

STATE PROPERTIES REVIEW BOARD

Minutes of Meeting Held On December 28, 2023

– solely by means of electronic equipment - via telephone conference –

Pursuant to CGS §1-225a, the State Properties Review Board conducted a Regular Meeting at 9:30AM on December 28, 2023. Pursuant to the statute, this Meeting was held solely by means of electronic equipment, with Participants connecting via telephone conference at (860)-840-2075 and used passcode 389034483#.

The Notice provided designated this Regular Meeting as open to the public. Call in instruction were provided as: Dial toll free (860)-840-2075 and use passcode 389034483#. If you have any questions or need assistance to attend these Meetings, or for some reason the Call-In Numbers do not work, please contact SPRB Director Dimple Desai, immediately, at dimple.desai@ct.gov to make appropriate arrangements.

Members Present – solely by means of electronic equipment:

Bruce R. Josephy, Chairman
Jeffrey Berger, Vice Chairman
John P. Valengavich, Secretary
Edwin S. Greenberg
Jack Halpert
William Cianci

Members Absent:

Staff Present – solely by means of electronic equipment:

Dimple Desai
Thomas Jerram

Guests Present – solely by means of electronic equipment:

David Barkin, AIA – DAS-CS

Mr. Halpert moved and Mr. Berger seconded a motion to enter into Open Session. The motion passed unanimously.

OPEN SESSION

1. ACCEPTANCE OF MINUTES

Mr. Halpert moved and Mr. Berger seconded a motion to approve the minutes of the December 26, 2023 Meeting. The motion passed unanimously.

2. COMMUNICATIONS

3. REAL ESTATE- UNFINISHED BUSINESS

4. REAL ESTATE – NEW BUSINESS

PRB File #: 23-231
Transaction/Contract Type RE / Lease Renewal
Origin/Client DAS / WCC
Property: New Haven, State St (700)
Lessor: Daymarr Realty, LLC
Project Purpose: Renewal for Continued Occupancy
Item Purpose: Exercise 2nd Renewal Option

The original base Lease was approved by the SPRB in 1995 under PRB #95-367 for the use of 8,800 square feet of office space on the 2nd floor and parking for 8 cars. The Lease was for a 5-year term at an initial annual rent of \$15.40/nusf. This Agency relocated from 746 Chapel Street in New Haven.

The most recent base Lease was approved by the SPRB in 2013 under PRB #13-266 for continued use of 8,800 nusf of office space for an initial five-year term, with two, five-year options. The initial rental was \$18.75/nusf on a gross plus electric basis. The Lease included a first option to extend the Lease for a five-year term at \$20.44/nusf (+9%) and a second option at \$22.28/nusf (+9%).

More recently, on April 11, 2019, the SPRB under PRB #19-082, approved a First Amendment to the 2013 standard lease agreement to extend the Lease for a five year term, reducing the option rent to \$19.49/nusf, a reduction of \$0.95/nusf, to reflect a credit for waiving requirements of Section 4.06 of the Lease. The First Amendment also reduced the second option to \$20.47/nusf (-\$1.81/nusf).

Under this Proposal (PRB #23-231), DAS and WCC now seek approval to exercise the Second Renewal Option for a 5-year term for continued use and occupancy of within the building, with parking for 17 cars.

The annual rental during the 5-year term of the Second Renewal Option is \$180,099.72 per year (\$20.47/NUSF). There are no options to renew the Lease. All Lessee expenses (electric & inc over BY Taxes) are unchanged.

Item	First Amendment	Second Renewal Option
PRB#	PRB #19-082	#23-231
Address	700 State Street, New Haven	Same
Leased Premises NUSF	8,800 nusf	Same
Lease Term	1/13/2019– 1/12/2024	1/13/2024– 1/12/2029
Annual Rent	\$171,523.56	\$180,099.72
Base Rent/SF/Year	\$19.49	\$20.47
Renewals	5 years @ \$180,099.72 = \$20.47/NUSF (+5%)	None
Granite Sq. Garage Parking	17	17 (5.18 spaces/1,000 Nusf rented)
Repaint/Recarpet Intervals	5 years	Lessor to repaint within 90 days of renewal; carpet replacement within 90 days of renewal.
Additional Rent	Electricity; 20% of property tax increase over base year	Same
Termination	None	None

Note: Annual taxes are \$216,064.30 (GL 2022), or approximately \$2.96/sf of finished area. Base Year Taxes are estimated at \$3.84/finished square feet.

The RFS indicates 13 staff with no vacant authorized positions. The RFS was approved by DAS on August 21, 2023. DAS stated no state-owned space is available to co-locate this WCC office.

DAS advertised the need pursuant to CGS §4b-34 in the New Haven Register on August 24, 2023 (LP 23-26) for 8,800 nusf and parking for 12 vehicles with responses due September 8, 2023. No responses were received.

DAS Leasing Staff had provided the following rentals in support of this proposed Lease:

Lease Comparables Per Square Foot							
Property Address	Tenant	Square Feet	Term	Renewal Options	Base Rent	Operating Expenses	Total Costs
265 Church New Haven	GSA	6,750	15 Year Started 2/2019	0	\$37.93	\$0.00	\$37.93
620 Grand Ave New Haven	DOC	11,075	10 Year 11/2018 Start	1 10 Year	\$18.25 w/1% annual increases	\$8.75/sf TL \$5.85/sf opex	\$32.35/sf
470 James St New Haven	Advance CT	4,870	7 Year Started 2018	0	\$19.87 w/2% annual increases	NNN \$7.00/sf	\$26.87

Milestone dates for this Second Renewal Option are as follows:

- 8-21-2023 – RFS approved by DAS Deputy Commissioner Petra;
- 8-24-2023 – LP 23-26 for 8,800 nusf and parking for 12 vehicles with responses due 9-8-2023.
- 8-11-2023 – LP 23-22 for 9,620 nusf and parking for 60 vehicles with responses due 9-4-2023.
- 10-10-2023 – Lessor waives advance 90-day Notice (10-12-2023).
- 10-12-2023 – Advance 90-day Notice to Lessor for Renewal.
- 11-08-2023 – WCC affirms renewal;
- 12-04-2023 – DAS approves renewal;
- 12-18-2023 – OPM approves renewal; and
- 12-19-2023 – DAS submits Proposal to SPRB at 4:04PM (PRB #23-231).

DAS provided the following narrative in support of this proposed Lease:

WCC has occupied 8,800 NUSF w/ 17 parking spaces at this location for use as a district court since at least 1994. DAS is requesting approval to exercise the second renewal option to allow WCC's continued use and occupancy of this space.

The current lease term ends on January 12, 2024. This 5-year renewal term is to commence on January 13, 2024 and expire on January 12, 2029. Under the second renewal, the base rent will increase by 5% from \$19.49/NUSF to \$20.47/NUSF or \$171,523.56 annually to \$180,099.72 annually. In addition to the base rent, WCC is responsible to pay electric consumption. The Lessor waived the 90-Day Advanced Notice date for this renewal on October 10, 2023.

When the lease was renewed in 2019, the space was partially re-carpeted and re-painted. DAS and WCC have agreed that the Demised Premises does need new carpet and paint at this time, due to damage that recently occurred throughout the space as a result of a quickly resolved pest infestation. In accordance with 4.06 and Exhibit D of the Lease, as amended, the Lessor shall re-carpet and re-paint within 90 days of approval of the second renewal option.

Staff inquired with DAS regarding the following:

1. Please confirm that the Certificate of Insurance provided by the Lessor includes the required Commercial General Liability coverage pursuant to Article 9.01 of the Lease.

DAS Response:

Staff Response:

2. Please clarify if there have been any changes to Exhibit E – Statement of Financial Interest – since the 2019 First Amendment to Lease.

DAS Response:

Staff Response:

3. In the DAS Memo to SPRB the need for carpet replacement referenced damage as a result from “a quickly resolved pest infestation” and in a communication from WCC to DAS Property Agent also referenced “the previous rodent issue” necessitating carpet replacement. In light of this information, please clarify how on page 6 of the Lease Compliance Inspection Report the Compliance Officer (10-25-2023) can reply OK to ‘Carpet and Paint’ in light of the previous comments necessitating replacement. Was the Compliance Office aware of the pest/rodent issue?

12-21-23 DAS Response: No, the compliance officer was not aware of the issue. It was resolved within a day or two, there was no need to get the compliance officer involved. There was no damage, and the Lessor had all carpet professionally cleaned so there was no evidence of any kind of issue. WCC staff and leadership want the carpet replaced.

...They (staff) are working on getting the information from the lessor which hopefully they can get to you in time for the Board's next meeting.

Staff Response: Again, the Lease Compliance Report should memorialize all events for the Leased Premises, and utilized as a quick reference for all stakeholders when needed.



MARKETBEAT
New Haven
 Office Q3 2023

MARKET STATISTICS

SUBMARKET	INVENTORY (SF)	SUBLET VACANT (SF)	DIRECT VACANT (SF)	OVERALL VACANCY RATE	CURRENT QTR OVERALL NET ABSORPTION	YTD OVERALL ABSORPTION (SF)**	YTD LEASING ACTIVITY (SF)	UNDER CNSTR (SF)**	OVERALL AVG ASKING RENT (ALL CLASSES)*	OVERALL AVG ASKING RENT (CLASS A)*
New Haven CBD	3,348,323	0	408,499	12.2%	27,830	124,406	76,882	725,000	\$29.03	\$27.37
Periphery	2,477,213	22,379	451,271	19.1%	-74,173	-66,071	4,937	0	\$25.32	\$26.13
Eastern New Haven	578,870	0	21,656	3.7%	2,589	-6,311	5,289	0	\$19.44	\$19.44
Western New Haven	1,800,228	0	550,419	30.6%	-16,322	-63,810	3,525	0	\$19.96	\$20.13
Northern New Haven	2,695,791	9,400	475,097	18.0%	-31,984	-64,088	38,041	0	\$21.80	\$23.00
TOTAL MARKET	10,890,425	31,779	1,906,942	17.8%	-92,060	-75,874	127,674	725,000	\$23.67	\$23.26

INVENTORY (SF)	SUBLET VACANT (SF)	DIRECT VACANT (SF)	OVERALL VACANCY RATE	CURRENT QTR OVERALL NET ABSORPTION	YTD OVERALL ABSORPTION (SF)	YTD LEASING ACTIVITY (SF)	UNDER CNSTR (SF)**	OVERALL AVG ASKING RENT (ALL CLASSES)*
Class A	5,175,362	31,779	1,311,947	26.0%	-80,209	-109,300	76,165	725,000
Class B	5,715,063	0	605,034	10.4%	-11,051	33,426	51,509	0

*Rental rate data reported on a full-service gross basis and is based on published asking lease rates of available space
 **Not reflective of U.S. Marketbeat tables

Courtesy of Cushman & Wakefield

Recommendation: SPRB recommend suspension of this Proposal, pending response from DAS.

1. The rent during the initial term is increased by 5% to \$20.47/nusf plus electric;
2. Real Estate Taxes are currently \$3.84/sf, included in the Base Rent; and
3. The renewal rate is below current asking rates in New Haven CBD for similar space (per C&W)

5. ARCHITECT-ENGINEER - UNFINISHED BUSINESS

6. ARCHITECT-ENGINEER - NEW BUSINESS

PRB #	23-213
Origin/Client:	DAS/DAS
Transaction/Contract Type	AE/ On-Call MBE-CIV Engineer Consulting Contract
Contract:	OC-DCS-MBE-CIV-0020
Consultant:	Freeman Companies, LLC
Item Purpose:	New On-Call Consultant Contract
 PRB #	 23-214
Origin/Client:	DAS/DAS
Transaction/Contract Type	AE/ On-Call MBE-CIV Engineer Consulting Contract
Contract:	OC-DCS-MBE-CIV-0021
Consultant:	Martinez Couch Associates, Inc.
Item Purpose:	New On-Call Consultant Contract
 PRB #	 23-215
Origin/Client:	DAS/DAS
Transaction/Contract Type	AE/ On-Call MBE-CIV Engineer Consulting Contract
Contract:	OC-DCS-MBE-CIV-0022
Consultant:	GM2 Associates, Inc.
Item Purpose:	New On-Call Consultant Contract

This is the 5th series of On-Call MBE-CIV Engineering Consulting Contracts awarded by the Department of Administrative Services since 2014. The On-Call Contracts that are the subject of this memorandum have a maximum cumulative fee of \$500,000/contract and a common expiration date of March 30, 2026. The On-Call Contract can be utilized on DAS-CS projects with construction budgets of up to five million dollars (\$5,000,000).

The prior series, approved under PRB Files #21-010 to #21-012, had a maximum total cumulative fee of \$500,000/contract and a common expiration date of May 31, 2023.

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

Provide engineering support services to DAS for civil engineering type projects including but not limited to maintenance and repair, design and related services, for infrastructure work for sites, properties, structures and/or buildings under DAS' care and control or under the care and control of various other custodial state agencies. Services may involve both the design and construction administration of a project. Such projects will have a construction budget of \$5 million or less.

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

A Request for Qualifications (RFQ) for the consultant services was released on March 2, 2023 and elicited four (4) responses at the April 4, 2023 due date for response. Three Respondents were interviewed. One Respondent was disqualified due to an incomplete QBS submittal. 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; DAS 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 Hobbs on June 12, 2023.

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

PRB 23-213 - Freeman Companies, LLC (FCL) originally established in 2009. FCL has staff of 32 employees including 9 civil engineers and 5 surveyors and 8 engineers for various disciplines. DAS-CS reports FCL was awarded 2 contracts over the past five years with \$117,065 total volume of work.

The company has been awarded the following On-call Contracts or Formal Contracts in the past two years:

5/31/2023	OC-DCS-MBE-CIV-0017	Freeman Companies LLC	\$500,000	21-011
	Task Letter #11	505 Hudson St - Employee Entrance Ramp Stairs	\$16,935	(Informal)
		Maximum Total Fee	\$500,000	
		Uncommitted (Remaining)	\$483,065	

FCL will be operating under its Joint Practice License for Architecture, Surveying and Engineering (JPC#0.0000109) which is current. Smith Brothers Insurance, LLC reported that FCL has incurred one general liability or professional policy losses or claims during the past 5 years. FCL scored a total of 306 out of a possible 320 points.

PRB 23-214 – Martinez & Couch Associates, LLC (MCA) was originally established in 2009. MCA has a staff of 33 employees including 6 civil engineers, 3 project managers, 4 surveyors and 3 construction inspectors. DAS-CS reports MCA was awarded 1 contract within the past 5 years with a total \$89,458 volume of work.

The company has been awarded the following On-call Contracts or Formal Contracts in the past two years:

- PRB #20-102 (A1-#22-156) - OC-DCS-CAm-0008 - Maximum Fee = \$500,000 (No task letters issued).

MCA will be operating under its Joint Practice License for Architecture, Surveying and Engineering (JPC#0.0000084) which is current. Maloney and Company Insurance, LLC reported that MCA has incurred one general liability or professional policy losses or claims during the past 5 years. MCA scored a total of 292 out of a possible 320 points.

PRB 23-215 - GM2 Associates, Inc. (GM2) originally established in 1988. GM2 has a local staff of 91 employees including 9 civil engineers, 33 engineers of various disciplines and 25 construction inspectors. DAS-CS reports GM2 was awarded 3 contracts over the past five years with \$196,510 total volume of work.

The company has been awarded the following On-call Contracts or Formal Contracts in the past two years:

- PRB #23-058 - OC-DCS-STR-0048 - Maximum Fee = \$500,000 (Exp 8-15-2025) (No task letters issued).

- PRB #21-010 - OC-DCS-MBE-CIV-0016 - Maximum Fee = \$500,000 (Exp 5-31-2023) (No task letters issued).
- PRB #17-242 - OC-DCS-STR-0036 - Maximum Fee = \$500,000 (#A1 19-165 Exp 9-30-2020).
 1. Task Letter #1B – CVH Old Powerhouse Roof - \$14,100

GM2 will be operating under its Professional Engineering Corporation License (PEC.0000708) which is current. Smith Brothers Insurance, LLC reported that GM2 has not been exposed to any professional policy or liability loss or claim during the past 5 years. GM2 scored a total of 286 out of a possible 320 points.

A summary of the Consultant's Hourly Rates is as follows:

Labor Category	Per Hour
Principal in Charge	\$250
Project Manager	\$190
Senior Engineer	\$160
Engineer	\$115
Senior Designer	\$140
Designer	\$105
Field Engineer	\$110
CAD/BIM Operator	\$ 95
Licensed Land Surveyor	\$145
Survey Crew – 1 person	\$145
Survey Crew – 2 person	\$190
Survey Crew – 3 person	\$240
Staff Surveyor	\$125
Survey Technician	\$100

SPRB Staff had asked following questions regarding this new On-Call Consultant Contract.

1. Provide the Task Logs for OC-DCS-MBE-CIV-0016, 17 and 18.

DAS-CS Response: DAS/RECS has uploaded the requested Task Logs to the SPRB SharePoint site.

Staff Response: Only one TL was issued to Freeman. No other TLs issued. OK

RECOMMENDATION – Staff recommend approval of this new MBE-CIV On-Call Contract Series.

1. This on-call series that has a maximum cumulative fee of \$500,000/contract and a common expiration date of March 30, 2026

PRB #	23-216
Origin/Client:	DAS/DOC
Transaction/Contract Type:	AE / Task Letter
Project Number:	BI-JA-492
Contract:	OC-DCS-VEH-0030
Consultant:	Vanasse Hangen Brustlin, Inc.
Property:	Hartford, Weston St (177) – Hartford Correctional Center
Project purpose:	Parking Garage Study and Repairs
Item Purpose:	Task Letter #1

PROPOSED AMOUNT: \$237,500

Under this Proposal (#23-216), DAS is seeking Board approval to retain the Consultant – Vanasse Hangen Brustlin, Inc. – under their On-Call Contract OC-DCS-VEH-0030 to provide engineering design and construction administration services. The negotiated fee for the Consultant’s services is \$237,500.

The scope of work shall include, but is not limited to, the following:

Prepare construction documents for the renovation of the Hartford Correctional Center parking garage, located at 177 Weston Street in Hartford. The garage is a 3-story above grade precast concrete structure with a single bay width and a footprint of approximately 65'-0" x 450'-0". The garage includes approximately 180 parking spaces, with access to the lower level segregated from the upper levels.

Repairs shall be done in conformance with the Condition Assessment Report for the subject project prepared by Szewczak Associates and dated April 19, 2022, and pursuant to a field visit during the project kickoff meeting held on October 24, 2022.

Reviewing the existing report and other documents available from the DAS and/or the client Agency to determine the general accuracy of the existing documentation.

Field survey of the existing building to determine the current condition of the building envelope and building structural system; concrete floors, joints, flanges, beams, and stems; and current condition of interior finishes; and the current condition of the mechanical, plumbing, fire protection, electrical power, and lighting systems.

Evaluate existing building egress, accessibility, life-safety, and code compliance as it relates to the current and proposed use of the facility.

Prepare Construction drawings for the restoration of the facility.

DAS also noted that temporary parking for approximately 150 cars is required during the repairs.

DAS-CS has authorized the Consultant to retain the following Sub-Consultants:

- Walker Consultants, Waltham, MA – to provide engineering services for a total fee of \$162,500; and
- SMK Services Inc, Belmont, MA – to provide cost estimating services for a total fee of \$19,493.76.

From the Consultant’s correspondence to DAS, the following items require repair:

- Concrete Repairs
 - Double tee flanges
 - Double tee stems
 - Cast concrete washes
 - Spandrel beams
 - IT beams

- Cast concrete curbs
- Precast concrete and cast concrete walls
- Precast planks
- Cast concrete slab on ground
- Repair/replace/reweld double tee shear connectors
- Replace existing horizontal and vertical joint sealants
- Replace existing expansion seals
- Apply traffic bearing waterproofing membrane (traffic topping) cast-concrete washes, concrete repairs, and drum ramp
- Apply concrete sealer at non-traffic topped precast concrete floor areas
- Repair cracked/spalled masonry
- Repair/replace damaged guard rails within garage
- Paint existing stair handrails and miscellaneous steel
- Repair damaged fence at first and third floor
- Replace existing doors and frames
- Repair/replace damaged/corroded drain bodies and piping
- Replace existing exit signs
- Replace lighting in stair towers
- Replace damaged conduit
- Install covers at miscellaneous electrical outlets
- Repair sidewalk along south side of garage
- Provide height limit bars at garage entrance
- Repair select areas of existing skim coat at first floor knee walls
- Restripe the garage

In March 2022, SPRB approved (PRB #22-029) Vanasse Hangen Brustlin Inc (VHB) as one of three firms under the latest *On-Call VEH (Vehicular) Engineer Series* of consultant contracts. These contracts expire on July 1, 2024 and have a maximum cumulative fee of \$500,000. Walker Consultants was part of VHB's Team in PRB #22-029.

VEH was approved for the following task(s) under this series:

OC-DCS-VEH-0030	Vanasse Hangen Brustlin Inc	\$500,000	22-029
Task Letter #1	Hartford CC Parking Garage Inspection/Repairs	\$237,500	23-216-pending
	Total Committed Funds	\$237,500	
	Maximum Total Fee	\$500,000	
	Uncommitted (Remaining)	\$262,500	

DAS has confirmed funding is in place for this Task Letter.

The Construction Budget and total Project Budget are estimated at \$2,160,000 and \$2,592,880, respectively.

Task Letter #1 – VHB- Basic Services (PRB #23-216)	Base Fees (\$)	Special Services (\$)	Total Fee	Construction Budget (\$)	% of Budget
Schematic Design Phase (60 days)	\$35,625				
Design Development Phase (60 days)	\$47,500				
Construction Document Phase (60 days)	\$71,250				
Bidding Phase	\$11,875				
Construction Administration Phase (est. 8 months)	\$71,250				
TOTAL BASIC SERVICE FEE (#23-216) (A)	\$237,500		\$237,500	\$2,160,000	11.00%

RECOMMENDATION: It is recommended that SPRB **APPROVE** Task Letter #1 in the amount of \$237,500 for the Consultant to provide Engineering Design and CA services for the parking garage repairs.

7. OTHER BUSINESS:

8. VOTES ON PRB FILE:

PRB FILE #23-231 – Mr. Valengavich moved and Mr. Halpert seconded a motion to suspend PRB FILE #23-231, pending receipt of additional information from DAS. The motion passed unanimously.

PRB FILE #23-213, 23-214 and 23-215 – Mr. Halpert moved and Mr. Valengavich seconded a motion to approve PRB FILES #23-213, 23-214 and 23-215. The motion passed unanimously.

PRB FILE #23-216 – Mr. Berger moved and Mr. Valengavich seconded a motion to approve PRB FILE #23-216. The motion passed unanimously.

9. NEXT MEETING – Tuesday, January 2, 2024 – will be held solely by means of electronic equipment.

The meeting adjourned.

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