

STATE PROPERTIES REVIEW BOARD
Minutes of Meeting Held On February 2, 2023
– 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 February 2, 2023 remotely via telephone conference at (860)-840-2075 and use passcode 284890492#.

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

Melissa Durso, Esquire, CT Lottery
Andrew Walter, Esquire, CT Lottery
Jeffrey Yue, Esquire, CT Lottery

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 January 30, 2023 Meeting. The motion passed unanimously.

2. COMMUNICATIONS

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 9:31. The motion passed unanimously. Attorneys Durso, Walter and Yue, all from the CT Lottery were invited to attend the Session to participate in the Board’s review of this Proposal. All left the Meeting at 9:49.

EXECUTIVE SESSION

PRB #: 23-016
Transaction/Contract Type: RE / Lease
Origin/Client: CLC / CLC

Statutory Disclosure Exemptions: 1-200(6)(D) & 1-200(6)(E)

Mr. Valengavich moved and Mr. Halpert seconded a motion to go out of Executive Session and into Open Session at 9:50. The motion passed unanimously.

OPEN SESSION

5. ARCHITECT-ENGINEER - UNFINISHED BUSINESS

6. ARCHITECT-ENGINEER – NEW BUSINESS

PRB File #: 23-002
Origin/Client: DCS/DOC
Transaction/Contract Type: AE / Task Letter
Project Number: BI-T-619L
Contract: OC-DCS-CA-0031
Consultant: Colliers Project Leaders USA NE, LLC
Property: Hartford, Vine St (500) – Capitol Region Mental Health Center
Project purpose: Energy Audit Implementation Program – CA Services
Item Purpose: Task Letter #5

PROPOSED AMOUNT: \$111,869

Under this Proposal (#23-002), DCS is seeking Board approval to retain the Consultant - Colliers Project Leaders USA NE, LLC – under their On-Call Contract OC-DCS-CA-0031 to provide Pre-Construction and Construction Administration Services, commencing with the Design Development Phase of the Project. The negotiated fee for the Consultant’s services is \$111,869. The scope of work includes:

The Capitol Region Mental Health Center and Blue Hills Substance Abuse Center represent a single, 88,000 sq ft, three-story facility.

This project shall be done, in accordance with Executive Order No. 1, as part of the Lead by Example program for the efficient use of energy, materials, and water and in the reduction of waste disposal and GHG emissions, with an end goal of achieving net zero GHG emissions by 2050.

The scope of work for this project shall include but is not limited to the following:

Provide pre-construction, construction, and closeout phase construction administration (CA) services for the development and installation of energy and cost reduction measures (ECRMs) contained within the “Energy Audit Report – Capitol Region Mental Health Center (CRMHC) & Blue Hills Substance Abuse Center (BHSAC)” prepared by Colliers Project Leaders, dated January 15, 2021, including Boilers (Gas/Oil HW), RTUs, DWHs, and controls modifications.

During construction phase, part-time on-site representation is required at an average of two (2) days/week for sixteen (16) hours per week, with additional coverage as needed during increased quantity or complexity of the contractor’s work and reduced coverage during periods of low activity.

Information from the Consultant’s correspondence provides the following time line for the Consultant’s CA Services:

- Design Phase January 2023 – October 2023

- Bid Phase October 2023 – January 2024
- Construction Phase January 2024 – July 2024

In April 2020, the Board approved PRB File #20-046, one of seven Consultant Contracts under the 7th series of On-Call Construction Administrator On-Call Contracts. The contract has a maximum total cumulative fee of \$1,000,000/contract and an expiration date of August 31, 2022.

In August 2022, under PRB #22-131, the Board approved Amendment #1 to the Consultant’s Contract to extend the expiration date to March 3, 2023.

And, on November 3, 2022, the Board approved PRB #22-168, one of seven Consultant Contracts under the 8th series of On-Call Construction Administration Contracts awarded by the Department of Administrative Services (“DAS”) since 1994. The Consultant’s on-call contract has a maximum total cumulative fee of \$1,000,000/contract and a common expiration date of February 28, 2025.

Colliers Project Leaders USA NE, LLC (CPL) has been assigned the following Tasks under this On-Call Contract: None.

Colliers Project Leaders USA NE, LLC (CPL) has been assigned the following Tasks under the previous On-Call Contract - OC-DCS-CA-0031:

• Task Letter #1	SCSU Burritt Library Renov	\$498,568	(21-006)
• Task Letter #2	Bridgeport JD Roof	\$170,850	(20-138)
• Task Letter #3	CCSU Charter Oak Relocation	\$174,250	(22-089)
Total Fee to Date:		\$843,668	

DCS and DEEP have confirmed funding is in place for this Task Letter.

The Construction Budget and total Project Budget are estimated at \$950,000 and \$1,273,400, respectively.

Task Letter #5 – CPL- Basic Services (PRB #23-002)	Base Fees (\$)	Special Services (\$)	Total Fee	Construction Budget (\$)	% of Budget
Schematic Design Phase	N/A				
Combined CD/DD Phase (303 Days)	\$16,280				
Bidding Phase (120 days)	\$3,050				
Construction Administration Phase (180 Days)	<u>\$92,539</u>				
TOTAL BASIC SERVICE FEE (#23-002) (A)	\$111,869			\$950,000	11.78%

Staff followed up with DCS and asked following to clarify:

1. Is there a TL engaging A/E for this project? If yes, please provide a copy. If no - (a) will there be one; (b) what is the status of that contract and (c) why is CA submitted before A/E?

DCS Response: Yes, TL with MEP commissioned 1/5/2023. Copy attached.

Staff Response: DCS retained DME Design, LLC under Information Task Letter #3 to provide engineering design and construction administration services. The Consultant’s fee was \$95,000. SD due 60 days, DD due 90 days and CD due 60 days. OK

2. There are two active on call contracts for Colliers – OC-DCS-CA-0031 (\$1,000,000 value) and OC-DCS-CA-0040 (\$1,000,000 value). This proposal is utilizing CA-0031 on-call series.

DCS Response: That is correct. The assignment was made and the task letter was being negotiated prior to the execution of the new on-call series. If it were to be changed to the new series, the fees would need to be renegotiated to conform to the new on-call contract. Detailed timeline from DAS Project Manager (PM) below:

- OC-DCS-CA-0031 was and is currently in-place, expiring 3/3/2023.
- Initial proposal discussions with Colliers began on 10/7/2022 when only OCS-DCS-CA-0031 was in place.
- Colliers initial proposal sent to DAS PM 10/25/2022. Fees were in excess of budget. Negotiations completed, then Colliers provided a finalized proposal 11/22/2022.
- Task letter was sent by DAS PM up review/approval chain on 12/6/2022. Still, only OCS-DCS-CA-0031 in place.
- OC-DCS-CA-0040 effective date is listed as 12/27/2022.

Staff Response: OK

This means that the contract amount for CA-0040 remains intact for Colliers. It gives undue advantage to Colliers and others who are on both series as it relates to the maximum contract value (total \$2,000,000 value; at least until March 3, 2023). This proposal should utilize CA-0040 series.

The CA-0031 on-call series should have been terminated upon approval of the new on-call series.

- a. Given the above concern, why should DCS have 2 active on-call series for the same consultant type?
- b. Why should DCS use CA-0031 series and not CA-0040 series for Colliers?

DCS Response: If the task were to be changed to the new series, the fees would need to be renegotiated to conform to the new on-call contract, causing further delays and likely resulting in direct and indirect additional cost to the State. This could be discussed with DAS Legal and/or DAS Construction Support Services, but is outside the jurisdiction of DAS PM.

Staff Response: OK

3. What is the status of the Project?

DCS Response: MEP designer, DME, is working on the SD phase package due to DAS on 3/4/2023.

Staff Response: OK

4. Clarify/affirm that the Project Schedule, as outlined in the Consultant's November 22, 2022 communication, is reflective of DCS' schedule for this Project.

Approximate project milestones within Colliers' 11/22/2022 proposal are current, with design completion expected 10/2023 and a target construction start in 1/2024.

Staff Response: OK

5. Please clarify why DCS has negotiated a Fee for CA Services equal to 11.78% of the proposed Construction Budget, well in excess of its' generally accepted fee structure.

DCS Response: CA services fee is driven by contractual required hourly rates, project construction duration and on-site coverage required, not percentage of proposed construction budget. DAS PM does not recommend reducing scope of CA services beyond previously negotiated changes. Inadequate pre-construction design review, estimate reconciliation, and construction oversight may significantly increase risk of construction change order quantity and magnitude.

Staff Response: OK

Reconcile hours charged based on 2 days/week (or 16 hrs/week).

DCS Response: DAS PM negotiated fee down in part by using seven (7) hours of CA coverage each day for two (2) days per week (14 hrs/week total) in lieu of eight (8) (16 hrs/week total).

Reconciling hours from 14 to 16hrs/week would likely result in \$9,800K increase in fee (14% increase in hourly coverage on a total associated current fee of \$68,600).

Staff Response: OK

6. Has there been any informal TLs under CA-0031 after CA-0040 was approved (11/3/2022)?

DCS Response: No informal TLs have been issued on CA-0031 since 11/3/2022

Staff Response: OK

RECOMMENDATION: It is recommended that SPRB suspend Task Letter #5 in the amount of \$111,869 for the Consultant to provide CA Services for the ECRMs pending response from DCS regarding certain hours charged by the Consultant in the Task Letter.

- DCS and DEEP confirmed \$111,869 is available for the Task Letter.
- The Board approved the current On-Call Contract with a maximum total cumulative fee of \$1,000,000/contract and an expiration date of March 3, 2023 (as amended 22-131).
- Following the subject Task Letter, the On-Call Contract will have an uncommitted value of \$44,463.
- The submittal is accompanied by a Gift & Campaign Contribution Certification notarized on 11/6/2022.

7. OTHER BUSINESS

8. VOTES ON PRB FILE:

PRB FILE #23-016 – Mr. Valengavich moved and Mr. Berger seconded a motion to forward comments regarding the proposed SubLease to the Connecticut Lottery Corporation. The motion passed unanimously.

PRB FILE #23-002 – Mr. Valengavich moved and Mr. Halpert seconded a motion to suspend PRB FILE #23-002. The motion passed unanimously.

9. NEXT MEETING – Monday, February 6, 2023.

The meeting adjourned.

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