NEW YORK STATE OF OPPORTUNITY. | Erie Canal Harbor Development Corporation

A Subsidiary of Empire State Development

ERIE CANAL HARBOR DEVELOPMENT CORPORATION
at the offices of
Empire State Development – Buffalo Regional Office
95 Perry Street, Suite 500
Buffalo, NY 14203

Meeting of the Directors

Friday
May 20, 2016 – 10:30 AM

PROPOSED AGENDA

CORPORATE ACTION

1. Approval of the Minutes of the December 14, 2015 Directors' Meeting

2. South Aud Block Redevelopment – Construction Management Services - Authorization to Enter into a Contract for Construction Management Services of the South Aud Block Redevelopment – Children's Museum Core & Shell Building; and Authorization to Take Related Actions

FOR INFORMATION

3. President's Report – Oral Report

Item #1

Erie Canal Harbor Development Corporation
Meeting of the Directors
Held at the Offices of Empire State Development
– Buffalo Regional Office
95 Perry Street – Suite 500
Buffalo, New York 14203

December 14, 2015

MINUTES

In Attendance	
Directors:	Robert D. Gioia – Chairman David Colligan Gary Ginsberg (via videoconference) Sam Hoyt County Executive Mark C. Poloncarz (Non-Voting Director) Mayor Byron W. Brown (Non-Voting Director)
ECHDC Staff:	Thomas P. Dee, President Debbie Royce, Corporate Secretary (via videoconference)
ESD Staff: (Attending via videoconference unless otherwise noted)	Julia Borukhov, Financial Project Manager Stephen Gawlik, ESD - VP Capital Projects & Senior Counsel and ECHDC - Assistant Secretary (attending in Buffalo) Kevin Hansen, Director - Real Estate Development Max Padden, Director, Subsidiary Finance
Also Present: (Attending in Buffalo)	Thomas Dearing, Commissioner – Erie County Department of Environment and Planning Gary Witulski, City of Buffalo – Office of City Planning JoAnn Mecca - LWVBIN Members of the Media Members of the Public

The meeting of the Erie Canal Harbor Development Corporation (the "Corporation"), was called to order at approximately 10:30 a.m. It was noted for the record that the meeting was being webcast, and that the Directors had received all written material in advance of the

meeting. Chairman Gioia then noted for the record the Corporation's policy which welcomes public comments on the items on the current Agenda.

Before beginning with the substantive portion of the meeting, Chairman Gioia asked the Directors whether anyone had any potential conflict of interest with respect to any of the items on the proposed Agenda. Hearing none, Chairman Gioia then called for a motion to approve the Minutes of the Directors' meetings of February 9, 2015 and March 23, 2015. Noting no corrections and upon motion duly made and seconded, the following resolution was unanimously adopted:

APPROVAL OF MINUTES AND RATIFICATION OF ACTIONS TAKEN AT THE FEBRUARY 9, 2015 AND MARCH 23, 2015 MEETINGS OF THE DIRECTORS OF THE ERIE CANAL HARBOR DEVELOPMENT CORPORATION

RESOLVED, that the Minutes of the Meetings of the Corporation held on February 9, 2015 and March 23, 2015 as presented to this meeting, are hereby approved and all actions taken by the Directors presented as such meetings as set forth in such Minutes, are hereby in all respects ratified and approved as actions of this Corporation.

* * *

Chairman Gioia then called upon Tom Dee to present a request for authorization for the Corporation to enter into a contract for the construction of the water bike ferry improvements at 32 Fuhrmann Boulevard.

Mr. Dee explained that the contract was with Pinto Construction for an amount not to exceed $825,000 and would be funded from the New York Power Authority.

As way of background, Mr. Dee explained that in January 2015 the RFP for the design services was issued. He noted that in March 2015, the Corporation hired DiDonato as the Designer for the Project and that in October 2015 an advertisement was put out to bidders, with the bids being due in November 2015.

Mr. Dee noted that five bids were received and after the interviews were conducted DiDonato recommended Pinto Construction, who was found to be the lowest responsible bidder. In noting the scope of work, Mr. Dee advised that their number was slightly above the Engineer's estimate but that the Corporation still thought it was a good number and further noted that the number was vetted in terms of DiDonato to compare their estimate with the low bidder and that everyone was confident in the ability of the proposed contractor to get the Project done.

He stated that the scope of work is to enhance the recreational use of the Outer Harbor and Canalside, as well as to enhance the pedestrian bicycle trail system along the waterfront. He advised that the scope of work would include installation of the a paved pedestrian pathway, extending the access gangway through he portion of an existing already disturbed gravel and asphalt boat storage area and then terminating at Fuhrmann Boulevard. He added that additional amenities and aesthetic features would also be installed, including but not limited to signage, benches, planters, bike racks and accessory features. He stated it would make for a much better customer experience.

Mr. Dee advised that the project is slated to being in February 2016 and to be completed by May to be ready for the Memorial Day opening.

In response to a call for questions from the Directors, Director Colligan asked if the dockage would change and Mr. Dee advised that it would and that about seven docks would be moved which would help when the ferry comes over to make it more accessible for the public and will make it easier to get on and off the bike ferry.

County Executive Poloncarz asked the general question of, if going forward, once a project is completed if an actual cost could be provided to the Board so the members would know whether it actually came in under or over budget. He noted his request was related to finding out whether or not the contingency amounts that get approved along with a contract are used or if contracts come in on budget. Mr. Dee noted that if it went over budget, the Corporation would be required to come back to the Board for additional funds. It was noted that this information could be provided.

Hearing no further questions or comments from the Directors and no comments from the public, upon motion duly made and seconded, the following resolution was unanimously adopted:

ERIE CANAL HARBOR DEVELOPMENT CORPORATION – Water-Bike Ferry Improvements - Authorization to Enter into a Contract for Construction of the Water-Bike Ferry Improvements at 32 Fuhrmann Boulevard; and Authorization to Take Related Actions

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BE IT RESOLVED, that upon the basis of the materials presented to this meeting (the "Materials"), a copy of which is hereby ordered filed with the records of the Corporation, the Corporation hereby finds Pinto Construction Services, Inc. to be responsible; and be it further

RESOLVED, that the Corporation is hereby authorized to enter into a contract with Pinto Construction Services, Inc. for a base contract amount of SEVEN HUNDRED NINETEEN THOUSAND TWO HUNDRED TWELVE DOLLARS ($719,212), plus a contingency in the amount of ONE HUNDRED FIVE THOUSAND SEVEN HUNDRED EIGHTY-EIGHT DOLLARS ($105,788) for a total contract amount not to exceed EIGHT HUNDRED TWENTY-FIVE THOUSAND DOLLARS ($825,000) for the purposes and services, and substantially on the terms and conditions, set forth in the Materials; and be it further and be it further

RESOLVED, that the Corporation is hereby authorized to enter into a notice to proceed with Pinto Construction Services, Inc. for an amount not to exceed EIGHTY THOUSAND DOLLARS ($80,000); and be it further and be it further

RESOLVED, that the Corporation is hereby authorized to enter into the necessary permits and/or agreements for access to the property with the New York State Power Authority for the purposes and services, and substantially on the terms and conditions, set forth in the Materials; and be it further

RESOLVED, that the President of the Corporation or his designee be, and each of them hereby is, authorized to take such action and execute such documents as may be necessary or appropriate to carry out the foregoing resolution.

* * *

Next, Chairman Gioia asked Mr. Dee to present the item related to the "City of Buffalo's Opportunity Pledge" which was being presented for the Directors information and requiring no vote. Mr. Dee explained the pledge was presented and would be signed today to support having more opportunities for diversity and a more inclusive environment. He noted it was

something that the Corporation and Board members have talked about in the past and believe it will only lead to a stronger City.

Mayor Brown then noted his thanks to the Governor and the members of the Board for the willingness to support and sign the Buffalo Opportunity Pledge, noting that the values are to support diversity, inclusion and equality. He stated he knew that was something this Board worked hard for and diligently worked on Minority and Women Owned Business Enterprise participation issues and on minority and female workforce issues. He noted that the signing of the Pledge would be an extension of the commitment of the Board and of the Governor.

Mayor Brown noted that since he established the Pledge, almost 4,100 individuals have signed it directly with the numbers growing daily and noted that 172 different organizations, corporations and education institutions have signed the Pledge as well.

Thanking the Mayor and noting the Corporation would sign the Pledge following the meeting, Chairman Gioia then asked Mr. Dee to proceed with his President's Report. Mr. Dee noted that the ice was opened on November 23rd almost a week before the opening time last year. He said the Holiday Celebration on December 4th was spectacular and was attended by approximately 5,000 people with a great skating and programming available.

Mr. Dee noted that as of today, the ice has already reached the 12,250 skater count and has had constant and happy posts on social media from visitors and that the Corporation is on

track to easily surpass last year's attendance numbers. He advised there were several improvements to add to the customer experience, noting among other things, the multiple restaurants within a two to three block area around the ice. He stated that the Winter Pavilion with the heated tents has also provided comfort to the skaters and visitors and mentioned that better queuing and crowd control was taking place to further enhance the experience. And he advised that for updates to activities, visitors should visit the website, at CanalsideBuffalo.com for schedules.

From a design and planning construction perspective, he noted the permanent extension of the Central Wharf project that's underway which will provide improvements to the beach, extensions of the historic boardwalk, extension of the historic railing and improvements. He advised it was about 80 percent completed and opens up access to the water.

Hearing no further business, the meeting adjourned at 11:21 a.m.

Respectfully submitted,

Debbie Royce
Corporate Secretary

Item #2

NEW YORK STATE OF OPPORTUNITY. | Erie Canal Harbor Development Corporation

A Subsidiary of Empire State Development

FOR CONSIDERATION
May 20, 2016

TO:	The Directors
FROM:	Thomas P. Dee
SUBJECT:	South Aud Block Redevelopment – Construction Management Services
REQUEST FOR:	Authorization to Enter into a Contract for Construction Management Services of the South Aud Block Redevelopment – Children's Museum Core & Shell Building; and Authorization to Take Related Actions

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CONTRACT NEEDS AND JUSTIFICATION

I. Contract Summary

Contractor:	LeChase Construction Services, LLC 487 Main Street, Suite 200 Buffalo, New York 14203
Scope of Services:	At-Risk Construction Management Services
Anticipated Contract Term:	Through September 2018
Pre-Construction Phase Contract Amount:	Not to exceed $254,000 ($211,703 plus $42,297 contingency)
Pre-Construction Phase Funding Source(s):	New York Power Authority (Industrial Incentive) funds
Construction Phase Funding Source(s):	New York Power Authority funds ($9,000,000) and Explore and More Children's Museum funds (Balance estimated at $4,000,000)

II. Background

The former Memorial Auditorium Block ("Aud Block") was acquired by the Erie Canal Harbor Development Corporation ("ECHDC" or the "Corporation") in 2008 and since that time, ECHDC has invested public funds remediating hazardous waste, lead and asbestos containing materials, completing demolition of the Memorial Auditorium, relocating utilities and preparing the site for future development. Through a local planning process, the Aud Block has been divided into multiple parcels reflecting the 19th century streets/building typology of the site, including the "Canals and Public Environments", or public space, designed as an interpretive landscape of water features and site

amenities that will help visitors understand the history and character of the former canal district and its significance to the City, New York State and the nation.

On October 9, 2013, ECHDC Board of Directors authorized the Corporation to accept the Explore & More Children's Museum's ("EMCM") Master Plan and Pre-Campaign Capital Feasibility study and enter a Non-Binding Memorandum of Understanding to address the roles and responsibilities of ECHDC and Explore & More Children's Museum as the project proceeded, including the building development schedule, funding requirements, the museum fundraising timeline, and other project-related milestones. Further Board approval was to be required prior to the execution of any binding agreements or the expenditure of funds by ECHDC to move the project forward.

In February 2014, ECHDC retained the services of Fontanese, Folts, Aurbrecht & Ernst ("FFAE") team to complete detailed architectural and engineering designs and the preparation of the construction bid package, including all plans, proposals, specifications, estimates, notes, special contract requirements, and any other contract documents necessary to advance the core and shell building to construction, as well as construction administration and commissioning. The FFAE team is the "architect of record" under the direction of Ehrenkrantz, Eckstut & Kuhn, a Perkins Eastman Company, the "master architect".

ECHDC and EMCM collaborated on a museum design which was a component of a much broader, three-parcel South Aud Block development project. The design progressed through Schematic Design with an economic analysis being developed for the project. Eventually these documents became part of a private redevelopment RFP effort that was not successful. After reconsidering the scope and scale of the project in 2015, ECHDC and EMCM determined that proceeding with a standalone museum project would best fulfill each partner's goals and objectives. Although construction documents would be finalized in the future, it was assumed that this standalone facility would be located on Parcels A2.1, A2.4, and a section of "Lake Street" located on the South Aud Block.

As a result, on September 16, 2015, the ECHDC Board authorized the Corporation to enter into the necessary agreements with EMCM to design and construct a nearly 43,000 GSF core & shell structure on the South Aud Block. This structure will accommodate the Children's Museum on five levels with an outdoor terrace. The building has a floorplate of approximately 9,000 GSF with access from the towpath and street levels. The sub-basement from the former Memorial Auditorium is located underneath most of the building and shall continue to be used as the mechanical equipment room for the public canals, as well as for the new museum. The terms of the deal with EMCM require ECHDC to design the core and shell of the structure and then proceed with construction. The design has been progressing and is expected to be at a Design Development stage in mid-May.

ECHDC now seeks authorization to enter into a Contract with LeChase Construction Services, LLC to provide Construction Management Services for the pre-construction and construction of the Children's Museum core and shell building.

III. Contractor Selection Process

On February 17, 2016 ECHDC advertised for the South Aud Block Redevelopment, Construction Management Services in the New York State Contract Reporter. A total of five (5) bids were received on March 31, 2016. These proposals were reviewed and scored by a Selection Committee comprised of staff from ECHDC and the New York State Urban Development Corporation d/b/a Empire State

Development ("ESD") and four (4) firms were short-listed for interviews on April 28, 2016. A second round of interviews was held on May 2nd.

As a result, LeChase Construction Services, LLC ("LeChase") was selected by the committee to complete the project. The LeChase team also includes the Rodriguez Construction Group (MBE) and Singleton Construction Consultants (WBE). The team will be led by Jeff Panza, Director of Buffalo Region/Project Executive, Dan Schleher, Senior Project Manager and Peter Meunch, Pre-Construction Manager. The team clearly understands the complexity of the project, the site constraints, and the schedule of providing a core and shell building by June 1, 2018.

LeChase is well suited for this project, having completed the ESL Federal Credit Union and Golub Corporation Headquarters. Based on their at-risk construction management experience and recent completion of other projects, LeChase has the advantage of being able to "hit the ground running". In addition to the prime's experience, this WNY-focused team has collaborated together on several projects.

Pursuant to State Finance Law Section 139-j and 139-k and the Corporation's policy related thereto, staff has: a) considered proposed contractor's ability to perform the services provided for in the proposed contract; and b) consulted the list of offerers determined to be non-responsible bidders and debarred offerers maintained by the New York State Office of General Services. Based on the foregoing, staff considers the proposed contractor to be responsible.

IV. Scope of Work

The Construction Manager will provide all necessary services including, but not limited to, the scope of work defined in the separate contracts for each phase of the Project. Services will be performed in two phases and executed in three separate contracts. The three contracts are Pre-Construction Phase, Construction Phase and General Conditions Work Phase. ECHDC's standard general conditions will apply to the construction phase work.

Pre-construction phase services will occur during the design of the project, which is expected to be completed in November 2016. The CM will be an integral member of the Project Team, consisting of representatives from the ECHDC, EMCM, the Design Professional and other consultants, as required. It will be the responsibility of the CM to integrate the design and construction phases, utilizing their skills and knowledge of general contracting to develop schedules, prepare detailed project construction estimates, study labor conditions and in any other way deemed necessary, to contribute to the development of the project during the Pre-Construction Phase. The Pre-Construction Phase contract will authorize the CM to provide pre-construction phase services only. An overview of Pre-Construction Phase tasks are found in the Table below:

Design Development (60%) Phase
▪ Value Analysis
▪ Cost Estimate
▪ Design Review and Coordination Comments
▪ Constructability Comments
▪ Comments on Geo-Technical Report
▪ Trade Contract Breakdown
▪ Scoping Document
▪ Construction Management Plan

▪ Market Study
75% CD Phase
▪ Value Analysis ▪ Cost Estimate ▪ Design Review and Coordination Comments ▪ Constructability Comments ▪ Trade Contract Breakdown ▪ Scoping Document ▪ Construction Management Plan
100% CD Phase
▪ Cost Estimate ▪ Design Review and Coordination Comments ▪ Constructability Comments ▪ GMP Document

Once the design is completed, the Construction Manager will provide ECHDC and EMCM a Guaranteed Maximum Price ("GMP") to complete construction of the project. Assuming the GMP is accepted by the parties, ECHDC will enter a Construction and General Conditions Work Contracts with the Construction Manager that will authorize the Construction Manager to bid out the various components of the project and move forward with construction. As per the Board's previous authorization regarding the agreements with EMCM, ECHDC will contribute a maximum of $9 million to the construction of the building and EMCM will be required to fund the remaining portion of the construction costs, which are currently estimated at $13 million (inclusive of ECHDC's $9 million commitment). In addition, EMCM will be required to fund and construct the fit-out and exhibits of the museum. The Construction Manager shall work in collaboration and cooperation with the ECHDC and the Project Designers towards realizing a high quality Project. The Construction Manager shall work in cooperation with the Project Labor Agreement ("PLA") that is expected to be signed for the Project.

V. Contract Term, Price and Funding

The Pre-Construction Phase Services Contract amount with LeChase Construction Services, LLC to complete the above scope of work shall not exceed $254,000, including a contingency of $42,297.

The total Pre-Construction Phase Services contract fee will be "cost plus fixed fee", payable in releases as the work is completed. The fee is based on approved man-hour estimates and salary schedules, and includes an allowance for testing, as well as incidental out of pocket project expenses (i.e., travel, reproduction costs, postage and delivery charges, permits and miscellaneous fees). Labor and expenses will be reimbursed on a monthly basis upon submission of timesheets and acceptable receipted documentation.

Pre-Construction Services are expected to begin in June 2016. Construction Services are not expected until March 2017 with the building groundbreaking scheduled for March 2017. The Project construction must be completed by June 1, 2018.

The Pre-Construction Phase funding source shall be the New York Power Authority (Industrial Incentive) and the Construction Phase funding sources shall be the New York Power Authority (Industrial Incentive) and Explore & More Children's Museum.

VI. Non-Discrimination & Contractor and Supplier Diversity

Pursuant to New York State Executive Law Article 15-A, ECHDC recognizes its obligation under the law to promote opportunities for maximum feasible participation of NYS certified Minority and Women-owned Business Enterprises ("MWBEs") in the performance of the Corporation's contracts. ESD's Non-Discrimination and Contractor & Supplier Diversity policy will apply to this contract.

VII. Environmental Review

ESD, as lead agency, completed an environmental review of the Canalside Project, which included development assumptions for the South Aud Block, pursuant to the requirements of the State Environmental Quality Review Act ("SEQRA") and the implementing regulations of the New York State Department of Environmental Conservation. This review, which was coordinated with involved agencies, including ECHDC, due to the Project's Type I classification, included the preparation of a Draft and Final Generic Environmental Impact Statement ("GEIS"). The ESD Board of Directors issued SEQRA findings for the Canalside Project on March 13, 2010. Because the proposed scale/uses associated with a proposed standalone facility to house the Explore & More Museum are well within the thresholds established for the South Aud Block in the Canalside Project Final GEIS and SEQRA findings, no further environmental review is required in connection with this action.

VIII. Requested Action

The Directors are requested to (1) make a determination of responsibility with respect to the proposed contractor; (2) authorize the Corporation to enter into a contract with LeChase Construction Services, LLC for an amount not to exceed $211,703 plus a contingency for a total contract amount of $254,000; (3) authorize the Corporation to enter into a construction contract with LeChase Construction Services, LLC in accordance with these materials; and (3) to take all related actions.

IX. Recommendation

Based on the foregoing, I recommend approval of the requested actions.

X. Attachments
Resolution

May 20, 2016

ERIE CANAL HARBOR DEVELOPMENT CORPORATION – South Aud Block Redevelopment – Construction Management Services - Authorization to Enter into a Contract for Construction Management Services of the South Aud Block Redevelopment – Children's Museum Core & Shell Building; and Authorization to Take Related Actions

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BE IT RESOLVED, that upon the basis of the materials presented to this meeting (the "Materials"), a copy of which is hereby ordered filed with the records of the Corporation, the Corporation hereby finds the LeChase Construction Services, LLC to be responsible; and be it further

RESOLVED, that the Corporation is hereby authorized to enter into a contract with the LeChase Construction Services, LLC for a base contract amount of TWO HUNDRED ELEVEN THOUSAND SEVEN HUNDRED THREE DOLARS ($211,703) plus a contingency in the amount of FORTY-TWO THOUSAND TWO HUNDRED NINETY-SEVEN DOLLARS ($42,297) for a total contract amount not to exceed TWO HUNDRED FIFTY-FOUR THOUSAND DOLLARS ($254,000) for the purposes and services, and substantially on the terms and conditions, set forth in the Materials; and be it further

RESOLVED, that upon acceptance by the Corporation of a Guaranteed Maximum Price, the Corporation is authorized to enter into a construction contract with LeChase Construction Services, LLC provided the Corporation's contribution for the work does not exceed NINE MILLION DOLLARS ($9,000,000) for the purposes and services, and substantially on the terms and conditions, set forth in the Materials; and be it further

RESOLVED, that the President of the Corporation or his designee be, and each of them hereby is, authorized to take such action and execute such documents as may be necessary or appropriate to carry out the foregoing resolution.

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