: | 29,621 SF x \$8.50/SF = <u>\$252,000</u> |
| Release Value: | \$112,000 |

DOT documents a negotiation process that began in June 2012 with DOT willing to release the property for \$113,000. The buyer subsequently made offers of \$42,000; \$52,000; \$75,000 and \$100,000, which is 89% of appraised value and acceptable to DOT as a reasonable offer.

Staff recommended approval for the sale to the Grantee for \$100,000. The DOT divisions have concurred with the release of 13,799 SF with the proviso that there is no highway access to either Route 83 or the exit ramp. As indicated on the compilation plan, DOT has retained all rights of access from Silver Lane and Forbes Street. CGS Section 13a-80 authorizes the sale of property that is surplus to transportation needs. The sale price is supported by the DOT appraisal report prepared in June 2012 by Michael Corazelli. The sale will return the property to the Grand List for local property taxation.

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| PRB # | 14-034 | Transaction/Contract Type: | RE / Lease-out Renewal |
| Origin/Client: | DAS/DAS | | |
| Grantee: | Cellco Partnership d/b/a Verizon Wireless | | |
| Property: | Mystic Educational Center, 240 Oral School Road, Groton | | |
| Project Purpose: | Lease-out renewal for telecommunication antenna and equipment | | |
| Item Purpose: | Renewal for an additional 5-year term for the lease-out of 351-SF of space on the Administration Building penthouse as well as Rooms 307, 308, & 309. The lease-out area is required for the continued use of telecommunication equipment and an antenna. | | |

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Staff recommended approval for continuation of the lease-out for the installation and use of mounted antennae and supporting equipment. The lease terms are as follows.

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| Description | Lease Proposal – Groton |
| Leased Premises | 351 SF, which is a portion of the penthouse and rooms 307, 308, & 309, Administration Building, Mystic Educational Center, Oral School Road, Groton; together with a (non-exclusive) right of ingress and egress 24 hours a day, 7 days a week. |
| Equipment | 3 sectors with 4 antennae in each sector on one antenna; one GPS antenna; all mounted on one antenna on exterior of building wall and roof; and plus necessary equipment (wires, cables, conduits, pipes) including electricity consumption meter |
| Use | Wireless telecommunication facility |
| Lease Term | 5 years, beginning 7/14/09, with renewals, all as listed in Exhibit B |
| Base Rent | \$2,083.33/month = \$25,000 for year 1, increasing 3% per year thereafter. See the attached Exhibit B. Rent at this renewal (first renewal term, Year 1) is \$28,981.85 as shown on Exhibit B (attached). |
| Additional Rent | Lessee is responsible for electricity and security systems applicable to their equipment, and all taxes or special permits or assessments, if any |
| Maintenance | Lessee shall maintain leased area, and make all repairs arising from performance, installation or use of equipment, including utility costs to operate the equipment |
| Insurance | Commercial General Liability: \$1 million; Workers' Compensation as required by law; Employer's Liability Insurance (Lease, Article 10.2) |
| Assignment | Lessee may not assign or sublet without prior written consent, which consent may be withheld at Lessor's sole discretion. |
| Termination | Lessor may terminate with 120 days notice. |

The rental rate is supported by market information concerning antennae leases on existing structures. Annual increases of 3%, 4% or linked to the CPI are standard.

PRB # 14-036 **Transaction/Contract Type:** RE / Voucher
Origin/Client: DOT / DOT
Project Number: 170-3155-016
Grantor: Mr. Jack S. Oliveria, et al.
Property: 242 North Colony Street, Wallingford, CT
Project Purpose: New Haven – Hartford – Springfield Rail Corridor Improvements Project
Item Purpose: Administrative settlement for the acquisition of a defined easement for highway purposes totaling 950±SF.

Staff reported that as a part of the New Haven-Hartford-Springfield (NHHS) Rail Program, the DOT will acquire a defined easement for transportation purposes. DOT is planning to improve the portion of the Amtrak rail corridor between New Haven and Springfield. It is intended that by 2030, there will be up to 25 daily round trip trains between New Haven and Springfield.

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PRB #14-036 affects a 0.36 acre parcel, approximately 50 feet X 300 feet, which is improved with a two-family rental property along the frontage, and a 2,160 SF contractor's storage building/garage is under construction at the rear of the property. It is located on the northwesterly side of North Colony Street (Route 5), Wallingford. The property is zoned CB-40. The defined easement to be acquired is at the rear of the parcel. An 8 foot high chain link fence will be installed, and it will separate the defined easement area from the rest of the subject parcel. Consequently, the owner will not be able to use the easement area for any purpose. The area is 50 feet wide and between 19 feet deep.

DOT estimated compensation at \$7,100 as follows based on a site value of \$7.50/SF. The Grantor requested \$20,000 but the parties ultimately agreed to \$11,000 in damages. DOT agreed that the project had negatively impacted the subject parcel and the cost to build the contractor's garage in several ways, as detailed in the Administrative Settlement Statement dated 1/27/14, specifically:

1. In the permitting process, the Grantor had to revise the site plan for the new building 3 times.
2. The DOT project required the Grantor to reduce the size of the new building.
3. The repositioning of the new building as required by the DOT project caused a reduction in parking spaces.
4. The DOT project delayed the construction of the new building. The DOT project caused the Grantor to rent space from an adjoining property owner while the new building is being constructed.

Staff recommended Board approval of the item. 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. The damage award of \$11,000 is reasonably supported by the information provided by DOT.

ARCHITECT-ENGINEER - UNFINISHED BUSINESS

ARCHITECT-ENGINEER – NEW BUSINESS

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| PRB# | 14-035 | Transaction/Contract Type: | AE / Commission Letter |
| Project Number: | BI-Q-660-1 | Origin/Client: | DCS/MD |
| Contract: | BI-Q-660-1-ARC | | Commission Letter #3 |
| Consultant: | Ames & Whitaker Architects, P.C. | | |
| Property: | New London Readiness Center, New London & Stones Ranch Military Reservation, East Lyme | | |
| Project Purpose: | CTARNG Vision 2020 Projects | | |
| Item Purpose: | Commission Letter #3 to compensate the consultant for additional services required for the completion of additional design phase services as well as increased construction administration compensation based on the project costs. | | |

Staff reported that, in general, the project involves the required architectural and engineering design services to implement the Connecticut National Guard (CTARNG) Facility Vision 2020 Program. The program consists of approximately thirty identified projects throughout the State that are scheduled to be initiated between 2012 and 2020. In general, projects under the Vision 2020 Program will include but not be limited to repairs, alterations and new construction projects at CTARNG facilities. The outline of

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these contracts shall be similar to the standard On-Call Format whereas the contract shall be valid for a period of 10-years and the consultant shall be eligible for fees up to \$10,000,000 under each contract. The federal government has limited the construction costs of each individual project to a maximum of \$5,000,000 on any specific project. Exhibit A requires that each new project be added to the contract via an Amendment or Commission Letter. Any increase in fees or amendments to the contract services shall be subject to the review and approval of the Board.

In April 2012 under PRB File #12-240 SPRB approved the first two projects; Improvements to the New London Readiness Center and Stone's Ranch Military Reservation. More recently in May 2013 the Board approved Commission Letter #1 (PRB #13-100) to compensate AWA for consulting services related to the – New London Readiness Center Drill Shed Floor Replacement Project. This project involve the removal of the existing floor slab, the placement of a under slab fill, installation of sub-slab drainage and overlaying a new 6-inch thick reinforced concrete slab. Then again in September 2013 the Board approved Commission Letter #2 (PRB #13-202) to compensate AWA for additional services under Project 11A –Theater Aviation Support Maintenance Group ("TASMG") Building 323 Noise Suppression Project. This project will involved the completion of a background study for an analysis of noise levels generated by the turbo shaft engine test system as well as the design and construction administration services for the development of a noise suppression system to maintain 61 decibels or lower during the engine test cycle.

PRB #14-035, Commission Letter #3, shall compensate AWA \$43,527 for additional services under Project 2 –New London Readiness Center and Stones Ranch Reservation Project. This commission letter is a request for additional compensation related to various design changes at the New London Readiness Center Project as well as additional compensation for CA services related to the average cost of construction bids which were approximately \$120,000 more than the estimated cost of construction in the project agreement.

Staff recommended that the Board suspend Commission Letter #3, and that the Board request more information related to the request for additional CA fees due to the fact that the average of the three lowest bids exceeded the construction budget within the contract.

OTHER BUSINESS

Reimbursement of Meeting and Mileage Fees. Mr. Pepe moved and Mr. Josephy seconded a motion to reimburse Messrs. Greenberg, Millstein and Josephy for attendance at a meeting with staff in Hartford on February 27, 2014. The motion passed unanimously.

The Board took the following votes in Open Session:

PRB FILE #14-032 – Mr. Pepe moved and Mr. Josephy seconded a motion to return PRB File #14-032 so that the quitclaim deed can be revised and re-executed. The motion passed unanimously.

PRB FILE #14-033 – Mr. Pepe moved and Mr. Josephy seconded a motion to approve PRB File #14-033. The motion passed unanimously.

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PRB FILE #14-034 – Mr. Pepe moved and Mr. Josephy seconded a motion to approve PRB File #14-034. The motion passed unanimously.

PRB FILE #14-035 – Mr. Pepe moved and Mr. Josephy seconded a motion to suspend PRB File #14-035, pending receipt of additional information regarding the project. The motion passed unanimously.

PRB FILE #14-036 – Mr. Pepe moved and Mr. Josephy seconded a motion to approve PRB File #14-036. The motion passed unanimously.

The meeting adjourned.

APPROVED: _____ **Date:** _____
Bruce Josephy, Secretary