

July 23, 2013

MEMORANDUM TO THE TRUSTEES

FROM THE PRESIDENT and CHIEF EXECUTIVE OFFICER

**SUBJECT: Niagara Power Project – Robert Moses South Access
Gate Security Enhancements – Capital Expenditure
Authorization Request**

SUMMARY

The Trustees are requested to authorize capital expenditures in the amount of \$7,369,000 for the Robert Moses South Access Security Gate Enhancements at the Niagara Power Project. On February 7, 2013, the President and Chief Executive Officer authorized funding in the amount of \$400,000 for engineering and design.

BACKGROUND

The Authority's Expenditure Authorization Procedures ("EAPs") require the Trustees' approval for the award of non-personal services, construction, equipment purchase or non-procurement contracts in excess of \$3 million, as well as personal services contracts in excess of \$1 million if low bidder, or \$500,000 if sole-source or non-low bidder.

The South Access Road ("Road"), a steep inclined road, serves as the main entrance into the Niagara Power Project. The Road extends along the Niagara River leading to the security guardhouse and main gate at the base of the gorge. Additionally, the Road provides public access to the fishing pier and associated parking lots, one at the top and another at the base of the Road.

Over the last several years, there have been three incidents involving vehicles crashing through the main security gate. As a result, the gate was modified and reinforced to prevent vehicle intrusion. Additionally, a highway consultant was contracted to study and propose roadway modifications and enhancements for the Road as a result of its steep nature and critical security access into the Niagara Power Project. Based on the consultant's study, the proposed enhancements include:

- An emergency stopping area at the base of the Road to assist drivers with stopping their vehicle in case of brake failure.
- Realignment at the base of the Road to include an "S curve" to prevent vehicles intentionally trying to breach the security gate at high speed;
- Construction of a 400-ft. long retaining wall to accommodate the Road realignment;
- Relocation of the lower public parking area near the fishing pier to improve security and public safety and to accommodate the road configuration.

- Construction of a dedicated pedestrian path from the upper parking lot to the fishing pier;
- Installation of radar speed signs and rumble strips to promote slower vehicle speeds;
- Construction of a vehicle "check in" point and turnaround area at the top of the Road to prevent unauthorized vehicles from continuing on the Road.

In addition to the Road enhancements, the existing security guardhouse structure, which is approximately 30 years old, has reached the end of its useful life. Due to the deteriorated exterior siding which has caused water intrusion, asbestos-containing materials, and odor and rodent concerns, the building will be replaced and sited in the same location as the existing site. The new guardhouse, which was recently approved by the New York State Historic Preservation Office, will include several improvements. The structure will be elevated approximately 4 feet to improve visibility for the security staff of the surrounding area and will contain a lavatory.

Environmental, Health and Safety (EH&S) reviewed this proposed action for its compliance with the State Environmental Quality Review Act (“SEQRA”). EH&S determined it was a Type 2 Action requiring no further SEQRA assessment.

DISCUSSION

In early July, interim approval was received to award a one-year contract to BVR Construction Company, Inc. in the amount of \$618,700, for the replacement of the guard house. Interim approval was requested to take advantage of the weather in order to complete construction of the guardhouse by December 2013.

The design for Road enhancements was completed in June 2013 and the Authority issued an advertisement to procure bids in the New York State *Contract Reporter*. Staff anticipates presenting a recommendation for contract award to the Trustees at their September 2013 meeting. Construction is scheduled to commence in October 2013 and be completed in the fall of 2014.

The total project cost is estimated at \$7,769,000 as follows:

Preliminary Engineering	\$ 250,000
Final Engineering and Design, Construction Support	\$ 754,000
Construction/Installation	
-Guardhouse Replacement	\$ 747,500
-Retaining Wall for Road Realignment	\$2,300,000
-South Access Road Replacement	\$2,875,000
-Labor/Construction Support	\$ 172,500
Total Construction/Installation	\$6,095,000
Authority Indirect and Direct Expenses	\$ 670,000
Previous Authorization	\$ (400,000)
TOTAL	<u>\$7,369,000</u>

Yearly expenditures are as follows:

2013	Guard house replacement & construction of retaining wall pile system.	\$2,000,000
2014	Road realignment & construction completion	\$5,579,000

Funding in the amount of \$2,164,105 has been included in the 2013 approved Capital Budget. Future funding for 2014 will be included in the Capital Budget request for that year. The \$400,000 that was previously authorized was expended for engineering documents and for bidding purposes.

FISCAL INFORMATION

Payment associated with this project will be made from the Authority's Capital Fund.

RECOMMENDATION

The Senior Vice President and Chief Engineer – Operations Support Services, the Vice President – Project Management, the Vice President – Procurement, the Project Manager, and the Regional Manager – Western New York recommend that the Trustees approve capital expenditures in the amount of \$7,369,000 for the Robert Moses South Access Gate Security Enhancements at the Niagara Power Project.

For the reasons stated, I recommend the approval of the above-requested action by adoption of a resolution in the form of the attached draft resolution.

Gil C. Quiniones
President and Chief Executive Officer

Att.
RM Security Gate
Enhancements - CEAR

RESOLUTION

RESOLVED, That pursuant to the Guidelines for Procurement Contracts adopted by the Authority, approval is hereby granted to authorize capital expenditures in the amount of \$7,369,000 for the Robert Moses South Access Security Gate Enhancements at the Niagara Power Project, as recommended in the attached memorandum of the President and Chief Executive Officer;

AND BE IT FURTHER RESOLVED, That the Chairman, the Vice Chairman, the President and Chief Executive Officer, the Chief Operating Officer and all other officers of the Authority are, and each of them hereby is, authorized on behalf of the Authority to do any and all things and take any and all actions and execute and deliver any and all agreements, certificates and other documents to effectuate the foregoing resolution, subject to the approval of the form thereof by the Executive Vice President and General Counsel.