

STATE PROPERTIES REVIEW BOARD

Minutes of Meeting Held On April 11, 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 April 11, 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

Jill Brennan, DOT Concessions
Brian Dillon, JUD
Jaime L. Smith, Director, Ag Dev & Res Consr, CT DoAg

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 April 7, 2022 Meeting. The motion passed unanimously.

2. COMMUNICATIONS

Mr. Berger provided Members an update regarding pending legislation that may impact the SPRB.

3. REAL ESTATE- UNFINISHED BUSINESS

4. REAL ESTATE – NEW BUSINESS

Mr. Valengavich moved and Mr. Halpert seconded a motion to go out of Open Session and into Executive Session at 10:11. The motion passed unanimously. Ms. Smith of the CT Department of Agriculture was invited to attend the Executive Session at 10:15 and left the meeting at 10:30.

EXECUTIVE SESSION

PRB #: 22-058-A
Transaction/Contract Type: AG/ PDRE
Origin/Client: DoAG / DoAG

Statutory Disclosure Exemptions: 1-200(6) & 1-210(B)(7)

Mr. Valengavich moved and Mr. Halpert seconded a motion to go out of Executive Session and into

Open Session at 10:31. The motion passed unanimously.

OPEN SESSION

PRB # 22-065
Transaction/Contract Type: RE – Amendment
Origin/Client: DOT/DOT
DOT Project #: 6.01-01(09)
Licensee: Project Service LLC
Property: 23 Fuel and Food Service Plazas on Route 15, I-95, I-395 & Employees’ Cafeteria at DOT headquarters in Newington
Project Purpose: Concession Agreement Changes
Item Purpose: Amendment #2 to Concession Agreement

At 9:31 Ms. Brennan from DOT joined the Meeting to participate in the Board’s review of this Proposal. She left the Meeting at 9:47.

Project Background

At the November 9, 2009 SPRB Meeting the Board approved, under PRB #09-272, a Concession Agreement proposed by DOT for the Licensee to operate 23 Fuel and Food Service Plazas on Route 15, I-95, I-395 & Employees’ Cafeteria at DOT headquarters in Newington. The Concession Agreement was for a term of 35 years ending November 15, 2044.

A First Amendment to Concession Agreement was also approved under PRB #09-272, to amend Section 5.21 – Prevailing Wages, requiring the Prime Contractor to pay prevailing wages on construction work at the Facilities and to give preference to Connecticut residents for the construction work.

Under this Proposal (PRB #22-065), DOT seeks SPRB approval to the Second Amendment to Concession Agreement to address the following:

1. Make certain changes to the Concession Agreement to clarify and adjust the hours of operation for Major Subcontractors and ensure compliance with hours of operation to adequately serve the traveling public;
2. Ensure compliance with current state statutes regarding prohibited substances, including the most recent Public Act 21-1, signed by Governor Ned Lamont on June 22, 2021;
3. Enhance the promotion of Connecticut’s local attractions and tourism; and
4. Make a change in hours of operation not anticipated by the terms of the Concession Agreement.

DOT provided SPRB with a draft copy of the Second Amendment to Concession Agreement, as well as a copy of the original Concession Agreement and First Amendment to Concession Agreement, both approved by the Attorney General’s Office on November 18, 2009.

The following is a summary of the proposed changes to the Concession Agreement, proposed in the Second Amendment to Concession Agreement:

1. Section 12.2. - Required Subcontract Terms. – Provision of Subcontracts by the Prime Contractor, subject to confidentiality requirements;
2. Section 8.11. - No Sale of Prohibited Items – Specifically prohibits the sale of marijuana;
3. Section 8.18. - Advertising – Makes changes to the Prime Contractor’s responsibility to submit to DOT a Marketing Plan as well as permitting the Prime Contractor to advertise products, services, businesses and industries, including the craft beverage industry, and those that promote Connecticut, its local attractions, and tourism;
4. Section 8.21. - Required Hours of Operation and Service at the Service Areas – Specifically requires the Prime Contractor to be open specific day and hours – mostly 24/7/365 – and post hours

improvements, and then commit to further capital reinvestment periodically over the term of the agreement.

SELECTION PROCESS: DOT issued an RFP dated July 18, 2008. Responses were received from 8 firms intending to submit proposals, and ultimately two proposals were received when due on December 22, 2008:

1. **DAI Team--DAI-Carlyle-CFI/Gulf¹:** Doctor's Associates, Inc./Paul Landino (DAI), in conjunction with Carlyle Infrastructure, LP (Carlyle). DAI is the parent of Subway®, which has 30,000 locations worldwide. Paul Landino is President and co-founder of Subcon, Inc., Subway's development agent for the NY/CT region. Carlyle Infrastructure is one of the Carlyle Group's Limited Partnerships, Carlyle being one of the largest private equity firms in the world. **Cumberland Farms/Gulf** is the gasoline and convenience store partner. Proposed subcontractors for food services are Dunkin Donuts, Wendy's, Arby's, Papa Johns, and Mohegan Sun Express. Other team members are **OR&L Facility Services** (maintenance and operations); **Centerplan and BL Companies** (design, construction, environmental issues); and **Pita Communications, Inc.** (tourism plan).
2. **HMS Team—Host-Alliance-Clough Harbor & Associates-Cubellis Architects; CabAire; and CT Center for Advanced Technology.** MSHost Family Restaurants, Inc. (HMS), a wholly owned subsidiary of Host International, Inc., a leading worldwide provider of food and beverage retail, including retail concessions at airports and on toll road throughout the U.S., including PA, NY, NJ, DE, and Maine. Fuel partner is **Alliance Energy, LLC** owner of 180 service stations in the Northeast. Alliance food retail offerings are Starbucks, Quizno's, Burger King and Tim Horton's. Other team members are **Clough Harbour & Associates** (civil engineering, environmental); **Cubellis Architects; CabAire; and CT Center for Advanced Technology.**

The DOT Committee to review the proposals and select the prime contractor had the following members:

Charlene A. Casamento, Bureau Chief of Finance & Administration, DOT (Chair)
Daniel J. Smachetti, Director, Property & Facilities Services, DOT Bureau of Finance & Admin.
Edgar T. Hurlle, Transportation Planning Director, DOT Bureau of Policy & Planning
Gale Mattison, Executive Financial Officer, OPM
Robert S. Dakers, Director of Municipal Finance Services, OPM

Additional assistance was received from:

Richard Nuclo, DOT (retired)
Michael Barton, Consultant, Whys Solutions, LLC
Ann Catino, Attorney, Halloran & Sage, LLP

For the criteria considered, a comparison of the two proposals, and DOT's reasons for accepting DAI proposal, please see the attachment: RFP for the Redevelopment, Operation and Maintenance of Service Plaza Facilities, dated April 3, 2009.

Upon review of the proposals, on April 3, 2009, DOT selected the DAI partnership as the prime contractor, and the selection team became a negotiating team to complete the Concession Agreement. Paul D. Landino, President/CEO of Project Service LLC executed the subject Concession Agreement on October 19, 2009.

¹ As of October 19, 2009, Alliance Energy LLC will be the fuel and convenience store operator on the DAI team, with primary food vendors likely to be Subway, Dunkin Donuts, McDonalds, Mohegan Sun Express.

Board approval of the Agreement is recommended for the following reasons:

STATUTORY AUTHORITY: The Commissioner of Transportation has authority to enter into the agreement under Sections 13a-20, 13a-23, 13a-33, 13a-80a, 13a-143 and 13b-23 of the Statutes.

SELECTION PROCESS: The RFP was widely advertised and distributed nationally to well-known food and fuel providers. Eight firms expressed interest individually, and then four of them combined to submit the two proposals considered.

QUALIFICATIONS, PRIME CONTRACTOR: DAI Team has substantial experience in food service, convenience store and fuel service. Carlyle as financial partner has deep knowledge and experience in project finance and will provide business support.

INITIAL INVESTMENT: Exhibit I-1, Construction Budget projects \$178 million. There will be no financing contingency and likely no debt to construct and renovate the facilities. \$37 million will come from existing cash flow, \$99 million from Prime Contractor equity contributions, and \$42 million from tenant fit outs. There are also immediate improvement repairs of \$650,000 (see Exhibit D) at Greenwich N/B; I-395 Montville, and I-95 Darien N/B.

REINVESTMENT: Exhibit I-2, Reinvestment Budget estimates \$52+ million will be invested in capital improvements over the life of the agreement.

SERVICE AREA IMPROVEMENTS: Darien N/B, Darien S/B and Milford S/B on I-95 will be completely demolished and rebuilt by 2015. Service areas on I-95 will undergo complete exterior renovations and interior gutting and upgrade. The remaining Service Areas (10 on Route 15 and 3 on I-395) will have cosmetic exterior changes and major interior renovations. On Route 15, 8 of the 10 facilities will have fuel islands relocated to improve safety. The cumulative total parking spaces will increase 278 car spaces, 5 bus spaces and 120 truck parking spaces, with idle reduction technology in 82 spaces.

ECONOMICS: As of July 2008, the average daily traffic count on I-95 S/B exceeds 79,000 vehicles. \$52 million gallons of fuel and \$56 million of food and beverage were purchased annually. DOT's analysis shows the State is capturing approximately 3.4-7.7% of the traffic, which is far below the "capture rate" of nearby states. The redevelopment is expected to capture more business and increase the revenue stream, particularly at the "gateway" locations at Greenwich N/B and Darien N/B.

Matrix Capital Markets Group, Richmond, VA (*see letter report, attached, dated October 19, 2009*) analyzed the concession agreement, and concluded the State will receive (1) \$248 million in contractor payments to the state over the 35 years of the contract, and (2) \$248 million in 3rd party investments in the facilities (\$136 mm capital improvements, \$60 million invested in operations, and \$52 million in future capital expenditures). Matrix projected a 10.44% internal rate of return (IRR) to the Prime Contractor.

Concerning the revenue stream from the expiring agreement, Matrix also concludes that the \$.11/gallon participation payments received from ExxonMobil cannot be replicated because it equates to ExxonMobil paying "nearly 100% of its motor fuel profits to the State." This is a consequence of credit card fees which cost 2% of each transaction. Matrix estimates a profit before contribution and credit card fees of \$.17/gallon. The participation fee to the State is \$.11/gallon and if gas costs \$2.50/gallon, the credit card transaction fee is \$.05/gallon, for a total of \$.16/gallon.

The prior concessions agreements with McDonalds and ExxonMobil granted DOT participation payments well above market rates. Current percentage lease rates for gas stations indicate a market rate of 1 to 2 cents per gallon. Convenience store payments are typically from 2%-4% of gross sales; restaurant (no alcohol) percentage leases vary from 4% to 7%. The expiring agreement with McDonalds grants DOT 10% of gross receipts at HQ in Newington and 13.25% at 10 turnpike locations. In total

payments for fuel, convenience store and food services, DOT has received an average of \$12 million per year over the last 6 years.

Nothing approximating this revenue stream was offered as minimum guaranteed payments from either respondent to the RFP. However, the DAI estimates \$248 million in payments over 35 years, beginning at the level of the MAG in year 1 to \$14,680,000 in year 35, which is an average of \$7 million per year. And, as noted above, an additional \$248 million will be invested in the facilities by DAI.

REMEDICATION AGREEMENT: Because the premises have identified and yet to be identified environmental remediation requirements, DOT and the Prime Contractor have agreed to establish a baseline identifying current environmental conditions. The Prime Contractor will manage and implement remediation activities in conjunction with its redevelopment of the properties. The costs of remediation of current conditions will be born solely by DOT. Negotiations are continuing with ExxonMobil over recovering remediation costs.

Summary of Terms of the Concession Agreement

Leased Premises	23 fuel and food service plazas on Route 15, I-95, and I-395, plus the employees' cafeteria at DOT headquarters in Newington.
Prime Contractor	Project Service LLC, formed by DAI, Carlyle and Subcon
Effective Commencement Date	December 7, 2009
Lease Term	35 years ending November 15, 2044
Lease Extension	10 years maximum. Parties may extend for 1 additional 4 year period and 2 separate 2 year periods, in any order, at the election of DOT
Continuity of Operations	State may extend 12 to 24 months
Payments to DOT: Participation Payments with Minimum Annual Guarantee (MAG)	Please see the attached schedule. MAG commences at \$1 million and increases to \$4.5 million in year 30, based on participation payments. DOT will receive 1.25% (year 1) - 5.50% (year 30) of Gross Receipts; and \$.01/gallon (year 1) - \$.0225/gallon (year 25) when product sales exceed the MAG.
Pricing	All pricing of food, fuel and items to be sold must be competitive.
Gross Receipts	All amounts received for all sales of food, beverages, goods, articles, commodities, equipment, devices, services, and video game machines and/or game income, or sales of any nature, without deductions of any kind. See page 13 of Agreement for definition and exceptions.
Investment	Exhibit I-1 presents a construction budget of \$178 million in initial capital improvements; and Exhibit I-2 shows \$52 million in capital investments over the 35 year term.
Construction Process	All improvements are subject to review and approval by DOT; and will incorporate environmentally sensitive and energy conservation technology which results in a LEED Silver 2.2 equivalent product (certification not required).
Construction Payment and Performance Bonds	Contracts will provide payment and performance bonds with each of DOT and Prime Contractor named as obliges.
Construction Escrow Account	For each Service Area, Prime Contractor will fund an escrow account, for areas being demolished & rebuilt, escrow will = 100% of budgeted construction costs; all others, 50% of budgeted construction costs.
Blocked Period	To prevent change of ownership before the initial capital improvements are completed, sales other than to original Equity

	Owners are blocked for the shorter period of 6 years or project completion.
Insurance	Builders' Risk, Commercial General Liability: \$1 mill/\$2 mill; Automobile Liability: \$1 mill; Workers' Compensation: \$1 mill and in accordance with state & federal laws.
Debt & Leverage	The contract provides for full rights to pledge and grant security interests in its rights under the Agreement, including all cash flows and subcontracts, to an "Institutional Lender." The contract limits leverage under a fixed charge ratio that cannot exceed 1.25 times the Prime Contractor's operating revenue.
Audit	DOT has audit rights of all books and records of Prime Contractor Subcontractors, and may obtain copies of all audits prepared conducted by Prime Contractor of its subcontractors.
Title to Property	Land, buildings, structures, improvements, fixtures and UST Systems will be owned by the State, with no creation of liens. All equipment, including food and beverage equipment, small wares, and furnishings will be owned by Prime Contractor or its subs. Upon termination, vendor subs may remove their property, remainder reverts to the State.
Reserved Rights	DOT can use the facilities for any purpose that does not interfere or compete with the permitted uses granted to the Prime Contractor.
Executive Orders, Affidavits, Certifications	As required by statute.

5. ARCHITECT-ENGINEER - UNFINISHED BUSINESS

6. ARCHITECT-ENGINEER - NEW BUSINESS

PRB # 22-042
Origin/Client: DCS/DCS
Transaction/Contract Type AE / On-Call MEP (Mechanical, Electrical and Plumbing)
 Engineer Consulting Contracts
Contract: OC-DCS-MEP-0051
Consultant: Bemis Associates, LLC
Item Purpose: New On-Call Contract

PRB # 22-043
Origin/Client: DCS/DCS
Transaction/Contract Type AE / On-Call MEP (Mechanical, Electrical and Plumbing)
 Engineer Consulting Contracts
Contract: OC-DCS-MEP-0052
Consultant: Kohler Ronan, LLC
Item Purpose: New On-Call Contract

PRB # 22-044
Origin/Client: DCS/DCS
Transaction/Contract Type AE / On-Call MEP (Mechanical, Electrical and Plumbing)
 Engineer Consulting Contracts
Contract: OC-DCS-MEP-0053
Consultant: BVH Integrated Services, PC
Item Purpose: New On-Call Contract

PRB # 22-045
Origin/Client: DCS/DCS
Transaction/Contract Type AE / On-Call MEP (Mechanical, Electrical and Plumbing)
Engineer Consulting Contracts
Contract: OC-DCS-MEP-0054
Consultant: DME Design, LLC
Item Purpose: New On-Call Contract

PRB # 22-046
Origin/Client: DCS/DCS
Transaction/Contract Type AE / On-Call MEP (Mechanical, Electrical and Plumbing)
Engineer Consulting Contracts
Contract: OC-DCS-MEP-0055
Consultant: van Zelm Haywood & Shadford, Inc.
Item Purpose: New On-Call Contract

This is the 9th series of On-Call MEP (Mechanical, Electrical and Plumbing) Engineer Consulting Contracts awarded by the Department of Construction Services (“DCS”) since 2002. The five (5) On-Call Contracts that are the subject of this memorandum have a maximum total cumulative fee of \$1,000,000 per contract and a common expiration date of 7/01/2024. The prior series of On-Call Contracts included a total cumulative fee of \$1,000,000 and expired on 3/15/2022.

DESCRIPTION: The scope of work under these contracts shall encompass, but not be limited to:

Provide DAS with rapid response Mechanical Electrical and Plumbing Engineering support services for sites, properties, structures, and/or buildings under its care and control or under the care and control of other state agencies. The scope of work under these on-call contracts shall encompass, but not be limited to, the entire spectrum of services affecting Mechanical, Electrical, Plumbing and related services.

Each contract is exactly the same except for the name and address of the firm.

The On-Call Contract can be utilized on DCS projects with construction budgets of up to five million dollars (\$5,000,000).

DAS/DCS has made some revisions to the contract for this series to include:

- Expansion of Article W language – Non-Discrimination;
- Removal of Article X language – Executive Orders regarding references to XO 49;
- Expansion of Article Z language – Summary of State Ethics Laws to reflect new laws effective July 1, 2021;
- Changes to Article EE language – Related to an Attachment Notice for Campaign Contributions;
- Addition of Article JJ language – Access to Contract and State Data – requiring the Contractor to provide information to the Client Agency and State Auditors of Public Accounts;
- Addition of Article KK language – Large State Contract Representation for Contractor – requiring the Contractor to comply with Acting Governor Susan Bysiewicz’ Executive Order No.21-2, effective July 1, 2021 regarding gifts and the Contractor’s Principals or Key Personnel;
- Addition of Article LL language – Large State Contract Representation for Official or Employee of State Agency – requiring the State Official or Employee represents that the selection of a Contractor was not the result of collusion, gift, promise of a gift, etc;
- Addition of Article MM language – Iran Energy Investment Certification;
- Addition of Article NN language – Consulting Agreement Certification; and
- Addition of Article OO Language – Notices; and
- Addition of Exhibit A – Hourly Rate Schedule.

A Request for Qualifications (RFQ) for the consultant services was released on November 5, 2021 and elicited fifteen (15) responses at the December 7, 2021 due date for response. Fourteen (14) Respondents were interviewed and one response was deemed deficient and the Consultant was not interviewed. The State Selection Panel consisted of three members and rated each firm based upon a weighted ranking system.

At the completion of the State Selection Panel process; DCS Management Team reviewed the results and recommended the approval of the following Firms under this Series. The selection of the Firms was approved by DAS Deputy Commissioner Petra on 1-20-2022.

This proposal before the SPRB is for review and approval/disapproval of the following Firms under this Series:

PRB 22-042 – Bemis Associates, LLC (“BAL”) originally established in 1929 and is locally located in Farmington. BAL has a staff of six employees including three mechanical engineers, two electrical engineers and one administrative staff. DCS reports the Consultant has been awarded four On-Call Contracts and five Task Letters in the last five years with \$272,567 total volume of work. The company has been awarded the following Formal Contracts, On-Call Contracts and Task Letters for the prior two years:

- None.

BAL will be operating under their Professional Engineering Corporation License (PEC#0001152). Beazley reported that BAL had no general liability or professional policy losses or claims during the past 5 years. BAL scored a total of 320 out of a possible 320 points. BAL is qualified as a CT SBE/MBE supplier.

PRB 22-043 – Kohler Ronan, LLC (KRL) originally established in 1998, has a local staff of 70± employees including 27 mechanical engineers, 16 electrical engineers and five fire protection engineers. DCS reports the Consultant has been awarded one On-Call Contract and 10 Task Letters in the last five years with \$398,700 total volume of work. The company has been awarded the following Formal Contracts, On-Call Contracts and Task Letters for the prior two years:

- None.

KRL will be operating under its Professional Engineering Corporation License (PEC#0000888). Maloney & Company reported that KRL had no general liability or professional policy losses or claims during the past 5 years. KRL scored a total of 300 points out of a possible 320 points.

PRB 22-044 - BVH Integrated Services, PC (BVH) is located in Bloomfield, established in 1958, has a local staff of 120± employees including 14 civil engineers, 11 landscape architects and 8 surveying professionals. DCS reports the Consultant has been awarded four On-Call Contracts and 19 Task Letters in the last five years with \$1,045,466 total volume of work. The company has been awarded the following Formal Contracts, On-Call Contracts and Task Letters for the prior two years:

OC-DCS-MEP:

- | | | | |
|------------------|-----------------------------------|-----------|-------------|
| • Task Letter #1 | WCSU – MEP various projects | \$0 | (Cancelled) |
| • Task Letter #2 | NVCC – Physical plant renovations | \$44,444 | (Informal) |
| • Task Letter #3 | Covid related HVAC upgrade study | \$0 | (Cancelled) |
| • Task Letter #4 | New Haven AFRC boiler repl. | \$99,400 | (Informal) |
| • Task Letter #5 | CSP Troop A & F Emer. Gen Repl | \$20,000 | (Informal) |
| • Task Letter #6 | DVA Main Campus boiler repl. | \$92,832 | (Informal) |
| • Task Letter #7 | BCMHC sprinklers, ceilings, etc | \$225,000 | (Pending) |

• Task Letter #8	Hartford Armory IT	\$117,450	(#22-005))
• Task Letter #9	CAS Emergency Repairs & Ops	\$70,000	(Pending)
		\$786,576	

OC-DCS-STR-0029 (expired on 8-1-2017):

• Task Letter #1	DESPP – East Haddam Remote Site Enh.	\$14,000	(Informal)
• Task Letter #2	DAS-FM – 50 Farmington Ave Garage	\$15,100	(Informal)
• Task Letter #3	ECSU – Phase II Low Rise Stairway	\$43,500	(Informal)
• Task Letter #3A	ECSU – Phase II Low Rise Stairway	\$37,500	(Informal)
• Task Letter #3B	ECSU – Phase II Low Rise Stairway	\$37,000	(#20-178)
• Task Letter #3C	ECSU – Phase II Low Rise Stairway	\$24,146	(#21-126)
• Task Letter #4	DVA – Health Center Study	\$15,650	(Informal)
	Total Fee to Date:	\$186,896	

OC-DCS-MDE-0036 (expired 7-31-2019):

• Task Letter #1	Norwalk Comm. College	\$35,000	(canceled, not executed)
• Task Letter #2	Osborn/Northern CI	\$275,000	(18-167)
• Task Letter #3	Osborn/Northern CI	\$120,000	(18-170)
• Task Letter #4	Enfield Court Roof & HVAC	\$49,000	(Informal)
• Task Letter #4A	Enfield Court Roof & HVAC	\$20,000	(Informal)
• Task Letter #4B	Enfield Court Roof & HVAC	\$37,200	(#20-109)
• Task Letter #4C	Enfield Court Roof & HVAC	\$128,375	(#20-235)
• Task Letter #4D	Enfield Court Roof & HVAC	\$25,300	(#21-130)
	Total	\$689,875	

OC-DCS-MDE-0028 (expired 2-28-2017):

• Task Letter #1C	Bridgeport MHC Parking Garage	\$12,500	(#20-177)
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JB1106094

- Judicial Branch - Statewide Security Imp. - Planning & Feasibility Study - \$432,000 (#20-221)

BVH will be operating under its Professional Engineering Corporation (PEC#0001904). Beazley reported that BVH has had two professional or general liability policy loss or claims during the past 5 years; both are closed for a total incurred amount of \$102,993. Neither involved a State of CT project. BVH scored a total of 290 out of a possible 320 points.

PRB 22-045 – DME Design, LLC (“DME”) originally established in 2021 and is locally located in New Haven (formerly related to Serrano Engineering, LLC). DME has a staff of four employees including two mechanical engineers and two electrical engineers. DCS reports the Consultant has not been awarded any On-Call Contracts or Task Letters in the last five years. The company has been awarded the following Formal Contracts, On-Call Contracts and Task Letters for the prior two years:

- None.

DME will be operating under their Professional Engineering Corporation License (PEC#0001624). Smith Brothers Insurance reported that DME had no general liability or professional policy losses or claims during the past 5 years. BAL scored a total of 288 out of a possible 320 points.

PRB 22-046 – van Zelm Heywood & Shadford, Inc. (VHS) is located in Farmington, originally established in 1930, has 76± employees including 15 electrical engineers, and 37 mechanical engineers. DCS reports the

Consultant has been awarded two On-Call Contracts and 13 Task Letters in the last five years with \$779,195 total volume of work. The company has been awarded the following Formal Contracts, On-Call Contracts and Task Letters for the prior two years:

OC-DCS-MEP-0049

• Task Letter #1	CVH – Emergency Steam Pipe Repair-Phase II	\$85,000	(Informal)
• Task Letter #1A	CVH – Emergency Steam Pipe Repair-Phase II	\$10,500	(Informal)
• Task Letter #2	New London Generator Installation	\$18,700	(Informal)
• Task Letter #3	Branford Boiler Replacement and UST Removal	\$66,315	(Informal)
• Task Letter #4	CVH-Variou Steam Pipe Phase III	\$339,300	(#21-085)
• Task Letter #5	Energy Center Switchgear Replacement	\$39,600	(Informal)
Total Fee to Date:		\$559,415	

VHS will be operating under it professional engineering corporation license PEC.0000176. Smith Brothers reported that VHS has incurred three general liability or professional policy loss or claims during the past 5 years. Two claims remain open, with \$525,000 paid (Tufts). Neither of these claims involved state-related projects. VHS scored a total of 272 out of a possible 320 points.

A summary of the Consultants’ professional fee schedule is as follows (all identical):

Labor Category	Per Hour
Principal	\$ 215.00
Project Manager	\$ 165.00
Senior Mechanical Engineer	\$ 150.00
Mechanical Engineer	\$ 135.00
Senior Electrical Engineer	\$ 150.00
Junior Electrical Engineer	\$ 130.00
Plumbing/FP	\$ 145.00

Staff have requested clarification of the following issues:

1. Please provide a Task Log for the Consultants under OC-DCS-MEP-0046 to 0050.
2. In the RFQ released on November 5, 2021, Item #1.11 states the following:

1.11	Maximum On-Call Fee Per Task Assignment:	\$500,000.00
The maximum On-Call Consultant's Fees <i>per Task Assignment</i> performed under this On-Call Contract shall not exceed the " Maximum On-Call Fee Per Task Assignment Value ".		

As DCS had previously stated, a “project” is defined by the requirement of consultant services in excess of \$500,000 and a “project” requires a formal procurement process.

Please clarify if, future advertisements for On-Call Consultant Contracts should be consistent with the previous 9-3-2021 advertisement for the On Call VEH series, which included the following:

1.11	Maximum On-Call Fee Per Task Assignment:	\$490,000.00
The maximum On-Call Consultant's Fees <i>per Task Assignment</i> performed under this On-Call Contract shall not exceed the " Maximum On-Call Fee Per Task Assignment Value ".		

RECOMMENDATION – Staff recommend suspension of the five On-Call Contracts that have a maximum total cumulative fee of \$1,000,000 per contract and a common expiration date of 07/01/2024 pending response from DCS regarding the aforementioned inquiries.

Landmark Facilities Grp	Proposed	Fuss & O'Neill	Proposed
Officer/Principal	\$220	Officer/Principal	\$220
Project Manager	\$180	Project Manager	\$180
Senior Mech Engineer	\$185	Senior Mech Engineer	\$185
Mechanical Engineer	\$170	Mechanical Engineer	\$170
Senior Electrical Eng	\$170	Senior Electrical Eng	\$170
Junior Electrical Eng	\$100	Junior Electrical Eng	\$100
Plumbing FP	\$165	Plumbing FP	\$165
BVH Integrated Services	Proposed	van Zelm Heywood	Proposed
Officer/Principal	\$220	Officer/Principal	\$220
Project Manager	\$180	Project Manager	\$180
Senior Mech Engineer	\$185	Senior Mech Engineer	\$185
Mechanical Engineer	\$170	Mechanical Engineer	\$170
Senior Electrical Eng	\$170	Senior Electrical Eng	\$170
Junior Electrical Eng	\$100	Junior Electrical Eng	\$100
Plumbing FP	\$165	Plumbing FP	\$165
Consulting Eng Services	Proposed		
Officer/Principal	\$220		
Project Manager	\$180		
Senior Mech Engineer	\$185		
Mechanical Engineer	\$170		
Senior Electrical Eng	\$170		
Junior Electrical Eng	\$100		
Plumbing FP	\$165		

Only Consulting Engineering Services was part of the 7th series of this MEP on-call contract. Their hourly rates for the last series are compared to this proposed series as follows:

Consulting Eng Services	Current	Proposed	Change
Officer/Principal	\$220	\$220	0%
Project Manager	\$180	\$180	0%
Senior Engineer	\$160	\$185	16%
Engineer	\$140	\$170	21%
Senior Designer	\$120	\$0	-100%
Designer	\$110	\$0	-100%
Field Engineer	\$140	\$0	-100%
CAD/BIM Operator	\$100		
Administrative	\$70		

RECOMMENDATION – Staff recommend **APPROVAL** of the four On-Call Contracts that have a maximum total cumulative fee of \$1,000,000 per contract and a common expiration date of 3/15/2022.

From PRB #17-287-#17-291

This is the 7th series of On-Call MEP Consulting Service Contracts awarded by the Department of Construction Services (“DCS”) since 2002. The five (5) On-Call Contracts that are the subject of this memorandum have a maximum total cumulative fee of \$500,000 per contract and a common expiration date of 11/15/2019.

The 6th series, awarded in 2015, had a term of 24 months and a maximum total cumulative fee of \$500,000/contract. Four of the five firms under this current 7th series RFP submittal have been previously approved for *Mechanical, Electrical, Plumbing Support Services Consulting On-Call Contracts*. Kohler Ronan, LLC has previously been awarded a contract under the 3rd, 4th and 5th series. Consulting Engineering Services, Inc. has previously been awarded a contract under the 2nd, 4th and 5th series. Salamone & Associates, P.C was awarded a contract under the 5th and 6th series. Bemis Associates, LLC was previously awarded a contract under the 6th series. A/Z Corporation has not been previously awarded a contract under any series.

A Request for Qualifications (RFQ) for the consultant services was released in June 2017 and elicited thirteen (13) responses. Eleven of the thirteen respondents were considered “responsive” and as such

were considered for review. Thereafter, the DCS selection panel began the process of evaluating and short-listing eight proposals. The State Selection Panel consisted of 3 members and rated each firm based upon a weighted ranking system with the following scoring methodology:

<i>Problem Solving for a Similar Scope</i>	<i>30 Points</i>
<i>Organizational / Team Structure</i>	<i>25 Points</i>
<i>Past Performance Record</i>	<i>20 Points</i>
<i>Contract Oversight Capabilities</i>	<i>10 Points</i>
<i>Approach to Contract Work</i>	<i>15 Points</i>
TOTAL POINT VALUE	100 Points

The State Selection Panel also provided each team an additional 10 points each for CT Code Expertise and SBE/MBE Certification. As such the maximum allowable score for all firms was 320 points. At the completion of the State Selection Panel process; the DCS Management Team reviewed the results and recommended the approval of five firms under this series.

RECOMMENDATION – Board approval of the following five (5) firms as *Mechanical, Electrical & Plumbing Support Services Consultants* for projects of various sizes and scope is recommended. All five consultants provided the required insurance, Gift/Campaign and Consulting Affidavits accompanied by appropriate Corporate Resolutions. The five firms recommended for approval at this time are the following.

- PRB # 17-287, Bemis Associates, LLC.....Contract #OC-DCS-MEP-0041
- PRB # 17-288, Kohler Ronan, LLC.....Contract #OC-DCS-MEP-0042
- PRB # 17-289, A/Z Corporation.....Contract #OC-DCS-MEP-0043
- PRB # 17-290, Salamone & Associates, P.C.....Contract #OC-DCS-MEP-0044
- PRB # 17-291, Consulting Engineering Services, Inc.....Contract #OC-DCS-MEP-0045

Bemis Associates, LLC (BAL) originally established in 1929, has a local staff of 5± employees including 1 executives and 4-professionals in the fields of mechanical and electrical engineering. The company has been awarded one On-call Contract with the DCS in the past two years.

1.9/2015 On-Call MEP Consultant PRB #15-215 NTE \$500,000

BAL’s Professional Engineering Corporation License (PEC.0001152) with the CT State DCP is active. Beazley Insurance Company reported that BAL has not been exposed to any professional policy loss or claims during the past 5 years. BAL scored a total of 315 out of a possible 320 points and was identified as one of the most qualified firms.

Kohler Ronan, LLC (KRL) originally established in 1998, has a local staff of 37± employees including one office executive and over 25 mechanical/fire protection engineers. The company has not been awarded an On-call Contract or formal contract with the DCS in the past two years

KRL’s Engineering Corporation License (PEC.0000888) with the CT State DCP is active. RLI Insurance Company reported that KRL has been exposed to four professional policy or general liability claims during the past 5 years. None of these claims appear to be related to DCS state funded construction projects. KRL scored a total of 304 out of a possible 320 points and was identified as one of the most qualified firms.

A/Z Corporation (AZC) AZC was originally established in 1974 in is locally located in Hartford and Stonington. AZC has a staff of 200± employees but is focusing on its Hartford design team office including 1 corporate executives and three professional engineers for this submittal. The company has not been awarded an On-Call or Formal Contracts with the DCS in the past two years.

AZC will be operating as A/Z Design Services, LLC with a Joint Practice License (JPC.0000058) with the CT State DCP is active. Chubb Insurance Company reported that AZC has experienced five (5)

professional or general liability policy loss claims during the past 5 years. None of these claims appear to be related to DCS projects. It should be noted that these claims appear to be related to construction contract defects and do not identify A/Z Design Services, LLC as the insured entity. AZC scored a total of 293 out of a possible 320 points and was identified as one of the most qualified firms.

Salamone & Associates, P.C. (SAP) originally established in 1984, has a staff of 15± employees including 1 executive and four (4) mechanical/electrical engineering professionals. The company has been awarded one (1) On-call Contracts with the DCS in the past two years and has not been awarded a formal contract over the past two years. SAP has been awarded the following contract:

1.9/2015	On-Call MEP Consultant	PRB #15-219	NTE \$500,000
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SAP's Engineering Corporation License (PEC.0000476) with the CT State DCP is active. Travelers Insurance Company reported that SAP has not been exposed to any professional policy loss or claims during the past 5 years. SAP scored a total of 289 out of a possible 310 points and was identified as one of the most qualified firms.

Consulting Engineering Services, Inc. (CES) originally established in 1988, has a local staff of 24± employees in Middletown including one office executive and over 15 mechanical, electrical, plumbing and fire protection engineers. The company has not been awarded an On-call Contract or formal contract with the DCS in the past two years

CES's Engineering Corporation License (PEC.0000577) with the CT State DCP is active. RLI Insurance Company reported that CES has been exposed to eight professional policy or general liability claims during the past 5 years. None of these claims appear to be related to DCS state funded construction projects. CES scored a total of 277 out of a possible 320 points and was identified as one of the most qualified firms.

7. OTHER BUSINESS

8. VOTES ON PRB FILE:

PRB FILE #22-058-A – Mr. Berger moved and Mr. Valengavich seconded a motion to suspend PRB FILE #22-058-A. The motion passed unanimously.

PRB FILE #22-065 – Mr. Halpert moved and Mr. Valengavich seconded a motion to return PRB FILE #22-065. The motion passed unanimously.

PRB FILES #22-042, 22-043, 22-044, 22-045 and 22-046 – Mr. Berger moved and Mr. Valengavich seconded a motion to suspend PRB FILES #22-042, 22-043, 22-044, 22-045 and 22-046. The motion passed unanimously.

9. NEXT MEETING – Thursday, April 14, 2022.

The meeting adjourned.

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