

July 23, 2013

MEMORANDUM TO THE TRUSTEES

FROM THE PRESIDENT and CHIEF EXECUTIVE OFFICER

**SUBJECT: Niagara Power Project – Niagara University
Shared Campus Initiative – Contract Award**

SUMMARY

The Trustees are requested to approve the award of a two-year contract in the amount of \$5.5 million to Edbauer Construction, Inc. (“Edbauer”), of West Seneca, NY, for the Niagara Power Project – Niagara University Shared Campus Initiative Project (the “Project”). In order to provide the additional time necessary to complete season-critical construction operations prior to winter, interim approval in the amount of \$250,000 was authorized in June 2013 by the President and Chief Executive Officer in accordance with the Authority’s Guidelines for Procurement Contracts.

BACKGROUND

Section 2879 of the Public Authorities Law and the Authority’s Guidelines for Procurement Contracts require the Trustees’ approval for procurement contracts involving services to be rendered for a period in excess of one year.

In accordance with the Authority’s Expenditure Authorization Procedures (“EAPs”) approval for the award of non-personal services, construction, equipment purchase or non-procurement contracts in excess of \$3 million require the Trustees’ approval.

The Niagara Power Project and Niagara University campuses adjoin each other and share facilities, including roadways and parking lots. The Authority has agreed to undertake this project to improve the overall safety, security, mobility, and aesthetics of the shared campuses. This work will include, but not be limited to, paving, striping, lighting, security cameras, modified intersections and access into the campuses. The Project will provide an effective network to accommodate multiple modes of transportation while providing safe recreational opportunities.

The Authority’s Smart Growth Committee (“SGC”) has determined that the project is a public infrastructure project (“PIP”) subject to the Smart Growth Act. The Authority’s SGC has conducted the required evaluation of the project, and the Chief Executive Officer of the Authority has issued the required Smart Growth Impact Statement.

DISCUSSION

The Authority issued an advertisement to procure bids in the New York State *Contract Reporter* and bid packages were available as of April 30, 2013. The bid documents were downloaded by seventy-nine (79) potential bidders and eight (8) potential bidders participated in a site visit on May 9, 2013.

The following five proposals were received on June 6, 2013, as noted below:

| <u>Bidder</u> | <u>Location</u> | <u>Lump Sum</u> |
|-----------------------------------|-------------------|-----------------|
| Edbauer Construction, Inc. | West Seneca, NY | \$5,481,281.22 |
| Mark Cerrone, Inc. | Niagara Falls, NY | \$5,978,126.10 |
| Accadia Site Contracting, Inc. | Depew, NY | \$6,412,311.99 |
| Yarussi Construction, Inc. | Niagara Falls, NY | \$6,850,527.00 |
| Pinto Construction Services, Inc. | Buffalo, NY | \$8,161,808.84 |

The proposals were reviewed by the evaluation committee comprising staff from the Niagara Power Project, Procurement, and Project Management.

Edbauer’s bid was the lowest in price and was also technically acceptable. Edbauer, having extensive experience in general construction, has demonstrated knowledge of the scope-of-work, and is capable of completing this project in accordance with the required schedule. In addition, Edbauer has performed to the Authority’s satisfaction on previous projects.

Edbauer took no commercial or technical exceptions to the contract terms.

FISCAL INFORMATION

Payment associated with this project will be made from the Authority’s Operating 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 the award of a two-year contract to Edbauer Construction, Inc., of West Seneca, NY in the amount of \$5.5 million for construction services for the Niagara Power Project – Niagara University Shared Campus Initiative 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.
NIA – Shared Campus
Initiative – Award

RESOLUTION

RESOLVED, That pursuant to the Guidelines for Procurement Contracts adopted by the Authority, and the Authority's Expenditure Authorization Procedures, approval is hereby granted to award a two-year contract to Edbauer Construction, Inc., of West Seneca, NY in the amount of \$5.5 million for construction services for implementation of improvements to the Niagara Power Project and Niagara University Shared Campus Initiative Project, as recommended in the attached memorandum of the President and Chief Executive Officer;

Contractor

Edbauer Construction, Inc.
West Seneca, NY

Contract Approval

\$5.5 million

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.