

# STATE PROPERTIES REVIEW BOARD

## Minutes of Meeting Held On April 25, 2013 State Office Building, Hartford, Connecticut

The State Properties Review Board held its regularly scheduled meeting on April 25, 2013 in the State Office Building.

**Members Present:** Edwin S. Greenberg, Chairman  
Bennett Millstein, Vice Chairman  
Bruce Josephy, Secretary  
Mark A. Norman  
Pasquale A. Pepe  
John P. Valengavich

**Staff Present:** Brian A. Dillon, Director

Chairman Greenberg called the meeting to order.

Mr. Josephy moved and Mr. Norman seconded a motion to enter into Open Session. The motion passed unanimously.

### OPEN SESSION

**ACCEPTANCE OF MINUTES OF APRIL 18, 2013.** Mr. Norman moved and Mr. Valengavich seconded a motion to approve the minutes of April 18, 2013. The motion passed unanimously.

### COMMUNICATIONS

#### REAL ESTATE- UNFINISHED BUSINESS

#### REAL ESTATE- NEW BUSINESS

**PRB #** 13-068 **Transaction/Contract Type:** RE / Lease-Out  
**Origin/Client:** DOT / DOT  
**Project Number:** 7001-MISC-1416  
**Grantee:** First Student, Inc.  
**Property:** Located along New Haven Rail line adjacent to 122 Selleck St., Stamford  
**Project Purpose:** Lease of vacant land, DOT Agreement No. 6.05-01(12)  
**Item Purpose:** Five year lease with two-five year renewal options for approximately 15,943 ± SF of land to be used for bus parking. The agreement will require the grantee to install a suitable permanent barrier along the lease area boundary adjacent to the existing rail line which will be reviewed and approved by the Metro-North Railroad Company

SPRB Staff reported that PRB #13-068 is a new 5 year lease agreement with First Student, Inc. for 0.366 acre which abuts a 2.06 acre parcel owned by the First Student. According to Ron Boremski, DOT Office of Rails, the prior owner, Laidlaw Transit Inc., encroached on State property when it paved the subject lease area for bus parking. Laidlaw also piped stormwater runoff onto to the main line of Metro-North. The tracks are 30 to 40 feet below the grade of the parking area.

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In 2006, First Student purchased the site and has worked with DOT to resolve the storm water drainage issue by piping the storm water into the municipal system (at Bonner Street). In June 2010, the parties entered into a temporary agreement allowing First Student to use the premises. The lease formalizes the temporary agreement. The lease document is a DOT standard ground lease agreement, and the terms were summarized in the following table which was provided to the Board.

Item	Terms & Conditions
<b>Lease Premises</b>	<b>0.366 acre (15,943 SF) adjacent to Lessee’s property at 122 Selleck Street, Stamford.</b>
<b>Use</b>	School bus parking
<b>Lease Term</b>	Five years, commencing upon Attorney General’s approval
<b>Annual Rent</b>	\$52,020 payable in equal monthly installments of \$4,335 (\$3.26/SF). Based on an estimated 40 parking spaces, the rate is \$108.37/space/month.
<b>Renewal Options</b>	Two five-year renewals (automatic)
<b>Renewal Rate</b>	At the beginning of the renewal term, the rate will be adjusted to reflect the 5 year increase in the CPI. The base month is 2 months before the initial lease term commences.
<b>Lease Termination</b>	Lessor & Lessee may cancel lease at any time with 90-days prior written notice. Lessee will vacate if Lessor needs to repair or reconstruct the parcel on an emergency basis.
<b>Indemnification</b>	Lessee indemnifies the State from and against any and all claims & costs arising in connection with the lease.
<b>Insurance Summary</b>	Commercial General Liability, including Contractual Liability Insurance; and Automobile Liability: \$1,000,000 in any one accident; \$2,000,000 in the aggregate. (Insurance certificate provide exceeds required limits.)
<b>Other</b>	Lessee will install a suitable permanent barrier of sufficient strength along the entire edge of pavement bordering the active railroad, all work to be coordinated with the structural engineer of the Metro-North RR Co. The DOT may grant a rental credit for property improvements made (such as installation of the permanent barrier).

Staff recommended suspension in order to receive additional information from the DOT regarding the justification for the rent credit indicated in the submittal as well as the costs of the improvements to be applied as a rent credit. Chairman Greenberg briefly commented about his concurrence with this staff recommendation. The Chairman also directed SPRB staff to contact DOT and obtain some dates for possible site inspection to review this issue in more detail.

**PRB #** 13-069 **Transaction/Contract Type:** RE / New Lease  
**Origin/Client:** DoAG/DoAG  
**Lessee:** M&M Wine Grape Company, LLC  
**Property:** Connecticut Regional Market, 101 Reserve Road, Hartford, CT  
**Project Purpose:** Connecticut Marketing Authority Stall Lease at the Regional Market  
**Item Purpose:** Agreement for the rental of stalls B-14 through B-21 comprising approximately 17,280 SF in total for a 3-year term with one 3-year renewal. The stalls shall be used for the wholesale selling of produce, fruit, dressed poultry, meats, eggs and other agricultural commodities.

SPRB staff reported that the Hartford Regional Market (“Market”) is a State owned and operated non-profit facility created by the State Legislature to promote State agricultural products for the economic benefit of agricultural producers and public through the development of existing farmers’ market facilities, including land and buildings by purchase and/or construction. The Market runs under the aegis of the CMA, the Connecticut Market Authority. CGS 22-64 authorizes the CMA to lease land or markets

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under its control, subject to the approval of the State Properties Review Board. Currently the CMA is preparing 3 year leases, with one 3 year renewal option for 76 wholesale stalls in Buildings A, B & C. The CMA has established a rental rate of \$4.27/SF for stalls in Buildings A & C; and \$4.07/SF for Building B due to a loss of functional utility caused by a ground lease at the rear of Building B. The CMA submittal measures a typical stall as 24' x 90' = 2,160 SF. The rate is scheduled to increase by 3% for renewal term 2016 thru 2018. Staff reported that the Department of Agriculture, has submitted the M&M Wine and Grape Company, LLC lease to the Board for approval. This lease is consistent with all of the other submittals to date and as such SPRB staff recommended approval of the lease.

Mr. Josephy moved and Mr. Millstein seconded a motion to go out of Open Session and into Executive Session. The motion passed unanimously

### EXECUTIVE SESSION

**PRB #** 13-070 **Transaction/Contract Type:** RE / New Lease  
**Origin/Client:** DOL/DOL  
**Statutory Disclosure Exemptions:** 1-200(6) & 1-210(b)(7)

The board commenced its discussion of PRB File #13-070 at 9:50 a.m. and concluded at 10:12 a.m.

Mr. Josephy moved and Mr. Millstein seconded a motion to go out of Executive Session and into Open Session.

### OPEN SESSION

#### ARCHITECT-ENGINEER - UNFINISHED BUSINESS

#### ARCHITECT-ENGINEER – NEW BUSINESS

**PRB#** 13-071 **Transaction/Contract Type:** AE / Commission Letter  
**Project Number:** BI-RW-295 **Origin/Client:** DCS/ECSU  
**Contract:** BI-RW-295-OR Commission Letter #1  
**Consultant:** Turner Construction Company  
**Property:** Eastern Connecticut State University, Willimantic  
**Project Purpose:** ECSU Fine Arts Instructional Center Project  
**Item Purpose:** Commission Letter #1 to compensate the consultant for additional services required to complete a review of the schematic and design phase documents, develop a probable cost estimate and assist DCS in the negotiations for the GMP contract.

SPRB staff stated that this project consists of an academic program to focus the arts into the university's everyday life. The proposed structure will house the entire fine arts program for the campus. It will contain public space for gathering, display of student and travelling art programs as well as support space for various programs contained within the building. A main focus within the building are three performance spaces, an auditorium to seat 1,100, a proscenium theatre to seat 350 and a black box space with seating of 150. Additionally it will have support spaces, classrooms and faculty offices as well as a Lobby that will need to include a Cafe, Gift Shop and Student Lounge and Galleries Areas. The total program space is estimated to be 135,612 square feet.

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**Commission Letter #1** – shall compensate TCC for additional services required to complete a review of the schematic and design documents, develop a probable cost estimate and assist DCS in the negotiations for the GMP contract. The overall fee of \$50,000 is considered a basic service fee. This fee is less than the \$70,000 originally requested by TCC for completion of the design phase estimate. The value of this commission letter was subsequently reduced by DCS during various discussions with TCC.

SPRB staff recommended approval Commission Letter #1 for Turner Construction Company to provide additional CA consulting services for the completion of a design phase cost estimate and assistance in establishing the overall project GMP. The overall pre-construction phase CA contract is 0.76% of the construction budget and within the established guideline rate of 1% for CA pre-construction phase services.

**OTHER**

**VOTES ON PRB FILES:**

The Board took the following votes in Open Session:

**PRB FILE #13-068-** Mr. Norman moved and Mr. Valengavich seconded a motion to suspend PRB File #13-68 pending the receipt of additional project information. The motion passed unanimously.

**PRB FILE #13-069** - Mr. Millstein moved and Mr. Valengavich seconded a motion to approve PRB File #13-069. The motion passed unanimously.

**PRB FILE #13-070** – Mr. Valengavich moved and Mr. Pepe seconded a motion to approve PRB File #13-070 with the following comments provided:

*The State Properties Review Board is providing this approval under C. G. S. §31-250(c). It should be noted that the current and proposed State Facility Plan does not include space in Danbury for the Department of Labor Field Audit Division. An interim space request should be submitted to OPM in accordance with C. G. S. §4b-23(a) which requires all agencies and departments of the state to notify the Secretary of OPM of their facility needs.*

The motion passed unanimously.

**PRB FILE #13-071** – Mr. Norman moved and Mr. Millstein seconded a motion to approve PRB File #13-077. The motion passed unanimously.

The meeting adjourned.

**APPROVED:** \_\_\_\_\_ **Date:** \_\_\_\_\_  
Bruce Josephy, Secretary