

STATE PROPERTIES REVIEW BOARD

Minutes of Meeting Held On July 31, 2023

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

Pursuant to CGS §1-225a, the State Properties Review Board conducted its Regular Meeting at 9:30AM on July 31, 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 284890492#.

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 284890492#. If you have any questions or need assistance to attend these Meetings, you can contact SPRB Director Dimple Desai at dimple.desai@ct.gov to make appropriate arrangements.

Members Present – solely by means of electronic equipment:

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

Members Absent:

Staff Present – solely by means of electronic equipment:

Dimple Desai
Thomas Jerram

Guests Present – solely by means of electronic equipment:

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 July 27, 2023 Meeting. The motion passed unanimously.

2. COMMUNICATIONS

Director Desai informed Members of a communication sent to the Office of Attorney General inquiring about seeking an informal opinion regarding the SPRB's statutory authority with respect to review and approval/disapproval of certain Contracts.

3. REAL ESTATE- UNFINISHED BUSINESS

4. REAL ESTATE – NEW BUSINESS

PRB File #: 23-102
Transaction/Contract Type: RE – Lease
Origin/Client: DOT/DOT
DOT Project #: 117-112-002
Lessee: Norwalk River Wood Products, LLC
Property: Redding, Ethan Allen Hwy (318) – 3.67 acres
Project Purpose: Lease for Continued Use and Increased Area
Item Purpose: Five-Year Lease with Two 5-Year Options

Lease Price: Initial \$3,500/month

Project Background:

On January 12, 2007, the AG approved a new Lease between the State of Connecticut and Norwalk River Wood Products, LLC for a five-year term ending January 31, 2011. The initial rent was \$1,250/month. There were two five-year options to extend the Lease subject to a review and update of the monthly rental fee. DOT leased the land pursuant to their authority provided in CGS 13a-80a. The land area was approximately 40,000 square feet and its use was limited to light saw mill work. The lease specifically excluded utilizing 5,625 square feet of land in Ridgefield for light saw mill work.

Under this proposal (PRB #23-102), DOT is seeking SPRB approval to enter a Lease with the Norwalk River Wood Products, LLC for a 5-year term, with two, 5-year options to extend the term. This new Lease will encumber 3.67 acres. DOT authority to enter this Lease is pursuant to CGS 13a-80.

The terms of the lease are as follows:

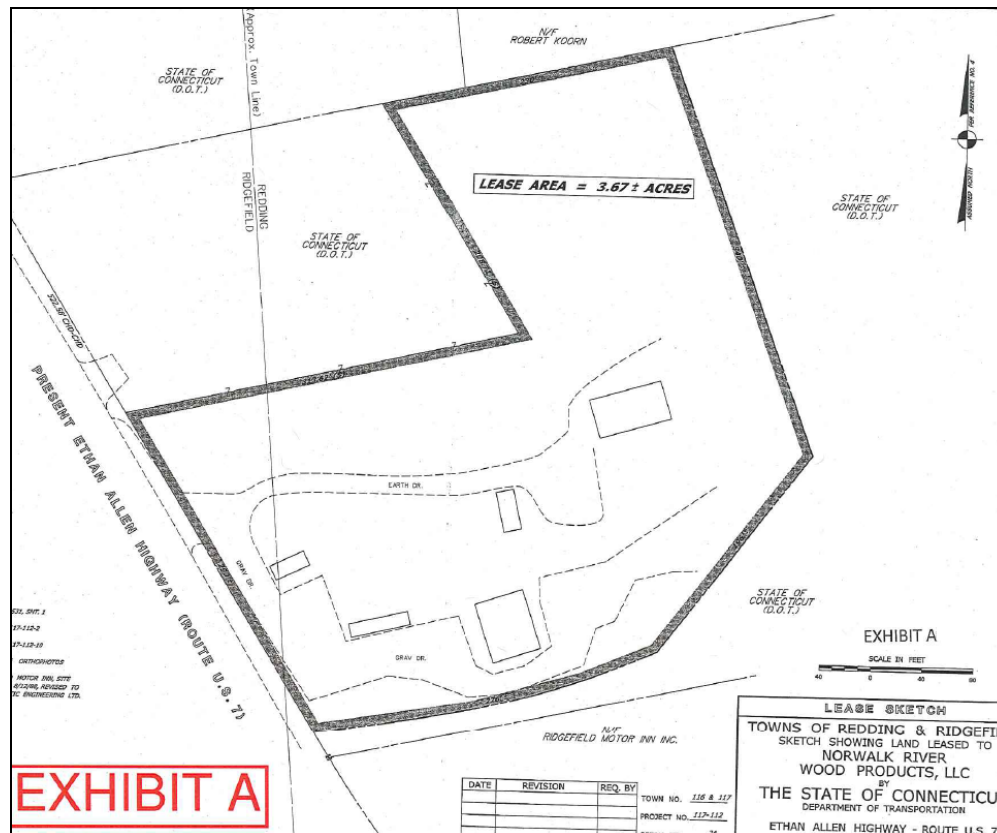
| | |
|------------------|--|
| Lessee | Norwalk River Wood Products, LLC |
| Premises | 3.67 acres of land “as-is” and “where-is” |
| Use | Solely for the purpose of temporary structures, storage of materials and equipment used in conjunction with light sawmill operations and an excavating and landscaping business. |
| Term | 5 years commencing upon AG approval, two 5-year, options to extend |
| Termination | Either party can terminate with 30 days’ notice, with or without cause |
| Rent | \$3,500.00/month, increasing 2.5%/year. Initial 5-yr term total payments = \$220,800. |
| Utilities, costs | All by tenant |
| Insurance | Liability Insurance by Tenant |
| Other | Lease includes specifications as contained in “Standard Highway Lease Specifications & Covenants: Non-Governmental Under \$50,000” dated 7/1/2022, which are attached to the lease. The specifications include insurance and indemnification requirements. |

The Lessee executed the Lease on May 4, 2023. The Lessor executed the Lease on May 11, 2023. OPM approved the Lease agreement on June 20, 2023.

RECOMMENDATION: Board approval of the Lease (lease-out) agreement to Norwalk River Wood Products, LLC is recommended for the following reasons:

- The commissioner of transportation has the authority under CGS §13a-80 to enter into lease agreements, subject to the approval of OPM (received 6/20/2023), the SPRB & the AG.

- This covers 3.67 acres of land to be used for the purpose of temporary structures, storage of materials and equipment used in conjunction with light saw mill operations and an excavating and landscaping business.
- The Lessee initially pays \$3,500/month, increasing annually by 2.5%. The State reserves the right to terminate the lease with 30 days' notice.



Mr. Valengavich moved and Mr. Halpert seconded a motion to go out of Open Session and into Executive Session at 9:39. The motion passed unanimously.

EXECUTIVE SESSION

PRB #: 23-126-A
Transaction/Contract Type: AG / PDR
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 10:08. The motion passed unanimously.

5. ARCHITECT-ENGINEER - UNFINISHED BUSINESS

6. OTHER BUSINESS

7. VOTES ON PRB FILE:

PRB FILE #23-102 – Mr. Valengavich moved and Mr. Halpert seconded a motion to approve PRB FILE #23-102. The motion passed unanimously.

PRB FILE #23-126-A – Mr. Valengavich moved and Mr. Halpert seconded a motion to suspend PRB FILE #23-126-A pending a site inspection of the Farm. The motion passed unanimously.

8. NEXT MEETING – Thursday, August 3, 2023 – will be held solely by means of electronic equipment.

The meeting adjourned.

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