

STATE PROPERTIES REVIEW BOARD

Minutes of Meeting Held On August 16, 2021 – 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 August 16, 2021 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 - DCS

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 August 12, 2021 Meeting. The motion passed unanimously.

2. COMMUNICATIONS

3. REAL ESTATE- UNFINISHED BUSINESS

4. REAL ESTATE – NEW BUSINESS

PRB #	21-116
Transaction/Contract Type:	RE – Administrative Settlement
Origin/Client:	DOT/DOT
Project Number:	034-347-002A
Grantor:	15 Old Newtown Road Ocon, LLC
Property:	Danbury, Old Newtown Rd (13, 15 & 17)
Project Purpose:	Intersection and Safety Improvements on Newtown Rd (RT 806)
Item Purpose:	Administrative Settlement

At the July 22, 2019 SPRB Meeting, the Board approved, under PRB #19-137, an Administrative Settlement with respect to the DOT's acquisition of land (4,579 sf), easement to slope (3,506) and construction easement (16,314 sf) in conjunction with this project. The acquisition cost was \$140,000.

Under this proposal (PRB #21-116), DOT is now seeking Board approval of a Drainage Right-of-Way under DOT Project #034-347-002A, with Damages valued at \$6,650.

PROJECT: The purpose of this Danbury project is to provide intersection improvements on Newtown Road at Old Newtown Road and to provide safety improvements on Newtown Road between Old Newtown Road and Plumtrees Road and between Eagle Road and Industrial Plaza Drive. Proposed work consists of widening Newtown Road from the Public Works Complex driveway to Plumtrees Road. This widening would provide two through lanes in each direction and exclusive left-turn lanes at the two intersections. The widening would also incorporate a raised median between Old Newtown Road and Plumtrees Road, wider shoulders, and upgraded pedestrian facilities. The intersection at Old Newtown Road would be normalized and a new driveway providing access to the Public Works Complex and future commercial development is proposed on its south side. The estimated construction cost for this project is approximately \$9.8 million. This project is anticipated to be undertaken with 80% Federal funds and 20% State funds.

SITE & TAKING DESCRIPTION: The subject property consists of the following three tax parcels:

- 13 Old Newtown Road - 0.38 acres;
- 15 Old Newtown Road - 7.17 acres; and
- 17 Old Newtown Road - 0.70 acres.

The three parcels contain a total of 8.1001 acres with 1,226 feet of frontage on the west side of Old Newtown Road, the north side of Newtown Road/State Rt. 6 and the south side of Broad Street. The site is improved with a 121,163 sq.ft. single-story masonry industrial building and an asphalt-paved parking lot striped for 313 vehicles. The southwesterly portion of the site is significantly below the Newtown Road frontage.

The site is primarily located in the IL-40 Industrial zone with the land located proximate to Newtown Road located in the CG-20 Commercial zone and conforms to zoning. Average daily traffic counts (ADT) were 24,500 cars/day in 2013. There is a full traffic control signal at the intersection of Newtown Road and Old Newtown Road.

The building improvements are not impacted by the right-of-way.



View of the subject property's road frontage along Old Newtown Road. The proposed Drainage Right of Way is located within the right-hand side of the photo.



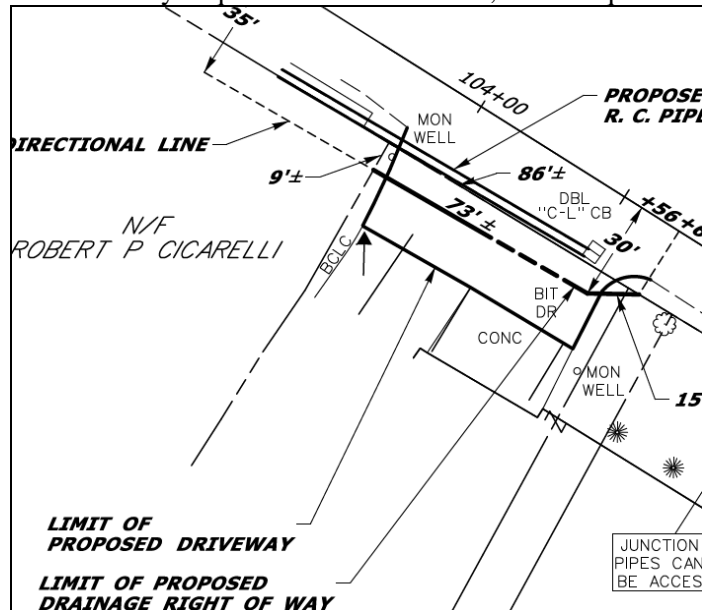
Additional view of the proposed Drainage Right of Way.

The Appraiser opined the highest and best use of the property, as vacant, is for industrial use.

The Appraiser opined the highest and best use of the property is for continued industrial use, as improved.

The State of Connecticut proposes to acquire the following:

- A Drainage Right of Way acquired over an area of 665 +/- square feet; and
- A Right to Construct Driveway acquired over an area of 1,149 +/- square feet.



Restricted Use/Letter Format – DOT Appraiser Matthew Malia appraised the property (land), as of March 5, 2021. The Appraiser estimated that based on similarly-zoned sales in Danbury and the greater area would indicate a market value of the subject property of \$10.50/sq.ft., with value of the impacted areas as follows:

<i>Item</i>	<i>Calculation</i>	<i>Damages</i>
Drainage Right of Way	665± SF @ \$10.50/SF x 75%	\$5,238
	<i>Rounded</i>	\$5,250

Note: Under PRB #19-137, reviewed in July 2019, the land value was estimated at \$10/sf.

From the Administrative Settlement:

The Department’s formal offer was tendered by mail on April 14, 2021 to the owner’s Attorney, Mr. Charles T. Bistany. Attorney Bistany stated that his client signed a right of entry on October 16, 2020 to allow the project to move forward. He maintained that despite his client’s good will toward the Department the contractor’s crew damaged lawn area outside of the limits of the DROW.

He purported that the DROW is effectively a fee taking because of the limited remaining utility of the area and the fact that the Department could subject the property to disruption in the future should the drainpipe require maintenance or replacement. This was furthered by the fact that the DROW extends across the subject’s driveway at the edge of road and adjacent to the building’s loading dock, potentially limiting access to the same. Attorney Bistany also believed that his client should be compensated because of the road closure at the intersection of Newtown Road (S.R. 806) and Old Newtown Road, essentially resulting in loss of revenue to his client due to denied direct road access to the property.

Based on the above, Attorney Bistany rejected the Department's offer on his client's behalf and demanded \$10,000.00 in damages. He feels there is potential severance should he secure an appraisal and choose to go to court.

Negotiations concluded with an agreement in the amount of \$6,650.00 for the proposed acquisition; this is an increase of \$1,400.00 from the State's initial offer.

- Drainage Right of Way: 665 sq.ft. x \$10.50/sq.ft. X 95% = \$6,633.38 = \$6,650.00 RD

While no formal appraisal was submitted, it is recognized that the potential for greater severance calculations exists based on the impacts caused by the construction project, an additional \$1,400.00 is deemed fair and reasonable by the Department.

Given the above, it submitted that a settlement in the amount of \$6,650.00 is in the best interest of the State. Your approval of this settlement is recommended.

RECOMMENDATION: Board **approval** of damages in the amount of \$6,650 is recommended 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 completed by M. Malia.
3. The acquisition is consistent with the previous valuation of this property, reviewed under PRB #19-137.

From PRB #19-137

PROJECT: The purpose of this Danbury project is to provide intersection improvements on Newtown Road at Old Newtown Road and to provide safety improvements on Newtown Road between Old Newtown Road and Plumtrees Road and between Eagle Road and Industrial Plaza Drive. Proposed work consists of widening Newtown Road from the Public Works Complex driveway to Plumtrees Road. This widening would provide two through lanes in each direction and exclusive left-turn lanes at the two intersections. The widening would also incorporate a raised median between Old Newtown Road and Plumtrees Road, wider shoulders, and upgraded pedestrian facilities. The intersection at Old Newtown Road would be normalized and a new driveway providing access to the Public Works Complex and future commercial development is proposed on its south side. The estimated construction cost for this project is approximately \$9.8 million. This project is anticipated to be undertaken with 80% Federal funds and 20% State funds.

SITE & TAKING DESCRIPTION: The subject property consists of the following three tax parcels:

- 15 Old Newtown Road - 7.17 acres;
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The site is primarily located in the IL-40 Industrial zone with the land located proximate to Newtown Road located in the CG-20 Commercial zone and conforms to zoning. Average daily traffic counts (ADT) were 24,500 cars/day in 2013. There is a full traffic control signal at the intersection of Newtown Road and Old Newtown Road.

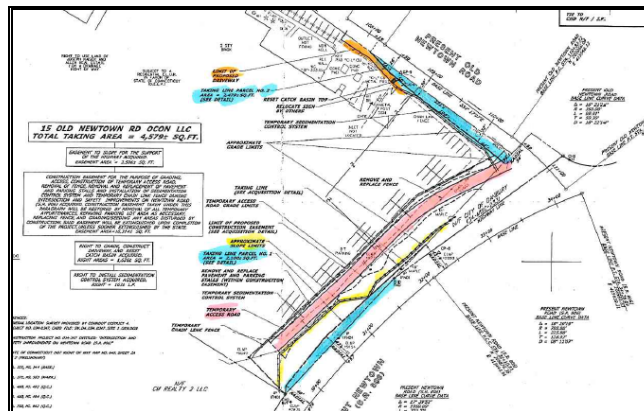
The building improvements are not impacted by the easements.

The Appraiser opined the highest and best use of the property, as vacant, is for owner-specific industrial or medical office development.

The Appraiser opined the highest and best use of the property, as improved, is for continuation of the existing uses for the remaining economic life of the improvements.

DOT requires acquiring the following:

- A partial take in fee-simple along Newtown Rd – 2,100± sf
- A partial take in fee-simple along Old Newtown Rd – 2,479± sf
- An easement to slope for the support of the highway – 3,506± sf
- A construction easement for the purpose of grading, access, construction of temporary access road, removal of fence, removal and replacement of pavement and parking stalls and installation of sedimentation control system and temporary chain link fence – 16,314± sf
- Right to grade and construct driveway and reset catch basin acquired – 1,636± sf
- Right to install sedimentation control system acquired – 163± sf



Before Valuation: An appraisal was done by independent fee appraiser Barbara J. Pape, as of 11/15/2018. Based on the sales data comparison approach, the appraiser considered four comparable sales within the Danbury market and concluded that the fair market value of the entire property (land only) is \$10.00/sf of land area. The value of the land, before the taking, is then 352,836 sf x \$10/sf = \$3,530,000 (rounded).

Appraiser Pape then valued the property in its entirety via the Sales Comparison Approach. Appraiser Pape utilized three comparable sales that sold between October 2015 and July 2018, arriving at a \$5,480,000 opinion of market value – before the taking. Appraiser Pape then deducted the estimated cost of capital repairs (\$703,800) to reflect roof replacement, concluding a final value estimate of \$4,696,200.

Appraiser Pape then valued the property in its entirety via the income capitalization approach. Appraiser Pape provided market data to support the estimate of rental value, operating expenses and overall capitalization rate, arriving at a \$5,100,024 opinion of market value – before the taking. Appraiser Pape then deducted the estimated cost of capital repairs (\$703,800) to reflect roof replacement, concluding a final value estimate of \$4,396,224, rounded to \$4,396,000.

After Valuation:

Appraiser Pape then calculated the value of the land, utilizing the same three comparable land sales in the 'before' valuation, as follows:

Market Value - Before	\$3,530,000
Less:	
Partial take of 4,579 sf land @ \$10/sf	-\$45,790
3,506 sf of easement area @ \$10/sf x 75%	-\$26,000
Market Value - After	\$3,458,000

Appraiser Pape then calculated the value, utilizing the same three comparable sales in the Sales Comparison Approach 'before' valuation, adjusting only for the loss of parking due to the construction easement, as follows:

Market Value – Before	\$4,696,200
Less:	
Rental loss due to Temporary Easement Area	-\$18,360
Market Value – After (rounded)	\$4,678,000

Appraiser Pape then calculated the value, utilizing the Income Capitalization Approach, adjusting only for the loss of parking due to the construction easement, as follows:

Market Value – Before	\$4,396,224
Less:	
Rental loss due to Temporary Easement Area	-\$18,360
Market Value – After (rounded)	\$4,378,000

Temporary Damages: Appraiser Pape also determined the impact of the project created temporary damages primarily due to the location of the construction easement, calculated as follows:

Loss of parking rental income:

The Rent Roll remains the same. What changes is the number of spaces used in the East Lot. We estimated the number of cars reduced by twenty four resulting in a loss of roughly \$9,180* a year for two years. This amount is deducted from the capitalized value for the subject. It represents a shorter term - near term loss, not a long term loss. Therefore the loss is not capitalized. It is a rent loss much like a loss due to vacancy.

*(\$30,600/year / 80 vehicles = \$382.50/vehicle x 24 vehicles = \$9,180) \$9,180 x 2 yrs. = \$18,360

Temporary rights:

Easement Area	Net Area	Rate/SF	ROR	Annual Rent	Period	Damages	Rounded	
Temp. Wk. Ease.	16,314 SF X	\$10.00/SF =	\$163,140	10.00%	\$16,314	2 Yr.	\$32,628	\$33,000

Total damages are calculated as follows:

SUMMARY:			
Value of the Taking	Description	Amount of Loss	Total
	1. Taking Parcels 4,579 SF x \$10.00/SF =	\$45,790.00	
	2. Easement 3,506 x \$10/SF x 75% = (Rounded)	26,000.00	
	3.	.00	
			\$71,790.00
Damage to the Remainder			
Severance:	1.	\$18,500.00	
Temp. Damages	2.	\$33,000.00	
	3.	.00	
			\$51,500.00
	Net Total Damages		\$123,290.00

From the DOT Administrative Settlement Narrative:

The Department's formal offer was made via certified mail to the property owner's Attorney Mr. Charles T. Bistany on May 16, 2019. Upon his review, the offer was rejected as inadequate. He argued that the State's appraisal counted striped spaces only and did not consider the actual configuration of the stored vehicles within the leased area and, it did not account for the fact that this was storage for new vehicles which cannot continue adjacent to a construction site due to the potential risk of damage. He asserted that the entire 80 leased spaces would be lost for the duration of the project (2 years) amounting to damages of \$61,200.00 (80 spaces x \$382.50/space x 2 years). Attorney Bistany further argued that due to the severity of the proposed slope easement, the Department's valuation at 75% of fee was not adequate. He suggested 90% as a compromise increasing the valuation to \$31,500.00 (rounded) (3,506 sq. ft. x \$10 x 90%). Based on the preceding arguments, Attorney Bistany proposed a counter offer in the amount of \$171,500.00 broken out as follows:

Permanent Damages	
Fee Taking: 4,579 sq.ft. x \$10/sq.ft. =	\$45,790.00
Slope Easement: 3,506 sq.ft. x \$10/sq.ft. x 90% =	<u>\$31,500.00(rd)</u>
Total Permanent Damages =	\$77,290.00
Temporary Damages	
Construction Easement: 16,314 sq.ft. x \$10/sq.ft. x 10% x 2 years =	\$33,000.00(rd)
Temporary Severance: 80 cars @ \$382.50/space = \$30,600.00 x 2 years = Total Temporary Damages =	<u>\$61,200.00(rd)</u>
Total Temporary Damages =	\$94,200.00
Proposed Total Damages:	\$171,500.00

The Department did not agree with Attorney Bistany's claim that all 80 leased spaces would be lost due to the proximity of construction activities. Auto dealerships regularly display vehicles along the frontage of their properties and they are subject to the possibility of construction activities in the right of way at any time. In addition, unexpected damage caused by the State's contractor would be covered under their insurance policy and as such, the lost spaces are limited to those physically impacted by the acquisition. That said, the Department agreed with Attorney Bistany that the actual use and configuration of the leased area should be considered. As such, it was agreed that this office would perform another inspection of the property to determine the number of vehicle storage spaces actually impacted.

The inspection completed by this office indicated that each row allowed for the storage of approximately 23 vehicles. Our measurements further identified that the proposed construction easement encroaches into the second row thereby affecting a total of 46 vehicles/spaces. It should be noted that this only pertains to spaces within the area leased by Toyota. As referenced in the State's

appraisal, there are also 10 striped spaces to the north, which are impacted, but outside of Toyota’s lease area. Therefore, it could be argued that as many as 56 spaces are affected.

Negotiations continued and both parties agreed that, due to the nature of vehicle storage, the exact number of impacted vehicles/spaces is difficult to determine and could vary from day to day. In this regard, the parties reconciled at 46 vehicles/spaces equating to total damages in the amount of \$140,000.00 as calculated below. Attorney Bistany agreed not to pursue additional damages for the proposed slope easement.

Calculation of Final Administrative Settlement:

Permanent Damages	
Fee Taking: 4,579 sq.ft. x \$10/sq.ft. =	\$45,790.00
Slope Easement: 3,506 sq.ft. x \$10/sq.ft. x 75% =	<u>\$26,000.00(rd)</u>
Total Permanent Damages =	\$71,790.00
Temporary Damages	
Construction Easement: 16,314 sq.ft. x \$10/sq.ft. x 10% x 2 years =	\$33,000.00(rd)
Temporary Severance: 46 cars @ \$382.50/space = \$17,595.00 x 2 years = Total Temporary Damages =	<u>\$35,190.00(rd)</u>
Total Temporary Damages =	\$68,190.00
Negotiated Total Damages:	\$140,000.00

Given the actual use of the property pursuant to Toyota's lease agreement, together with the potential exposure of additional lost spaces, it is submitted that this settlement is fair, reasonable and in the best interest of the State and property owner.

The Department believes that this settlement represents just compensation for the real property rights to be acquired.

Staff inquired with DOT regarding the following:

- Please clarify how the temporary access road within the construction easement area will be utilized in this construction project.
 - The access road is for construction purposes; not the traveling public. The access road is necessary to construct the slope so Newtown Road can be widened.
- Please provide an electronic copy of “Intersection and Safety improvements on SR 806, Danbury, State of Connecticut Department of Transportation, Office of Engineering, Semi Final Design Review, Sheets HWT 01 and 02 Dated 10/1/2018”
 - DOT provided the plans.
- Please clarify what changed in the project from DOT Appraiser Mainella’s original appraisal in 2017, to the retention of Independent Appraiser Pape’s 2018 appraisal.
 - The major change was the addition of the construction easement. Please see attached copy of the original property map. – This should be changed to Original property map provided. – In general, when pasting agency’s response, it should be modified unless modification not required like answers above.

RECOMMENDATION: Board **APPROVAL** of damages in the amount of \$140,000 is recommended 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 independent appraisal report completed by Barbara Pape.



Mr. Valengavich moved and Mr. Halpert seconded a motion to go out of Open Session and into Executive Session at 10:00. The motion passed unanimously.

EXECUTIVE SESSION

PRB #: 21-117
Transaction/Contract Type: RE/ Amendment
Origin/Client: DAS/ DCF

Statutory Disclosure Exemptions: 4b-23(e), 1-200(6)(D) & 1-210(b)(24)

Mr. Valengavich moved and Mr. Halpert seconded a motion to go out of Executive Session and into Open Session at 10:19. The motion passed unanimously.

5. ARCHITECT-ENGINEER - UNFINISHED BUSINESS

6. ARCHITECT-ENGINEER - NEW BUSINESS

PRB # 21-124
Origin/Client: DCS/DOC
Transaction/Contract Type AE / Amendment
Project Number: BI-JA-465
Contract: BI-JA-465-ARC
Consultant: WSP USA, Inc.
Property East Lyme, West Main St (201) – York Correctional Institute
Project purpose: York Correctional Central Plant & Distribution System-Change Orders
Item Purpose Amendment #2 for Extended ARC Services

At 9:33 Mr. Simmons joined the meeting to participate in the Board’s discussion of this Proposal and left the meeting at 9:45.

CONSULTANT FEE: \$141,240

At the July 24, 2017 SPRB Meeting, the Board approved, under PRB #17-197, the Consultant’s Contract (BI-JA-465-ARC) to provide design and construction administration services for the design, renovation and equipment replacement of the existing 9,700-GSF Central Plant. Construction Phase services were for a period of 803 days, plus 90-day close out. The fee for services was \$2,967,170, of which \$826,671 was allocated to CA services.

The Consultant’s Contract was amended under PRB #18-136 to provide expanded design services for control equipment in 18 buildings as well as special services for ground penetrating radar. The Consultant’s Fee approved under #18-136 was \$141,350.

Under this proposal (PRB #21-124), DCS is now seeking Board approval of Amendment #2 to the Consultant Contract to expend an additional \$141,240 (NTE) for extended construction administration services (183 days/6 months) due to the user (DOC) requesting additional work, not related to the original construction project, including the following:

- Replace domestic hot water makers in housing units
- Added control and isolation valves for terminal units and unit heaters
- Convert existing pneumatic smoke dampers
- Replace Building 22 RTU’s and upgrade ATC controls
- Convert Building 9 propane service to natural gas
- Replace existing cook/chill boilers

The amended Contract provides for on-site construction administration services with all work to be completed by December 31, 2021.

DCS has confirmed for SPRB that funding is available for this contract.

The overall construction and total project budget have been established at \$45,800,000 and \$59,550,000 (reduced from \$60,000,000) respectively.

WSP Fee for Basic Services (PRB #17-197)	<u>COST (\$)</u> <u>(BASIC)</u>	<u>COST (\$)</u> <u>(SPECIAL)</u>	<u>C. Budget (\$)</u>	<u>(%)</u> <u>Budget</u>
Schematic Design Phase	\$440,891			
Design Development Phase	\$551,114			
Construction Document Phase	\$826,671			
Bidding and Review Phase	\$110,223			
Construction Administration Phase	\$826,671			
TOTAL BASIC SERVICE FEE (#17-197) (A)	\$2,755,570		\$45,800,000	6.02%

SPECIAL SERVICES:				
Survey (Martinez Couch)		\$131,000		
Geotech & Environmental Engineering (GeoDesign)		\$55,600		
DCS Design Contingency		\$25,000		
TOTAL SPECIAL SERVICES(B)		\$211,600		
Amendment #1 (#18-136) - additional controls work for system integration (A1)	\$87,500			
Additional Special Services - Ground Penetrating Radar (B1)		\$53,850		
Amendment #2 (#21-124) - additional CA Phase Services for 6 months for DOC requested change orders (A2)	\$141,240			
NEW BASIC SERVICE FEE (A) + (A1) + (A2)	\$2,984,310		\$45,800,000	6.50%
NEW PROJECT TOTAL FEE (A) + (A1) + (A2)+ (B) + (B1)		\$3,249,760	\$45,800,000	7.1%

The Consultant provided a breakdown of how their professional fee was calculated as follows:

ITEM	DESCRIPTION	MONTHLY FEE	TOTAL FEE (6 months)
1.0	Project Management	\$ 5,600	\$ 33,600
2.0	Construction Phase Engineering support	\$ 13,040	\$ 78,240
3.0	Construction Meetings (4 meetings/month; 24 meeting total allowance)	\$ 2,100	\$ 12,600
4.0	Construction field visits (1 field visit/month; 6 field visit total allowance)	\$ 2,800	\$ 16,800
GRAND TOTAL FEE:		\$ 23,540	\$ 141,240

The Consultant's Fee equates to \$771.80/day during the 183 day extension. Original CA services, including close-out, were \$925.72/day.

Staff inquired with DCS regarding the following issues:

1. Please provide a matrix of the Consultants time in arriving at their \$141,240 fee.

DCS Response: See attached.

CT State DAS BI JA-465		FEE ESTIMATE - DETAILED BREAKDOWN YORK CI - CHANGE REQUEST (CR-09) EXTENDED CA SERVICES										WSP USA Inc Energy Group 189824	
ITEM SCOPE ITEM DESCRIPTION	TOTAL FEE	SR ENGINEERING MGR		SR TECHNICAL MGR		SUPERVISING ENGR		PROJECT ENGINEER II		ASSIST PROJECT MGR			
		BILL: MAN-HRS	FEE	BILL: MAN-HRS	FEE	BILL: MAN-HRS	FEE	BILL: MAN-HRS	FEE	BILL: MAN-HRS	FEE		
1.00 ENGINEERING SUPPORT SERVICES (PER MONTH)	\$23,150.00	14.0	\$3,710.00	42.0	\$10,500.00	14.0	\$2,660.00	8.0	\$880.00	40.0	\$5,400.00		
1.01 Project Management	\$5,590.00	8.0	\$2,120.00	2.0	\$500.00	0.0	\$0.00	0.0	\$0.00	22.0	\$2,970.00		
1.02 Construction Phase Engineering Support	\$12,980.00	6.0	\$1,590.00	26.0	\$6,500.00	14.0	\$2,660.00	8.0	\$880.00	10.0	\$1,350.00		
1.03 Construction Meetings (allowance of four (4) mtgs @ 1.5 hr/mtg per month)	\$2,040.00	0.0	\$0.00	6.0	\$1,500.00	0.0	\$0.00	0.0	\$0.00	4.0	\$540.00		
1.04 Construction Field visits (allowance of one (1) per month)	\$2,540.00	0.0	\$0.00	8.0	\$2,000.00	0.0	\$0.00	0.0	\$0.00	4.0	\$540.00		
SUBTOTAL FEE (per month):	\$23,150.00												
Project Expenses: (Monthly field visit & expenses)	\$390.00	Reprographics, copies, overnight delivery; field visit - car rental, gas, tolls, meals											
GRAND TOTAL FEE + EXPENSES (per month):	\$23,540.00												
GRAND TOTAL FEE + EXPENSES (for 6 months):	\$141,240.00												

Staff Response: The inclusion of \$390 appears to be in conflict with Attachment 1, Article IV (B) of the original Contract.

IN WITNESS WHEREOF, I HEREBY SET MY HAND AND SEAL THIS 16TH DAY OF AUGUST 2021 AT HARTFORD, CONNECTICUT.

IV. PAYMENT OF ENGINEER'S FEE

- A. The State agrees to pay the Engineer for the services herein described the total fee set forth in Paragraph 2 of this contract. It is understood that no changes or adjustments shall be made in said fee unless the scope of the work performed or to be performed by the Engineer has substantially changed as determined by the Commissioner of the Department of Administrative Services, hereinafter referred to as the Commissioner.
- B. Said fee includes all costs of living, transportation and communication, whether within or without the State of Connecticut, connected with the discharge of the Engineer's duties under this contract unless express written notification to the contrary is received from the State.
- C. No payments shall be made until the materials submitted have been reviewed and approved by the Department of Administrative Services.

The hourly rates in the Amendment generally reflect the Hourly Rates from the 2017 original contract.

<u>Engineering Team</u>	<u>Rate (\$/Hr.)</u>
Project Principal	\$ 280.00
Senior Engineering Manager	\$ 260.00
Senior Project Manager	\$ 245.00
Project Manager	\$ 185.00
Assistant Project Manager	\$ 135.00
Lead Engineer	\$ 190.00
Senior Engineer	\$ 140.00
Project Engineer II	\$ 115.00
Project Engineer I	\$ 95.00
Lead Field Engineer	\$ 260.00
Senior Field Engineer	\$ 115.00
Field Engineer	\$ 95.00
Project Administrator	\$ 65.00

RECOMMENDATION: Staff recommends to **suspend** Amendment #2 in the amount of \$141,240 for extended ARC/CA services for 6 months response from DCS to the issue of requested reimbursable expenses in the Amendment by the Consultant.

PRB File #:	#18-136
RE:	Project BI-JA-465; Contract BI-JA-465-ARC
	Standard Fixed-Fee A/E Services Contract, Amendment #1
	DOC - York Correctional Central Plant & Distribution System Project
	WSP USA, Inc., Additional Fee \$141,350

Amendment #1

Amendment #1 to Contract BI-JA-465-ARC is requesting approval for funding for additional Basic Services and additional Special Services.

Additional Basic Services (\$87,500): The original contract called for the replacement of the boilers within the Central Plant and all subsurface piping to connect to all 18 buildings on the Campus. As the project evolved, it became clear to the Engineer that the installation of equipment within the Central Plan cannot be fully integrated into the operating systems of the 18 satellite buildings on the Campus. Further complicating issues is

that the operating systems for the 18 buildings are 25+ years old and replacement parts are increasingly difficult to locate.

DCS is requesting additional Basic Fees to investigate the existing condition of the controls in the 18 buildings on the Campus and expand their design to document the location of equipment on the drawings and call for the complete replacement of all controls equipment with a single fully integrated building controls management system that is fully warranted and capable of remote operation of all buildings from the Central Plant. The fee for this additional Basic Service is \$87,500.

Additional Special Services (\$53,850): The design team has recommended retaining the services of a subconsultant to conduct ground penetrating radar (GPR) to investigate locations on the Campus. The purpose is to identify with great confidence the horizontal subsurface location and depth of the existing buried utilities. The original contract included special services for geotechnical/environmental engineering (test borings and pits only) that required the identification of utilities through various methods, none of which included GPR. Aside from the field data collected from the surface and information on existing drawings for underground utilities, the surveyor was not able to confirm the exact location, size, or depth of the subsurface utilities.

DCS is requesting additional Special Service Fees to retain a subconsultant to identify the actual size, location and depth of the existing underground utilities. The subconsultant will employ the following three methods to identify the subsurface utilities: #1. Use of Ground Penetrating Radar (GPR) to detect metal objects in non-conductive soil; #2. Electro-Magnetic (EM) technology to detect metallic-based piping and cables; and #3. Soft Digs (in 28 locations), to identify and confirm type, depth and size of existing underground utilities and structures. Results of the three methods will be marked on the surface locations with paint and incorporated into the site surveys. The fee for this additional Special Service is \$53,850.

Amendment #1 requests an increase in \$141,350 funding to compensate the Engineer for the additional Basic and Special Services. DCS has confirmed for SPRB that funding is available for this contract. This Amendment #1 is seeking an increase in the Engineer's fee by \$87,500 bringing the Total Fee to \$3,108,520 and the Basic Fee to \$2,843,070.

RECOMMENDATION: It is recommended that SPRB APPROVE this contract Amendment #1 for WSP USA, Inc. to provide additional design related services for the integrated controls and special services for subsurface utility investigation. The revised overall basic service fee of \$2,843,070 amounts to 6.21% of the construction budget and is well within the recommended guideline rate of 10.5% for this Group B Renovation Project with Group A Site Improvements.

PROJECT BRIEF– In general this project involves the complete renovation and equipment replacement of the existing 9,700-GSF Central Plant. The project will include the design of a new boiler system with a dual fuel system (natural gas and #2 fuel oil back-up), new chillers, variable drive pumps, and cooling tower cells. The project scope will also include the complete renovation of the existing plant, a new centralized building management control system, updated fire alarm system and planned expansion space. Due to the ongoing system failures, the project scope will also include the complete replacement of all 32,000-LF of 10-inch hot water and chilled water supply and return underground piping that services the system. This work will include all the required valve replacements and vault connections to connect all eighteen buildings located on the campus. As part of the initial project scope, the overall construction and total project budget have been established at \$45,800,000 and \$60,000,000 respectively.

This contract with the Engineer (WSP) was signed on 7/31/2017 for the completion of the York Correctional Central Plant and Distribution Project from the schematic design phase through the construction document phase, bidding and the subsequent completion of construction. The overall compensation rate for this basic service was \$2,755,570 with an additional \$211,600 for special services. As such the total project fee is

\$2,967,170. The special services detailed in the project scope include geotechnical/environmental engineering (test borings and pits only), land surveying and a design contingency.

FEE – The costs of basic and special services are as follows:

WSP Fee for Basic Services (PRB #17-197)	<u>COST (\$)</u> <u>(BASIC)</u>	<u>COST (\$)</u> <u>(SPECIAL)</u>	<u>C. Budget</u> <u>(\$)</u>	<u>(%)</u> <u>Budget</u>
Schematic Design Phase	\$440,891			
Design Development Phase	\$551,114			
Construction Document Phase	\$826,671			
Bidding and Review Phase	\$110,223			
Construction Administration Phase	<u>\$826,671</u>			
TOTAL BASIC SERVICE FEE (#17-197) (A)	\$2,755,570		\$45,800,000	6.02%
<u>SPECIAL SERVICES:</u>				
Survey (Martinez Couch)		\$131,000		
Geotech & Environmental Engineering (GeoDesign)		\$55,600		
DCS Design Contingency		<u>\$25,000</u>		
TOTAL SPECIAL SERVICES(B)		\$211,600		
Amendment #1 (#18-136) - additional controls work for system integration (A1)	\$87,500			
Additional Special Services - Ground Penetrating Radar (B1)		\$53,850		
NEW BASIC SERVICE FEE (A) + (A1)	\$2,843,070		\$45,800,000	6.21%
NEW PROJECT TOTAL FEE (A) + (A1) + (B) + (B1)		\$3,108,520	\$45,800,000	6.79%

- The RFQ posted in October 2016 elicited 7 candidates. The Selection Panel interviewed five firms and ultimately recommended the appointment of WSP USA, Inc. (formerly Parsons Brinckerhoff, Inc.) (“WSP”). The selection was approved by Commissioner Currey on 2/8/2017.
- WSP is located in New York City. Parsons Engineering was established in 1985. WSP acquired Parson Brinckerhoff, Inc. in 2014 and rebranded the firm as WSP USA, Inc. in 2016. WSP will be operating under its engineering corporation license PEX.0001890. The license is valid until 07/31/2017.
- JLT Specialty, Insurance Inc. reported that over the past 5 years WSP has been exposed to fourteen general liability or professional liability claims. None of these claims were on state funded projects administered by DCS.
- The submittal is accompanied by a Consulting Agreement Affidavit notarized on 5/17/2017.

RECOMMENDATION: It is recommended that APPROVE this new contract for WSP USA, Inc. (formerly Parsons Brinckerhoff, Inc.) to provide design related services at the York Correctional Central Plant and Distribution Project. The overall blended basic service rate of 6.01% is well within the established guideline rate of 10.50% for this Group B Renovation Project with Group A Site Improvements.

7. OTHER BUSINESS

8. VOTES ON PRB FILE:

PRB FILE #21-116 – Mr. Berger moved and Mr. Valengavich seconded a motion to approve PRB FILE #21-116. The motion passed unanimously.

PRB FILE #21-117 – Mr. Halpert moved and Mr. Valengavich seconded a motion to return PRB FILE #21-117. The motion passed unanimously.

PRB FILE #21-124 – Mr. Halpert moved and Mr. Berger seconded a motion to suspend PRB FILE #21-124. The motion passed unanimously.

9. NEXT MEETING – Thursday, August 19, 2021.

The meeting adjourned.

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