

# Buffalo Urban Development Corporation

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## Real Estate Committee Meeting Tuesday, October 24, 2017 at Noon BUDC - ECIDA Vista Room 95 Perry Street, 4<sup>th</sup> Floor, Buffalo, NY 14203

### Agenda

- 1) Approval of Minutes – Meeting of 9/19/2017 (*Action*) (*Enclosure*)
- 2) Northland Beltline Project
  - a) 683 Northland – Gilbane Guaranteed Maximum Price Submission (*Enclosure*) (*Recommendation*)
  - b) 683 Northland – SJB Special Inspection Services Proposal (*Encl.*) (*Recommendation*)
  - c) 683 Northland – Tax Credit Transaction Update (*Information*)
  - d) 683 Northland – Buffalo Billion Phase II State Incentive Commitment Letter (*Enclosure*) (*Information*)
  - e) 683 Northland – Construction Update (*Information*)
  - f) 683 Northland – Leases & Prospects Update (*Information*)
  - g) 2017-2018 Northland Campus Snow Removal Contract (*Recommendation*)
  - h) NorDel II (BUDC)/City of Buffalo Potential Land Swap (*Discussion*)
  - i) 612 Northland – Phase I Renovation Project Update (*Information*)
  - j) Electrical Substation – Emergency Repair Update (*Information*)
  - k) COB DPW Road & ROW Project Update (*Information*)
- 3) Buffalo Lakeside Commerce Park
  - a) 2018-2020 Lawn Care, Landscaping & Snow Plowing Contract (*Recommendation*)
  - b) Parcel 4 Superfund Clean-up Update – NYSDEC/CDM Smith (*Information*)
- 4) Other C.O.B. Brownfield Opportunities (*Discussion*)
- 5) Adjournment (*Action*)



**Minutes of the Real Estate Committee Meeting  
Buffalo Urban Development Corporation  
95 Perry Street  
Buffalo, New York 14203  
September 19, 2017  
12:00 p.m.**

**Call to Order**

**Committee Members Present:**

Janique S. Curry  
Brendan R. Mehaffy  
Kimberley A. Minkel  
Craig A. Slater (Chair)  
Maria R. Whyte

**Committee Members Absent:**

Thomas A. Kucharski  
Dennis M. Penman

**Officers Present:**

Peter M. Cammarata, President  
David A. Stebbins, Executive Vice President  
Brandye Merriweather, Vice President  
Mollie M. Profic, Treasurer  
Kevin J. Zanner, Secretary  
Bradley Bach, Assistant Treasurer

**Others Present:** Dawn Boudreau, ECIDA; Marie Carone, Watts Architecture & Engineering; Terry LoConte, Gilbane Building Company; Thomas Mancuso, Mancuso Business Development, Inc.; and Brett Stiehler, Gilbane Building Company.

**Roll Call** – The Secretary called the roll at 12:05 p.m. and reported that a quorum of the Committee was present. Ms. Curry joined the meeting during the presentation of item 2(c). Ms. Whyte left the meeting during the presentation of item 2(l).

- 1.0 Presentation of Meeting Minutes** – The minutes of the August 22, 2017 meeting of the Real Estate Committee were presented. Ms. Minkel made a motion to approve the meeting minutes. The motion was seconded by Ms. Whyte and unanimously carried.

**2.0 Northland Beltline Project**

**(a) 683 Northland – Gilbane Early Bid Packages**

- (i) **Tele/Data** – Mr. Stebbins presented the September 15, 2017 Award Recommendation letter issued by Gilbane regarding the proposed award of tele/data and communications work for the 683 Northland project. Gilbane solicited proposals from eleven contractors and received proposals from three contractors for the work. Weydman Electric Inc., a local MBE, submitted the lowest cost proposal in the amount of \$544,000. Ms. Whyte made a motion to recommend that the Board approve Gilbane's proposed award of the tele/data and communications contract to Weydman Electric Inc. in the amount of \$544,000. The motion was seconded by Ms. Minkel and unanimously carried.
- (ii) **Site Utilities and Remediation** - Mr. Stebbins presented the September 15, 2017 Award Recommendation letter issued by Gilbane regarding the proposed award of site utilities and remediation work for the 683 Northland project. Gilbane solicited proposals from six contractors and received proposals from three

contractors for the work. Total Wrecking & Environmental, LLC, a local contractor, submitted the lowest cost proposal in the amount of \$2,578,420. The contractor submitted an M/WBE utilization plan that includes 25% MBE and 5% WBE utilization. Ms. Whyte made a motion to recommend that the Board approve Gilbane's proposed award of the site utilities and remediation contract to Total Wrecking & Environmental, LLC in the amount of \$2,578,420. The motion was seconded by Ms. Minkel and unanimously carried.

- (iii) **Dry Wall Carpentry** - Mr. Stebbins presented the September 15, 2017 Award Recommendation letter issued by Gilbane regarding the proposed award of drywall, carpentry and ceiling work for the 683 Northland project. Gilbane solicited proposals from twelve contractors and received proposals from four contractors for the work. Mader Construction Company, Inc., a local contractor, submitted the lowest cost proposal in the amount of \$1,727,015. The contractor submitted an M/WBE utilization plan that includes 25% MBE and 5% WBE utilization. Ms. Whyte made a motion to recommend that the Board approve Gilbane's proposed award of the drywall, carpentry and ceiling contract to Mader Construction Company, Inc. in the amount of \$1,727,015. The motion was seconded by Ms. Minkel and unanimously carried.
- (iv) **Interior Masonry** - Mr. Stebbins presented the September 15, 2017 Award Recommendation letter issued by Gilbane regarding the proposed award of interior masonry work for the 683 Northland project. Gilbane solicited proposals from nine contractors and received a single proposal in response. Thomas Johnson Inc., a local contractor, submitted a cost proposal in the amount of \$1,180,000. The contractor submitted an M/WBE utilization plan that includes 12% MBE and 3% WBE utilization. In response to a question from Mr. Slater, Mr. Stiehler indicated that the shortage of masonry contractors contributed to the lack of other proposals for the work. Ms. Whyte made a motion to recommend that the Board approve Gilbane's proposed award of the interior masonry contract to Thomas Johnson Inc. in the amount of \$1,180,000. The motion was seconded by Ms. Minkel and unanimously carried.
- (b) **683 Northland – Construction & Gilbane GMP Update** – Mr. Stebbins circulated two handouts prepared by Gilbane Building Company regarding the guaranteed maximum price (GMP) for the 683 Northland project. Mr. Stebbins indicated that Gilbane plans to circulate to BUDC an internal draft GMP document by the end of this week. He then asked Terry LoConte to address the Committee regarding the GMP process and to review the GMP handouts. Mr. LoConte began by explaining the difference between a traditional lump sum bid contract and a cost-plus contract with a guaranteed maximum price. He noted that in the traditional lump sum bid contract, 100% of the design is completed first, and then the work is bid out. In the cost plus/GMP contract model being used for this project, the design is developed to a point where a guaranteed maximum price can be agreed to by the parties. The GMP model allows for projects to be completed on aggressive time schedules without a lot of change orders. Mr. Stiehler commented that if BUDC had utilized the traditional lump sum bid approach, the project would only now be seeking construction bids for the work. Instead, construction work is already underway, and a number of contractors have been retained through the early bid process. Mr. LoConte then provided an overview of the GMP process, including contingencies, allowances and the sharing of project cost savings between BUDC and Gilbane. Mr. Slater asked about the role of the Real Estate Committee in reviewing the GMP. Mr. Stebbins indicated that executive staff is meeting with Gilbane on Monday, September 25<sup>th</sup> and will ask a Committee member to participate in the meeting. The GMP proposal will be reviewed and presented at the October meeting of the Committee for a recommendation. The GMP will then be presented to the full Board for approval. Mr. Stebbins also noted that Gilbane will provide a similar presentation at the September Board meeting.

- (c) **683 Northland – NMTC Transaction Recap** – Mr. Cammarata reviewed Exhibit A to the draft Board of Directors resolutions, which detail the multiple transactions required in order for the 683 Northland/WNY Workforce Training Center project to qualify for federal state historic preservation tax credits and federal New Markets Tax Credits (the "Tax Credits Transaction"). He also circulated the organizational chart, which identifies the various entities that will be involved in the Tax Credits Transaction. The Committee engaged in an extended discussion regarding the Tax Credits Transaction. It was noted that the proposed structure has been developed and vetted by BUDC's tax credits consulting team.
- (d) **683 Northland – NMTC Draft Resolution** – Mr. Cammarata reviewed the proposed resolutions to authorize the Tax Credits Transaction. Following a discussion, Ms. Curry made a motion to recommend that the Board of Directors adopt the draft resolutions, subject to the review and recommendation of tax credits counsel. The motion was seconded by Ms. Minkel and unanimously carried.
- (e) **683 Northland – BCP Update** – Mr. Slater updated the Committee regarding Brownfield Cleanup Program site remediation activities. The final remedy will involve a cap.
- (f) **683 Northland – Building Name** – Mr. Cammarata reported that BUDC asked Block Club to assist with naming the 683 Northland building. He noted that the building has been referred to as the workforce training center, but the center is only one aspect of the building's use. The goal is to select a name that more reflective of the varied uses of the building.
- (g) **Purchase of Various COB Properties** – Mr. Cammarata indicated that the City of Buffalo is working through its property disposition approval process. Mr. Zanner commented that BUDC would utilize an existing limited liability company or form a new LLC for the purpose of acquiring and holding title to the properties.
- (h) **612 Northland – Builder's Risk Insurance Policy** – Mr. Cammarata informed the Committee that BUDC and NorDel I, LLC are working with Lawley to secure builders risk insurance coverage for the renovation work at 612 Northland.
- (i) **612 Northland – Phase I Renovation Update** – Mr. Stebbins reported that debris removal and asbestos abatement work is underway at 612 Northland. He also advised the Committee that BUDC is reevaluating the type of windows to be installed at the building. The plan was to install polycarbonate windows, but SHPO has objected to that plan as not in keeping with the historic nature of the building.
- (j) **Electrical Substation – Emergency Repair** – Mr. Cammarata reported that BUDC is pursuing through insurance a property damage claim relating to a utility subcontractor severing an electrical line at Northland. BUDC retained Ferguson Electric on an emergency basis for the repair work, and the resulting \$37,000+ invoice has been submitted to insurance company as part of the claim.
- (k) **Restore NY Funding Update** – Mr. Stebbins reported that Empire State Development will seek formal authorization from its Board of Directors in November for the Restore New York grant to the City of Buffalo for the Northland Corridor project. BUDC is working with an Assistant Corporation Counsel for the City of Buffalo on a sub-grant agreement to facilitate the flow of grant funds from the City to BUDC. Mr. Stebbins noted that the Buffalo Brownfield Redevelopment Fund (BBRF) will provide the matching funds required by the Restore New York grant.
- (l) **537 E. Delevan – Demolition/Superfund Update** – Mr. Stebbins updated the Committee regarding the completion of the demolition at 537 East Delavan and the

NYSDEC Superfund remediation work. The NYSDEC may be willing to release a portion of the property from Superfund parcel, once it determines the boundaries of the contamination.

- (m) **COB DPW Road & ROW Project** – Mr. Stebbins reported that BUDC entered into a short-term lease with Scott Lawn Yard, Inc. to use a portion of 741 Northland as a lay-down yard/staging area for the Northland Avenue road and right-of-way construction project. The roadwork is underway.
- (n) **Art in Public Spaces Committee** – Mr. Stebbins informed the Committee that BUDC submitted its recommendation to the Art in Public Spaces Committee, which is meeting this week to review proposals.
- (o) **Community Outreach Update** – There was no update regarding this item.

### **3.0 Buffalo Lakeside Commerce Park Updates**

- (a) **24 Laborers Way Prospect** – Mr. Cammarata reported that BUDC recently submitted a proposed land disposition agreement to a prospect that is interested in purchasing 24 Laborer's Way.
- (b) **Lawn Care, Landscaping & Snow Plowing Services RFP** – Mr. Cammarata informed the Committee that BUDC recently issued a request for proposals for lawn care, landscaping and snowplowing services at Buffalo Lakeside Commerce Park.
- (c) **Parcel 4 Superfund Site – NYSDEC/CDM Smith** – Mr. Cammarata reported that NYSDEC's contractor has completed the removal of nearly all of the flue ash pile at the Superfund site.

**4.0 Other C.O.B. Brownfield Opportunities** – There was no update regarding this item.

**5.0 2018 BUDC Real Estate Committee Meeting Schedule** – Mr. Cammarata referred to the 2018 Real Estate Committee meeting schedule, a copy of which was included in the meeting agenda packet.

**6.0 Adjournment** – Upon motion made by Ms. Minkel, seconded by Mr. Mehaffy and unanimously carried, the September 19, 2017 meeting of the BUDC Real Estate Committee was adjourned at 1:15 p.m.

Respectfully submitted,



Kevin J. Zanner, Secretary

**683 Northland Workforce Training Center GMP Summary**  
 Update: 10/17/2017

RTA has been approved by the Board  
 Bid and Contractor has been selected, sub-contract pending GMP approval  
 Construction Manager estimate, Package to be bid after GMP approval

SP#	Bid Package Description	Trade	GMP BUDGET	Minority Business participation	Female Business participation	GMP Contract Documents
000	Demolition and Abatement - Building	Total Wrecking	\$ 4,022,214	30%	5%	Through Addendum #10
001	Concrete walls and footers	Rodriguez Construction Group, Inc.	\$ 689,521	100%	0%	Through Addendum #10
002	Concrete Sit work & Stair pans	Rodriguez Construction Group, Inc.	\$ 682,508	100%	0%	Through Addendum #10
003	Masonry Restoration	Morris Masonry	\$ 950,885	25%	5%	Through Addendum #10
004	Interior Masonry	Thomas Johnson, Inc.	\$ 4,087,100	12%	5%	Through Addendum #10
005	Stairs & Structural Steel	Apollo Steel Corp	\$ 862,000	90%	5%	Through Addendum #10
006	Steel Details	Apollo Steel Corp	\$ 644,342	10%	5%	Through Addendum #10
007	Millwork	CM Estimate	\$ 131,900	0%	100%	Through Addendum #10
008	Structural insulated roof panels and Temp. Roof	Mohr Construction Co., Inc.	\$ 1,120,200	25%	5%	Through Addendum #10
009	Roofing	Johnson Roofing	\$ 1,166,573	25%	0%	Through Addendum #10
010	Exterior Windows, Stormdoor, Detrainment & Glazing	Stirling Glass, Inc.	\$ 1,618,250	25%	5%	Through Addendum #10
011	Sightlines & Translucent Panels	Owner Allowance	\$ -	25%	5%	Through Addendum #10
012	Doors, Frames & Hardware (initial)	CM Estimate	\$ 24,900	100%	0%	Through Addendum #10
013	Doors, Frames & Hardware (supply)	Owner Allowance	\$ -	0%	0%	Through Addendum #10
014	Overhead doors	CM Estimate	\$ 87,800	0%	0%	Through Addendum #10
015	Early Painting	R.W. Gaskin	\$ 113,895	100%	0%	Through Addendum #10
016	Drywall, Carpentry, Collage	Mohr Construction Co., Inc.	\$ 1,088,918	25%	5%	Through Addendum #10
017	Painting	R.W. Gaskin	\$ 234,828	100%	0%	Through Addendum #10
018	Ceramic & Quarry Tile	CM Estimate	\$ 900,996	10%	5%	Through Addendum #10
019	Resilient Flooring & Carpet	CM Estimate	\$ 188,000	100%	0%	Through Addendum #10
020	Wood Flooring	CM Estimate	\$ 184,000	25%	5%	Through Addendum #10
021	Laminum Flooring	CM Estimate	\$ 41,000	0%	5%	Through Addendum #10
022	Telnet Accessories & Spoolboxes	Zelco Kraftworks	\$ 212,908	0%	100%	Through Addendum #10
023	Kitchen Equipment	Owner Allowance	\$ -	10%	0%	Through Addendum #10
024	Interior Signage	CM Estimate	\$ 11,900	0%	100%	Through Addendum #10
025	Elevator	Schnitler	\$ 123,050	0%	0%	Through Addendum #10
026	Cranes & Hoists	CM Estimate	\$ 70,000	0%	0%	Through Addendum #10
027	Fire Protection	Wm. T. Spauldy Co., Inc.	\$ 487,002	20%	0%	Through Addendum #10
028	Underlab and Temp Plumbing	M.P. Plumbing & Mechanical Inc.	\$ 307,237	25%	5%	Through Addendum #10
029	Above Grade Plumbing/Process Piping	J.R. Swanson Plumbing Co. Inc	\$ 1,182,838	25%	0%	Through Addendum #10
030	Structural	Hollenberg-Betz, Inc.	\$ 1,300,577	25%	0%	Through Addendum #10
031	NWAC Piping	Quackenbush Co.	\$ 1,640,837	25%	0%	Through Addendum #10
032	Hot Water Balancing	John W. Danforth Company	\$ 28,100	25%	5%	Through Addendum #10
033	BBS & Security	Shawco Industry Inc.	\$ 750,482	31%	0%	Through Addendum #10
034	Temp Electrical	Wayman Electric	\$ 80,750	0%	100%	Through Addendum #10
035	Electrical (no PA & Lighting)	Frey Electric Construction Co., Inc.	\$ 2,091,018	25%	0%	Through Addendum #10
036	Telnet/Communications	Wayman Electric	\$ 174,000	25%	0%	Through Addendum #10
037	Site Utilities	Total Wrecking	\$ 2,083,420	25%	5%	Through Addendum #10
038	Landscaping and Hardscaping	Total Wrecking	\$ 1,659,272	25%	5%	Through Addendum #10
039	Window Treatments	CM Estimate	\$ 191,000	10%	5%	Through Addendum #10
040	Install Wall Panels	CM Estimate	\$ 300,000	25%	0%	Through Addendum #10

Subtotal Trade (DW)	\$	20.14%	6.89%
Construction Contingency	\$ 988,326		
Subcontractor Default Insurance (SDI)	\$ 499,263		
Permits Allowance	\$ 30,000		
General Conditions	\$ 1,083,398		
General Requirements	\$ 1,082,816		
CB Insurance	\$ 830,700		
CB Fee	\$ 741,789		
<b>TOTAL GMP</b>	<b>\$ 38,791,430</b>		
Owner Allowance (Kitchen equipment)	\$ 250,000		
Owner Allowance (Sightlines & glass/curtain)	\$ 3,400,000		
Owner Allowance (Doors/Frames/Hardware)	\$ 200,000		
Owner Allowance (Elevator Signage)	\$ 50,000		
Owner Allowance (Temporary Weather Protection)	\$ 200,000		
<b>Subtotal</b>	<b>\$ 4,150,000</b>		
Owner Contingency (Risk Mitigation - Paints)	\$ 40,000		
Owner Contingency (Risk Mitigation - Gypsum)	\$ 150,000		
Owner Contingency (Additional Site Remediation)	\$ 200,000		
Owner Contingency (Additional Masonry Restoration)	\$ 200,000		
Owner Contingency	\$ 642,016		
<b>Total Allowances Assessed</b>	<b>\$ 4,382,016</b>		
Preconstruction	\$ 176,371		
<b>Total Contract Value</b>	<b>\$ 43,149,817</b>		

# Testing Services Comparative Figures

	SJB Services, Inc.	CME Associates	3rd Rock, LLC
<b>Field Services</b>			
<b>Soil/Fill Testing</b>		\$200.00/Full Day	\$25.00/Hr
			\$405.00/Full Day
Senior Engineering Technician for Compaction	\$230.00/Full Day		
Geotechnical / Material Engineer Bearing Grade Inspections/Proofroll	\$30/hr		
	\$400.00/Full Day		
	\$60/hr		
Geotechnical Engineer (P.C.)	\$600.00/Full Day	\$100/hr	
	\$90/hr		
<b>Concrete / Grout Testing</b>			
ACI Level Concrete Technician	\$230.00/Full Day	\$320.00/Full Day	\$40.00/Hr
	\$30/hr		\$370.00/Full Day
<b>ACI Level II Concrete and Rebar</b>			
Technician Masonry Inspector	\$270.00/Full Day	\$480.00/Full Day	\$60.00/Hr
	\$35/hr		
<b>AWS Structural Steel Inspector</b>	\$40.00/Hr		\$130.00/Hr
<b>ICC Special Inspector, ACI, CCI</b>		\$70/hr	
<b>Laboratory Inspection</b>			
Compressive Strength Concrete (Cylinders)	\$8.00/Each	\$12.00/Test	\$14.25/Cylinder
Compressive Strength of Grout (Cylinders)	\$12.00/Each		
Compressive Strength of Mortar (Cubes)	\$12.00/Each	\$12.00/Test	\$18.60/Prism (Masonry)
Sieve Analysis	\$35.00/Each	\$75.00/Test	\$92.00/Test
Proctor Tests	\$90.00/Each	\$90.00/Test	\$131.00/Test
Specific Gravity Test	No Charge, incl in Proctor		
<b>Other Services</b>			
Nuclear Densitometer Rental	\$35.00/Day	N/A	N/A
Mileage to/from Project Site	\$0.64/Mile	\$0.55/Mile	\$0.50/Mile
Project Manager	N/A	\$85.00/Hr	N/A
Geotechnical Engineer	N/A	\$100.00/Hr	N/A
Professional Engineer	N/A	\$125.00/Hr	N/A
Sample Pickup	N/A	\$60.00/pickup	\$25.00/Hr
Administrative & Reporting Fee	N/A	10% of billing	N/A
Special Inspector Oversight	N/A	N/A	\$95.00/Hr

## Stebbins, David

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**From:** Stiehler, Brett <BStiehler@Gilbaneco.com>  
**Sent:** Wednesday, October 4, 2017 11:26 AM  
**To:** Stebbins, David  
**Cc:** Puma, John; Peter Cammarata (pcammarata@buffalourbandevelopment.com); Cielencki, James  
**Subject:** RE: 3rd Party Testing

**Follow Up Flag:** Follow up  
**Due By:** Wednesday, October 4, 2017 4:00 PM  
**Flag Status:** Completed

SJB is the cheapest.

Typically we look for a single technician that can perform the soils, concrete and rebar inspections and have them on site full time. This is the most cost effective way to do thing because we will require multiple different tests per day.

That inspector will be \$270 per day from SJB and \$480 per day from CME

The Steel inspector is on an as needed basis.

With SJB I would suggest a \$40,000 not to exceed contract

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**From:** Stebbins, David [mailto:dstebbins@ecidany.com]  
**Sent:** Wednesday, October 04, 2017 9:25 AM  
**To:** Stiehler, Brett  
**Cc:** Puma, John; Peter Cammarata (pcammarata@buffalourbandevelopment.com); Cielencki, James  
**Subject:** 3rd Party Testing

Brett,

Here are the proposals we have received for the 3<sup>rd</sup> party inspection, and a comparison our intern, Jim Cielencki, prepared. The comparison is a little bit of apples & oranges, since they do not all have the same categories. We have also included 3<sup>rd</sup> Rock even though they declined to submit for the competitive solicitation.

CME seems to be less expensive for certain categories and more expensive for others. Without knowing how much of each test you need, it's difficult to do a complete comparison. Hopefully you can help with that. CME is a WBE.

*David A. Stebbins*, AICP

Executive Vice President  
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[www.buffalourbandevelopment.com](http://www.buffalourbandevelopment.com)

*The mission of BUDC is to support the economic development efforts of the region through acquisition, remediation and management of distressed properties in the urban core, and to engage in related real estate development activities for the purpose of attracting and/or retaining new and existing businesses to the City as part of the region.*





## Contract Drilling and Testing

September 28, 2017

683 Northland LLC  
Buffalo Urban Development Corporation  
95 Perry Street, Suite 404  
Buffalo, New York 14203  
Email: [dstebbins@buffalourbandevelopment.com](mailto:dstebbins@buffalourbandevelopment.com)

**CORPORATE/  
BUFFALO OFFICE**  
5167 South Park Avenue  
Hamburg, NY 14075  
Phone: (716) 649-8110  
Fax: (716) 649-8051

*Attention: Mr. David S. Stebbins, AICP*

*Reference: Special Inspection Services  
683 Northland Avenue*

Dear Mr. Stebbins,

SJB SERVICES, INC. along with our engineering subsidiary EMPIRE GEO-SERVICES, INC. are hereby submitting our proposal to perform special inspection services during construction for the project located at 683 Northland Avenue in Buffalo, New York.

**ALBANY OFFICE**  
PO Box 2199  
Ballston Spa, NY 12020  
  
5 Knobner Road  
Mechanicville, NY 12118  
Phone: (518) 899-7491  
Fax: (518) 899-7496

We are currently providing special inspection services on several projects throughout Western New York such as the Ellicott Street Parking Ramp, North Tonawanda City School District and the Queen City Landing project to name a few. This Writer is also a member of a special inspections task force developed by the New York State Department of State to assist with the interpretation and implementation of Chapter 17 of the New York State Building Code.

**CORTLAND OFFICE**  
60 Miller Street  
Cortland, NY 13045  
Phone: (607) 758-7182  
Fax: (607) 758-7188

Based on the latest New York State Building Code (January 1, 2010), an approved inspection and testing program must be carried out and documented by qualified "special inspectors." The reports must document the inspections and tests comply with the approved construction documents and indicate where any discrepancies were properly corrected. (IBC 2000, Section 1704.1.1). SJB's facilities meet the requirements of ASTM E329, "Standard Recommended Practice for Inspection and Testing Agencies for Concrete, Steel, and Bituminous Materials as used in Construction".

**ROCHESTER OFFICE**  
535 Summit Point Drive  
Henrietta, NY 14467  
Phone: (585) 359-2730  
Fax: (585) 359-9668

We have attached a list of certified Representatives who can provide services on this project, for submittal to the local building official. We have also included a unit rate schedule, which provides all of the services necessary for the special inspections for this project.

In addition, we have included a list of the items SJB will require prior to the start of the project in order to properly complete our work.

We note that it is critical that the Contractor is notified of his responsibility to notify the special inspector when he is performing activities listed on the Statement of Special Inspections.

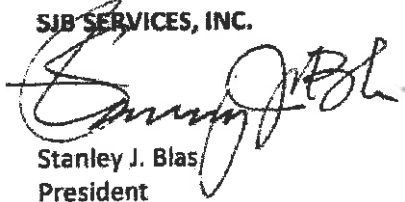
We also bring to your attention that the SJB SERVICES, INC. / EMPIRE GEO-SERVICES, INC. team can perform the SWPPP (Stormwater Pollution Prevention Plan) Monitoring that is required for every construction project that will require site disturbance.

If this proposal is acceptable, please sign below as your formal acceptance and authorization to proceed and return one (1) copy to our office. This proposal and the attached General Conditions shall constitute our agreement for these services.

Thank you for considering SJB SERVICES, INC. / EMPIRE GEO-SERVICES, INC. for this project. We look forward to working with you. If you should have any questions, please do not hesitate to contact our office at any time.

Sincerely,

**SJB SERVICES, INC.**



Stanley J. Blas  
President

vah

PROPOSAL ACCEPTED BY: \_\_\_\_\_

PRINTED NAME: \_\_\_\_\_

COMPANY REPRESENTING: \_\_\_\_\_

DATE: \_\_\_\_\_

**SJB SERVICES, INC. – UNIT RATE SCHEDULE**  
**683 NORTHLAND AVENUE, LLC**

<b>1. Field Services</b>	
<b>a. Soil/Fill Testing</b>	
<b>Senior Engineering Technician for Compaction</b>	
Full Day Rate (Monday thru Friday 4-8-Hours)	\$230.00/Full Day
Half Day Rate (Monday thru Friday 0-4-Hours)	\$120.00/Half Day
Hourly Rate	\$30.00/Hour
Overtime/Weekend Rate	\$40.00/Hour
<b>Geotechnical / Material Engineer (EIT)</b>	
<b>Bearing Grade Inspections/Proofroll</b>	
Full Day Rate (Monday thru Friday 4-8-Hours)	\$400.00/Full Day
Half Day Rate (Monday thru Friday 0-4-Hours)	\$200.00/Half Day
Hourly Rate	\$60.00/Hour
Overtime/Weekend Rate	\$70.00/Hour
<b>Geotechnical Engineer (P.E.)</b>	
Full Day Rate (Monday thru Friday 4-8-Hours)	\$600.00/Full Day
Half Day Rate (Monday thru Friday 0-4-Hours)	\$300.00/Half Day
Hourly Rate	\$90.00/Hour
<b>b. Concrete/Grout Testing</b>	
<b>ACI Level I Concrete Technician</b>	
Full Day Rate (Monday thru Friday 4-8-Hours)	\$230.00/Full Day
Half Day Rate (Monday thru Friday 0-4-Hours)	\$120.00/Half Day
Hourly Rate	\$30.00/Hour
Overtime/Weekend Rate	\$40.00/Hour
<b>ACI Level II Concrete and Rebar Technician</b>	
<b>Masonry Inspector</b>	
Full Day Rate (Monday thru Friday 4-8-Hours)	\$270.00/Full Day
Half Day Rate (Monday thru Friday 0-4-Hours)	\$140.00/Half Day
Hourly Rate	\$35.00/Hour
Overtime/Weekend Rate	\$45.00/Hour
<b>c. AWS Structural Steel Inspector</b>	
Hourly Rate	\$40.00/Hour
Overtime/Weekend Rate	\$50.00/Hour
2. Mileage	\$.50/Mile
3. Cylinder/Sample Pickup (If Not Onsite)	\$25.00/Hour
<b>4. Laboratory Testing</b>	
• Compressive Strength Concrete (Cylinders)	\$8.00/Each
• Compressive Strength of Grout (Cylinders)	\$12.00/Each
• Compressive Strength of Mortar (Cubes)	\$12.00/Each
• Sieve Analysis	\$35.00/Each
• Proctor Tests	\$90.00/Each
• Specific Gravity Test	NO CHARGE, Included in Proctor
5. Special Inspector Oversight, PE, SI	\$95.00/Hour

ALL RATES ARE PORTAL TO PORTAL FROM OUR HAMBURG, NEW YORK OFFICE AND ARE INCLUSIVE OF ALL EQUIPMENT, REPORTING AND ADMINISTRATIVE FEES

**SCHEDULING NOTES:**

- A. SCHEDULING MUST BE COMPLETED MONDAY THRU FRIDAY, BETWEEN 7:00 AM AND 5:00 PM BY PHONE ONLY.
- B. ALL TECHNICIAN SCHEDULING MUST BE MADE 24-HOURS IN ADVANCE OF THE TIME AND DATE THE TESTING IS REQUIRED.
- C. ALL SCHEDULING ON THE DAY OF THE REQUIRED SERVICE, IF ACCOMMODATED, WILL BE CHARGED AT 1.5% THE REGULAR QUOTED RATE.



Contract  
Drilling  
And  
Testing

**BUFFALO OFFICE**  
5167 South Park Avenue  
Hamburg, NY 14075  
Phone: (716) 649-8110  
Fax: (716) 649-8051

September 28, 2017

683 Northland LLC  
Buffalo Urban Development Corporation  
95 Perry Street, Suite 404  
Buffalo, New York 14203

Reference: *Special Inspection Services*  
*683 Northland Avenue*

SJB SERVICES, INC. would like to thank you for selecting our Company as your Construction Inspection Agency for your upcoming project.

We realize that this project is very important. To better serve you, and to comply with the latest New York State Building Codes, we must obtain the following information (Items that are checked) from you or your Project Manager / Engineer, prior to commencement of our services:

Y N

Does this project require Special Inspection, in accordance with Chapter 17 of the New York State Building Code? If yes, please proceed. If not, please check here (N) and return this form via facsimile.

\_\_\_\_\_ "Schedule of Special Inspection Services" as prepared by the Engineer of Record (this is absolutely necessary to proceed with our services).

\_\_\_\_\_ Minimum of one (1) set of project plans.

\_\_\_\_\_ Minimum of one (1) copy of the project specifications.

\_\_\_\_\_ A copy of the Geotechnical Report (if not generated by our subsidiary, EMPIRE GEO-SERVICES, INC.)

\_\_\_\_\_ A listing of who and where you would like reports sent to (cc: list).

\_\_\_\_\_ Notification upon selection, the Structural Steel Fabricator (if applicable).

\_\_\_\_\_ Notification upon selection, the Concrete Precast Fabricator (if applicable).

\_\_\_\_\_ A copy of the concrete, mortar and grout mix design(s) as applicable.

\_\_\_\_\_ A listing of contacts that should be contacted if there are deficiencies on the project.

Please forward this information immediately to the office checked to the left. Also, please let us know when the project is nearing completion, such that we can prepare your Final Statement of Special Inspections in order for you to obtain your Certificate of Occupancy.

We thank you in advance for your help and cooperation. Please contact the undersigned, should you have any questions or wish to discuss this information. SJB SERVICES, INC. looks forward to serving you on this project.

Sincerely,  
SJB SERVICES, INC. / EMPIRE GEO-SERVICES, INC.

Richard N. Kraft, P.E.  
Manager of Special Inspections

Stanley J. Blas  
President



## SJB SERVICES, INC. GENERAL CONDITIONS

### Section 1: SERVICES

SJB SERVICES, INC. (SJB), with the corporate office at 5167 South Park Ave., Hamburg, NY 14075 shall provide to the client only those services as described in the Scope of Services of this contract. Additional services may be provided if acceptable to SJB and are subject to negotiation of additional fees for service.

### Section 2: RIGHT OF ENTRY

The client will provide for right of entry of the employees, agents or subcontractors of SJB and all necessary equipment, in order to perform and complete the work, which is the subject of this agreement.

While SJB will take all reasonable precautions to minimize any damage to the property, the client understands and agrees that in the normal course of work some damage may occur, the correction of which is not part of this agreement.

### Section 3: UTILITIES

The client will provide to SJB documentation setting forth the location and depth of all underground utilities or structures.

In the prosecution of its work, SJB will take all reasonable precautions to avoid damage or injury to underground structures or utilities.

The client agrees to hold harmless, indemnify and defend SJB from any and all loss, cost, expense claim, damage or liability resulting from subsurface conditions which are unforeseen, not called to SJB's attention or correctly shown on the plans furnished by or on behalf of the owner.

### Section 4: SAMPLES

SJB will retain all soil and rock samples for 60 days after submission of test reports to the client. Further storage or transfer of samples will be made upon written request at the client's expense.

### Section 5: INVOICES

SJB will submit invoices to the client monthly and a final bill upon completion of services. Invoices will show charges for different personnel and expense classifications. A more detailed separation of charges and back-up data will be provided at client's request.

Payment is due upon presentation of invoice and is past due thirty (30) days from invoice date. The client agrees to pay a finance charge of one and one-half percent (1 1/2%) per month, or the maximum rate allowed by law, on past due accounts.

### Section 6: OWNERSHIP AND REUSE OF DOCUMENTS

All reports, boring logs, field data, field notes, laboratory test data, calculations, and other documents prepared by SJB as instruments of service shall remain the property of SJB.

The client agrees that all reports and other work furnished to the client or its agents, which is not paid for, will be returned to SJB upon demand and will not be used by the client for any purpose whatsoever.

SJB will retain all pertinent records relating to the services performed for a period of five years following submission of the report, during which period the records will be made available to the client at all reasonable times upon request and for the cost of reproduction.

The client and SJB agree that reuse of documents on extensions of the project or any other project by either party is prohibited without permission.

### Section 7: DISPUTES

All claims, disputes, and controversies arising out of or in relation to the performance, interpretation, application, or enforcement of this Agreement, including but not limited to breach thereof, shall first be referred to mediation under the then current Construction Industry Mediation Rules of the American Arbitration Associates prior to any recourse to arbitration or a judicial forum.

The Owner and SJB agree to include the foregoing provision in any and all agreements with independent contractors and consultants retained for the project and to require all independent contractors and consultants to likewise include said provision in any and all agreements with subcontractor, subconsultants, suppliers or fabricators so retained.

### Section 8: STANDARD CARE; WARRANTIES

SJB will strive to perform services under this agreement in a manner consistent with that level of care and skill ordinarily exercised by members of the profession currently practicing under similar conditions. SJB makes no warranty, expressed or implied.

In accepting reports of observations and tests and opinions expressed thereon performed pursuant to this agreement, the client agrees that the extent of SJB's obligation with respect thereto is limited to the furnishing of such data and opinions, which shall not be solely relied upon by others as acceptance of the construction work, nor shall it relieve the contractor in any way from his obligations and responsibilities under the construction contract to conduct the work in conformance with the plans and specifications.

In no event shall SJB be responsible for methods of construction, superintendence, sequencing or coordination of construction, or safety in, on or about the job site.

The client recognizes that subsurface conditions may vary from those encountered at the location where borings, surveys, or explorations are made by SJB and that the data, interpretations and recommendations of SJB are based solely on the information available to it. SJB will not be responsible for the interpretation by others of the information developed.

### Section 9: LIMITATION OF LIABILITY

The owner agrees to limit SJB's liability to the owner and all construction contractors and subcontractors on the project arising from SJB's professional acts, errors or omissions. Such that the total aggregate liability of SJB to all those named shall not exceed \$50,000 or SJB's total fee for the services rendered on this project, whichever is greater. The owner further agrees to require or the contractor and his subcontractors an identical limitation of SJB's liability for damages suffered by the contractor or the subcontractor arising from SJB's professional acts, errors or omissions. Neither the contractor nor any of his subcontractors assumes any liability for damages to others, which may arise on account of SJB's professional acts, errors or omissions.

### Section 10: INSURANCE

Except as set forth below, SJB states that it and its agents, staff and consultants employed by it are protected by worker's compensation insurance and that SJB has such coverage under public liability, professional liability, and property damage insurance policies which SJB deems to be adequate. Certificates for all such policies of insurance shall be provided to the client upon written request. Within the limits and conditions of such insurance, SJB agrees to indemnify and save client harmless from and against any loss, damage, or liability arising from any negligent acts by SJB, its agents, staff, and consultants employed by it. SJB shall not be responsible for any loss, damage or liability beyond the amounts, limits, and conditions of such insurance. SJB shall not be responsible for any loss, damage, or liability arising from any acts by client, its contractors, agents, staff, and other consultants employed by it.

### Section 11: INFORMATION PROVIDED BY CLIENT

The client agrees to hold harmless, indemnify and defend SJB from any and all loss, cost, expense, claim, damage or liability resulting from the inaccuracy of data or information provided by the client or others on his behalf.

### Section 12: HAZARDOUS WASTES

The client shall advise SJB of any hazardous wastes existing at or near the site at which SJB is to perform work. If SJB discovers hazardous wastes after it undertakes a project, or if SJB discovered the nature or extent of hazardous wastes differs materially from what client advised SJB, the client and SJB agree that the scope of services and schedule shall be adjusted as needed to complete the work without injury or damage. The project will be completed for an additional sum agreed to by both parties.

### Section 13: TERMINATION

This agreement may be terminated by either party upon seven (7) days written notice in the event of substantial failure by the other party to perform in accordance with the terms hereof. Such termination shall not be effective if that substantial failure has been remedied before expiration of the period specified in the written notice. In the event of termination, SJB shall be paid for services performed to the termination notice date plus reasonable termination expenses.

### Section 14: ASSIGNS

Neither the client nor SJB may delegate, assign, subcontract or transfer its duties or interest in this agreement without the written consent of the other party. Any assignee, successor or legal representative of any of the parties to this agreement shall be bound by the terms of this agreement.

**SJB SERVICES, INC.**  
**WESTERN NEW YORK QUALIFICATIONS / CERTIFICATIONS**

**SPECIAL INSPECTION COORDINATOR - DIRECTOR OF TECHNICAL SERVICES /  
MANAGER OF SPECIAL INSPECTIONS:**

*Richard N. Kraft, P.E., S.I.*

**GEOTECHNICAL / MATERIALS ENGINEER:**

<i>Wanda M. Allen, P.E.</i>	<i>John J. Danzer, P.E.</i>
<i>Timothy Hooper, EIT</i>	<i>Thomas R. Seider, P.E.</i>
<i>William Roberts</i>	<i>Brian Tobin</i>
<i>Zach Wood</i>	<i>Josh Yaeger, EIT</i>

**ACI LEVEL I:**

<i>Joseph Blackwell</i>	<i>Larry Blas</i>	<i>George Boller</i>	<i>Bob Fabian</i>
<i>Norm Gern</i>	<i>Paul Gregorczyk</i>	<i>Larry Hageman</i>	<i>Timothy Hart</i>
<i>Will Ingerick</i>	<i>Mike Kovacs</i>	<i>Ronald Lynch</i>	<i>Chris Militello</i>
<i>Jered Morgan</i>	<i>William Roberts</i>	<i>Pete Russo</i>	<i>Rodney Sheehan</i>
<i>John Slomka</i>	<i>Craig Smolkovich</i>	<i>Nate Voss</i>	<i>Zachariah Wood</i>

**ACI CONSTRUCTION INSPECTOR (LEVEL II):**

<i>Joseph Blackwell</i>	<i>Larry Blas</i>	<i>George Boller</i>	<i>Larry Hageman</i>
<i>Tim Hart</i>	<i>Will Ingerick</i>	<i>Mike Kovacs</i>	<i>Ronald Lynch</i>
<i>Chris Militello</i>	<i>William Roberts</i>	<i>Rodney Sheehan</i>	<i>John Slomka</i>
<i>Craig Smolkovich</i>	<i>Zachariah Wood</i>		

**ACI LABORATORY TECHNICIAN (LEVEL I AND LEVEL II):**

*Paul Gregorczyk*

**NICET LEVEL I GENERALIST, GEOTECHNICAL ENGINEERING TECHNOLOGY:**

*William Roberts*

**NICET LEVEL II CONSTRUCTION GEOTECHNICAL ENGINEERING TECHNOLOGY:**

*William Roberts*

**NICET LEVEL I CONCRETE, ASPHALT:**

*Norm Gern*

**NICET LEVEL II CONCRETE, SOILS:**

*Norm Gern*

**NICET LEVEL III SOILS, ASPHALT, CONCRETE:**

*Norm Gern*

**CERTIFIED WELDING INSPECTOR (STEEL)**

<i>Ronald Lynch (CWI)</i>	<i>Mark D. Preston (CWI)</i>	<i>Jeffrey S. Wilson (CWI)</i>
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**ICC CERTIFIED FIREPROOFING INSPECTOR:**

*William Roberts*

**ICC CERTIFIED STRUCTURAL STEEL AND BOLTING SPECIAL INSPECTOR:**

*Mark Preston*

**NYS HMA DENSITY TESTING INSPECTOR:**

<i>Bob Fabian</i>	<i>Larry Hageman</i>	<i>Mike Kovacs</i>	<i>John Slomka</i>
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**NETTCP INSPECTOR:**

<i>George Boller</i>	<i>Norm Gern</i>	<i>Larry Hageman</i>	<i>Zachariah Wood</i>
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October 2, 2017

Mr. David Stebbins  
 Buffalo Urban Development Corp. ("BUDC")  
 95 Perry Street  
 Buffalo, NY 14203

**RE: Buffalo Billion Investment Development Program  
 BUDC Funding to Support Move of Buffalo Manufacturing Works to the  
 Northland Corridor Redevelopment Area**

Mr. Stebbins:

On behalf of New York State and Empire State Development ("ESD"), please let me express my continued enthusiasm for working with you and BUDC to promote the revitalization of Buffalo's East Side through the Northland Corridor Redevelopment Project and the WNY Workforce Training Center, which is being financed through monies under Phase I of Governor Cuomo's Buffalo Billion Investment Development Program.

As you are aware, Phase II of the Buffalo Billion program involves funds to be used, in part, to support a move of the Buffalo Manufacturing Works ("BMW") facility from its location on the Buffalo Niagara Medical Campus to a new, larger home at 683 Northland Avenue, together with the Workforce Training Center and other future users of that redeveloped manufacturing complex.

Please allow this correspondence to serve as ESD's commitment to provide a state incentive valued up to \$21.5 million to BUDC to allow you to proceed with design/construction efforts to facilitate BMW's move to 683 Northland Avenue. This funding is anticipated to come from multiple sources; some has been included in the State's 2017/18 budget, while a portion would be derived from remaining BMW funds under Buffalo Billion Phase I and other sources.

However, please note that prior to entering into any agreement for the disbursement of funds; various approvals are required including review/approval by the ESD Board of Directors, in accordance with the terms and conditions contained in an upcoming incentive proposal that will be issued to BUDC.

Should you have any questions or wish to discuss the offer further, please do not hesitate to call Paul Tronolone, your ESD project manager, at (716) 846-8254.

Very truly yours,  
**EMPIRE STATE DEVELOPMENT**

Christopher Schoepflin  
 Western New York Director

Empire State Development  
 95 Perry Street, Suite 500, Buffalo, NY 14203  
 (716) 846-8200 | www.esd.ny.gov