



LOWER MANHATTAN DEVELOPMENT CORPORATION

REQUEST FOR PROPOSALS Construction Management Services

*The Lower Manhattan Development Corporation, a subsidiary of
the New York State Urban Development Corporation
d/b/a Empire State Development Corporation,
seeks proposals to provide construction management services
relating to the World Trade Center Memorial and Cultural
Programs capital construction projects, including, but not limited
to, the deconstruction of 130 Liberty Street.*

Lower Manhattan Development Corporation

John C. Whitehead, Chairman

Kevin M. Rampe, President

July 19, 2004

Pre-proposal conference: Wednesday, July 28, 2004 9:00 AM EST

Deadline for responses: August 9, 2004, 5:00 PM EST

A pre-proposal conference will be held on July 28, 2004 at 9 AM at LMDC's offices located at 1 Liberty Plaza, 20th Floor, New York, NY 10006. Questions must be submitted in writing no later than July 29, 2004 to David Ridley by mail to LMDC or by facsimile to: (212) 962-2431. Addenda to this RFP, including responses to any questions submitted in writing or asked at the pre-proposal conference, will be posted on the LMDC web site www.RenewNYC.com by August 2, 2004. LMDC will not accept, and cannot respond to, questions via any other methods.

I. GENERAL INFORMATION

A. Mission and Structure of the Lower Manhattan Development Corporation

The Lower Manhattan Development Corporation (“LMDC”) was established in late 2001 to develop and revitalize Lower Manhattan in the aftermath of the September 11, 2001 terrorist attacks. As it relates to the work of LMDC, Lower Manhattan refers to all areas in Manhattan south of Houston Street.

LMDC is a subsidiary of the New York State Urban Development Corporation, doing business as Empire State Development Corporation (“ESDC”), a political subdivision and public benefit corporation of the State of New York, created by Chapter 24 of the Laws of New York, 1968, as amended. LMDC is governed by a sixteen member Board of Directors, eight of whom were nominated by the Governor of the State of New York and eight of whom were nominated by the Mayor of the City of New York.

LMDC is funded by federal appropriations administered by the United States Department of Housing and Urban Development (“HUD”) through its Community Development Block Grant (“CDBG”) program. To date, approximately \$2.8 billion has been allocated to LMDC under such appropriations. (*See* Defense Appropriations Act of 2002, Public Law 107-117 and Supplemental Appropriations Act of 2002 for Further Recovery from and Response to Terrorist Attacks on the United States, Public Law 107-206). Partial Action Plans relating to the expenditure of some of these funds are available on LMDC’s web site:

<http://www.renewnyc.com>.

B. Summary of the Memorial and Cultural Program

The centerpieces of LMDC’s efforts are the creation of a permanent memorial remembering and honoring the thousands of innocent men, women, and children lost in the terrorist attacks (the “Memorial”) and cooperation with other public and private entities in the revitalization and redevelopment of the World Trade Center Site (the “WTC Site”) and adjacent areas (the Southern Site”). The Southern Site includes those properties commonly known as 130 Liberty Street, 140 Liberty Street and 155 Cedar Street. The WTC Site and the Southern Site will be referred to collectively as the “Site”. In cooperation with the Port Authority of New York and New Jersey (Port Authority), LMDC developed the World Trade Center Memorial and Redevelopment Plan (“WTC Memorial and Redevelopment Plan”) and conducted a coordinated environmental review of the Plan which culminated in a Record of Decision dated June 2, 2004.

Consistent with that Plan, LMDC will implement a World Trade Center Memorial and Cultural Program (the “Memorial Program”) and Port Authority will implement the commercial Redevelopment Program. The Memorial Program, for which construction is expected to begin

in 2006, includes the planning, coordination and construction of a Memorial and Memorial Center, memorial-related improvements, and cultural uses at the Site.

In carrying out the Memorial Program, LMDC conducted an international competition that in January 2004 resulted in the selection of a winning Memorial design, *Reflecting Absence* by architect Michael Arad and landscape architect Peter Walker. An interpretive museum will be developed, known as the Memorial Center, which will tell the story of the events of September 11, 2001 and February 26, 1993.

Also part of the Memorial Program is the development of two sites for cultural buildings at the WTC Site. On June 10, 2004, LMDC, joined by Governor George E. Pataki and Mayor Michael R. Bloomberg, announced the selection of four institutions: The Joyce International Dance Center, the Signature Theater, the International Freedom Center, and the Drawing Center who have been offered space in the WTC Cultural Center. Over the next approximately six (6) months, the four institutions will work closely with the LMDC to create a detailed analysis of their proposed programming, funding capacity, and space allocation.

One of the parcels proposed for redevelopment is 130 Liberty Street, on which the Deutsche Bank building is situated ("130 Liberty Site"). The Deutsche Bank building was severely damaged on September 11, 2001 and remains unoccupied. Pursuant to a mediated settlement agreement among Deutsche Bank, its insurers, and LMDC, LMDC will acquire the 130 Liberty Site and be responsible for costs associated with the remediation and deconstruction of the Deutsche Bank building. The acquisition of the 130 Liberty Site is necessary for the implementation of the WTC Memorial and Redevelopment Plan insofar as it will permit the construction of bus parking, reduce density on the WTC Site by moving the proposed fifth office tower to the 130 Liberty Site, and reservation of sufficient space for the proposed memorial and cultural facilities on the WTC Site itself.

LMDC will contribute funding for the design, development, and construction of the Memorial and Memorial Center, the acquisition, remediation, and deconstruction of the 130 Liberty Site, and may provide challenge grants to assist in the costs of creating the WTC Cultural Center. The LMDC will oversee the overall implementation of the Memorial, Memorial Center, and cultural programming and possibly, elements of the Redevelopment Program, including all required coordination with the Port Authority, HUD, the State of New York, the City of New York, and other public and private entities. LMDC will also continue to coordinate the Memorial Program with the plans and implementation schedule for the Redevelopment Program.

C. Overview of Services Requested and the Submission Process

LMDC needs the services of a firm to provide construction management services/owner's representation in connection with the deconstruction of 130 Liberty Street. LMDC may also utilize this firm to provide additional miscellaneous construction management and/or owner's

representation services for construction projects anticipated to be funded by the LMDC. LMDC may select one or more firms to provide some of the requested services, or LMDC may select a single firm to provide all services requested. Firms interested in submitting proposals to provide such services are required to follow the recommended guidelines and instructions contained in this Request for Proposals ("RFP"). In the event it becomes necessary to revise any part of this RFP, revisions will be provided by addenda posted on the LMDC web site: <http://www.renewnyc.com>.

Proposals should provide a straightforward, complete and concise description of the firm's capabilities to satisfy the requirements of the RFP. Please prepare ten (10) copies of your proposal and work samples. Each copy of the proposal should be bound in a single volume and include any documentation you may wish to submit.

Firms submitting a proposal in response to this RFP may be required to give an oral presentation of their proposal to LMDC. This oral presentation may provide an opportunity for the firms to clarify or elaborate on the proposal but will in no way change the original submission. Engagement staff should be present at the oral presentation. LMDC's request for an oral presentation shall not constitute acceptance of a proposal.

Proposals must be received no later than 5:00 PM EST, August 9, 2004. Deliver all proposals to:

RFP/RFQ PROCESSOR

Attn: Construction Management Services RFP
Lower Manhattan Development Corporation
One Liberty Plaza, 20th Floor
New York, NY 10006

LMDC reserves the right to reject any or all proposals submitted if such election is deemed to be in the best interest of LMDC. LMDC assumes no obligation, no responsibility and no liability for costs incurred by the responding firms prior to the issuance of a contract.

The current schedule for this effort is as follows:

- July 19, 2004 – RFP Issued
- July 28, 2004 – Pre Proposal Conference
- July 29, 2004 – Deadline for submitting questions
- August 2, 2004- Addendum and answers to questions posted on www.RenewNYC.com
- August 9, 2004 – Responses Due
- August 17-19, 2004 – Oral Presentations Conducted
- September 1, 2004 – Firm Selected

Subject to annual review and approval by the LMDC Board of Directors, the selected firms will be retained for three (3) years with an option for LMDC to renew.

II. ANTICIPATED SCOPE OF SERVICES

LMDC is seeking one or more firms to assist LMDC in its planning, development and revitalization work in lower Manhattan. LMDC requests proposals for one or more firms to provide services including but not limited to the scope of work described generally below.

A. Purpose and Project Area

The Construction Management Firm, selected through this RFP process will begin work with LMDC upon award of contract. LMDC anticipates utilizing the services of a Construction Manager on capital projects, including, but not limited to, the deconstruction of 130 Liberty Street.

130 Liberty Street Background

The Lower Manhattan Development Corporation anticipates purchasing, and subsequently deconstructing the building located at 130 Liberty Street, New York, NY, also known as the Deutsche Bank Building.

130 Liberty Street is a forty-two (42) story, approximately 1.5 million square foot office building and is scheduled to be removed down to the top of the foundation walls including but not limited to removal and disposal of all interior walls, stairs, ceilings, floor coverings, Mechanical, Electrical and Plumbing (MEP) items, exterior skin, superstructure concrete and structural steel.

LMDC is negotiating to enter into a contract with Gilbane Building Company for the demolition of the building and structures located at the 130 Liberty Site. It is anticipated that Gilbane will, in turn, enter into subcontracts with entities to perform the gross cleaning, general demolition, mechanical plumbing, sprinkler, and electrical work necessary as part of the deconstruction as well as the environmental monitoring services that will be required.

It is anticipated that work on the deconstruction of 130 Liberty Street will commence in the fall of 2004. That work will consist generally of: (a) gross cleaning and preparation of the building at the 130 Liberty Site for demolition; (b) deconstructing and demolishing the building; (c) undertaking environmental monitoring during the demolition of the building; (d) transporting all waste and debris from the 130 Liberty Site and disposing of same; and (e) upon completion of the demolition and removal, backfilling, grading and paving the Site as appropriate.

B. Scope of Project

Pre-Construction Services

LMDC is seeking one or more firms to assist LMDC in its planning, development and revitalization work in Lower Manhattan. Specifically, LMDC seeks the services of a Construction Management Firm to provide, to the satisfaction of LMDC, all services necessary and required for the inspection, supervision, management, coordination and compliance relating to capital projects. Additionally, LMDC seeks consulting services relating to pre-construction, including constructability review of designs, cost estimating, and schedule development.

Construction Management/Owner's Representation Services – 130 Liberty Street

The Construction Management/Owner's Representation Services include the following specific services and all other construction management or owner's representation services reasonably necessary or desirable to promote the orderly and efficient administration and management of the Work and assist LMDC in exercising its rights and performing its duties under the Deconstruction Contract:

1. Assist LMDC in evaluating and monitoring contractor's performance and the progress of the Work, including without limitation:
 - a. oversee and report on contractor's performance of the Work
 - b. coordinate and monitor progress of Work against project schedule
 - c. coordinate and monitor progress of Work against budget
 - d. monitor contractor's compliance with Contract requirements
 - e. monitor and coordinate tests, inspections and reports (including air monitoring) which are LMDC's responsibility
 - f. monitor and coordinate tests, inspections and reports (including air monitoring) which are contractor's responsibility
 - g. monitor contractor's and subcontractors' compliance with Legal Requirements and with requirements of Opportunity Downtown Plan
 - h. monitor and track contractor's compliance in obtaining required permits and approvals
 - i. monitor contractor's compliance with Health and Safety Plan (HASP)

- j. monitor site cleanliness, OSHA compliance, and contractor's compliance with environmental performance commitments which are part of the contract specification.
 - k. monitor contractor's establishment of security procedures
 - l. monitor contractor and subcontractor procedures to verify legal status of employees on site
 - m. guard LMDC against defects in the Work/problems on site
 - n. track insurance certificates and maintain insurance certificate log; review insurance certificate (and policies) submitted to LMDC for compliance with contractor's contract requirements
 - o. provide full-time on-site presence in connection with the performance of services hereunder, including full-time safety inspectors on-site
2. Advise LMDC with respect to contractor's performance and coordinate and facilitate decisions between LMDC and contractor, including without limitation:
- a. advise LMDC regarding technical, budget, and scheduling issues
 - b. prepare cash flow, budget variance and progress reports on monthly basis
 - c. review and advise LMDC regarding payment applications (including Prevailing Wage submissions); certify amounts properly payable to contractor; document and justify adjustments/reductions of amounts claimed by contractor on payment requisitions
 - d. track all change orders and maintain change order log; provide independent estimates of change orders; negotiate proposed change orders, subject to LMDC's approval; recommend acceptance/ rejection/ modification of proposed change orders.
 - e. track all Requests for Information (RFI) and maintain RFI log; recommend answers to RFIs and coordinate receipt of answers to RFIs from other sources
 - f. maintain subcontractor log; advise LMDC on new or replacement subcontractors proposed by contractor
 - g. track all technical submittals and maintain submittal log; review contractor technical submittals and advise LMDC as to acceptance, modification, or rejection

- h. assist LMDC with any claims against sureties under the Bonds (or the Prior Insurers under the Demolition Cap Agreement)
 - i. assist LMDC in determining substantial/final completion and in closing out Work (including negotiation of close-out agreement with contractor)
 - j. prepare punch lists, maintain the punch list, and monitor performance of punch list work
 - k. review and assemble contractor's submission of documents upon close-out
 - l. provide LMDC with a final report of all costs incurred by LMDC on the project
3. Assist LMDC in fulfilling its contractual obligations to contractor, including without limitation:
- a. assist LMDC in carrying out LMDC's contractual obligations to contractor
 - b. give prompt notice if LMDC is failing to perform as required
 - c. prepare protocol/plan for protection/use of Site after contractor finishes and delivers vacant site to LMDC
4. Assist LMDC with meetings and communications relating to the Work or the contractor's Contract, including without limitation:
- a. hold project meetings; keep minutes
 - b. participate with LMDC in meetings with City agencies, other government agencies, community groups, public meetings; keep minutes
5. Assist LMDC and contractor with site logistics and coordination of construction activities, transportation, and deliveries for other aspects of the WTC Memorial and Redevelopment Plan and other construction projects downtown

C. Anticipated Project Schedule

It is anticipated that consultant selection will be complete and contracts signed in early September 2004. Work will begin immediately thereafter pursuant to authorized work orders. It is anticipated that activities related to the deconstruction of the 130 Liberty Site property will commence in the fall 2004 and continue in 2005. It is anticipated that services will be required for fifteen (15) months.

III. SUBMISSION REQUIREMENTS

Please letter your responses exactly as the questions are presented herein. Please limit your submission to ten (10) one-sided pages, not including work samples, which must be included in a separate, bound, appendix. Interested firms are invited to submit proposals that contain the following information:

A. Experience, Structure, and Personnel

1. A history of the firm's experience providing construction management/owner's representation services to economic development organizations, municipalities, other governmental entities, private developers, not-for-profits and civic organizations.
2. A description of the firm's organizational structure, including resumes of the principals, project manager(s) and professional staff who would work directly with LMDC should the firm be selected.
3. Samples of up to five (5) major projects that the firm has completed in the areas of construction management, particularly in the field of deconstruction. Samples may be redacted if necessary. Include the client, the name of a contact person who is able to provide a reference, a description of the nature of the work, the size and complexity of the project, and the amount and the agreed fee arrangements.
4. Any other information that you believe would make the firm's work on behalf of LMDC superior to that of other firms or information about your firm's specialty or particular skill to perform a specific requested service.
5. Firm's experience as construction manager on large scale deconstruction projects.
6. Firm's experience as construction manager on projects with hazardous material remediation requirements.

B. Methodological Approach

1. A description of how the firm intends to address the anticipated scope of services set forth in Section II of this RFP. In particular, a description of how the firm would propose to structure and staff a construction management team for the 130 Liberty Site deconstruction project.
2. A statement explaining the firm's approach to construction management, including methods, analytical techniques, computer systems, or models, etc. that would be employed.
3. If the firm is not proposing to provide all requested services, please include a statement of which specific services the firm proposes to provide.

C. Fee

1. Total estimated firm fee for completion of the project for the 130 Liberty Street deconstruction.
2. A monthly rate for continued services after the completion of the fifteen (15) month schedule.
3. The normal hourly rate of each principal and staff member whose resume is provided or whose job category may be required, and the rate used in the proposal.
4. A list of anticipated reimbursable expenses and the rate charged for each.
5. Any reduced fees offered to other municipalities, governmental entities, economic development or nonprofit organizations, and civic organizations.
6. Any other fees or charges.

NOTE: The fee proposal must be submitted in a separate, clearly marked, sealed envelope. The fees will not be opened until all proposals have been initially evaluated. Although proposed fees will be taken into account, LMDC reserves the right to negotiate a lower or different fee structure with any firm that is selected.

- LMDC reserves the right to request best and final offer fee proposals during the RFP evaluation process.

D. Contact Information (NOTE: does not count toward 10-page limit)

On a single cover sheet in your proposal, please provide:

1. The lead firm or individual name;
2. The lead firm's contact person;
3. License or certification information of lead firm principal or individuals working on the LMDC project;
4. Telephone, fax, and wireless numbers for firm principals or individuals working on the LMDC project;
5. E-mail address for firm principals or individuals working on the LMDC project;
6. The Street address of lead firm or individual;
7. The year the firm or individual practice established;
8. The MBE/WBE status of the firms (Minority-owned Business Enterprise or Women-owned Business Enterprise, as certified by New York State);
9. The type of work or specialty and size of firm; and
10. The signature of the lead individual, and the date of the signature.

E. Conflicts of Interest (NOTE: does not count toward 10-page limit)

1. Submit a statement describing any potential conflict of interest or appearance of impropriety, relating to other clients of the firm, or officers,

directors, and employees of LMDC, that could be created by providing services to LMDC.

2. Indicate what procedures will be followed to detect and notify LMDC and to resolve any conflicts of interest.
3. Indicate any pending litigation and/or regulatory action by any oversight body or entity that could have an adverse material impact on the firm's ability to serve LMDC.
4. Indicate if the firm has ever had a prior contract with any governmental entity terminated for any reason, and provide an explanation.
5. Submit a completed Standard Business Background Questionnaire (Attachment 3).
6. Submit a completed Contractor Disclosure Contracts Form and the Contractor Disclosure of prior Non-Responsibility Determinations form (Attachment 5) in compliance with New York State Executive Order 127.

F. Non-discrimination Policy (NOTE: Does not count toward 10-page limit)

1. Firms with 50 or more employees shall submit a copy of their nondiscrimination or affirmative action plan.
2. Firms with less than 50 employees shall submit a statement of their commitment to equal opportunity and affirmative action from their chief executive officer.
3. Each responding firm must also complete and submit both
 - (a) Attachment 1 relating to the anticipated workforce to be utilized on the contract, and
 - (b) Attachment 2 relating to the anticipated participation of minority and women-owned business enterprises as subcontractors, if any.

All information and documents described in subsections A through F above must be included or addressed in the submission.

IV. CRITERIA FOR SELECTION

In evaluating proposals submitted pursuant to this request, LMDC places high value on the following factors, not necessarily in order of importance:

- Approaches in methodology with respect to the anticipated scope of services that demonstrate maximum comprehension of and ability to provide such services to LMDC.
- Demonstrated knowledge of the construction industry, with particular knowledge of the various construction, labor, and environmental rules and regulations.
- Experience of firm and employees to be assigned to the project in general, and in particular, in providing construction management services on large scale construction projects in New York City.

- Quality of work product as demonstrated in submitted work samples.
- Innovative or outstanding work by firm that demonstrates the firm's unique qualifications to provide construction management services.
- Number, complexity, and nature of deconstruction projects handled by the firm.
- Number, complexity, and nature of projects requiring hazardous material remediation handled by the firm.
- Selected firm's staff ability, availability and facility for working with LMDC directors, officers, staff and consultants.
- Experience in working as part of a complex consultant team on a project involving multiple government and private entity interests.
- Conformity with or exceeding of applicable LMDC's policies as noted herein, including specific policies relating to nondiscrimination and affirmative subcontracting goals.
- Projected cost of services.

V. CONTRACT TERMS AND REQUIREMENTS

The contents of the proposal prepared by the successful firms, with any amendments approved by LMDC, may, at LMDC's election, become a part of the contract that is signed as a result of this RFP Process.

The selected firms will be required to:

- Work with LMDC staff and its consultants to provide construction management services to LMDC on matters that may arise in connection with the planning, development, and revitalization of Lower Manhattan.
- Maintain accurate accounting records and other evidence pertaining to costs incurred in providing services, and on LMDC request, to make such records available to LMDC at all reasonable times during the contract period and for six (6) years after the date of the final payment to the firms under the contract.
- Assume sole responsibility for the complete effort as required by this RFP, and be the sole point of contact with regard to contractual matters.
- Refrain from assigning, transferring, conveying, subletting or otherwise disposing of the contract or its rights, titles or interest therein or its power to execute such agreement to any other person, firm, partnership, company, or corporation without the prior consent and approval in writing of LMDC.
- Comply with applicable law governing projects initiated or supported by LMDC, including all applicable HUD requirements and regulations.

LMDC may hire more than one firm that responds to this RFP. LMDC has no preference that all services be provided by the same firm and firms may choose to submit qualifications to provide less than all of the anticipated scope of services. Responding firms must specify which

services they are proposing to provide. LMDC will review all proposals without prejudice regarding which services are proposed.

LMDC reserves the right to terminate any contract entered into as a result of this RFP at any time, provided that written notice has been given to the firm at least thirty (30) days prior to such proposed termination date.

VI. MISCELLANEOUS CONDITIONS

A. Obligation Only on Formal Contract

The issuance of this RFP, the submission of a response by any firm, and the acceptance of such response by LMDC do not obligate LMDC in any manner. Legal obligations will only arise on the execution of a formal contract by LMDC and the firm(s) selected by LMDC. LMDC's formal contract will consist of more than one schedule, including one substantially in the form of the accompanying "Schedule A" (Attachment 4). LMDC provides this form for informational purposes only and may amend its schedules from time to time.

Responses to this RFP will be prepared at the sole cost and expense of the proposing firms. No materials submitted in response to this RFP will be returned.

B. LMDC Reservation of Rights

LMDC may (i) amend, modify, or withdraw this RFP, (ii) revise requirements of this RFP, (iii) require supplemental statements or information from any firm, (iv) accept or reject any or all responses hereto, (v) extend the deadline for submission of responses thereto, (vi) negotiate or hold discussions with any respondent and to waive defects and allow corrections of deficient responses which do not completely conform to the instructions contained herein, and (vii) cancel this RFP, in whole or in part, if LMDC deems it in its best interest to do so. LMDC may exercise the foregoing rights at any time without notice and without liability to any proposing firm or any other party for their expenses incurred in the preparation of the responses hereto or otherwise.

C. Nondiscrimination and Affirmative Action Policies

It is the policy of the State of New York and LMDC to comply with all federal, state and local laws, policies, orders, rules and regulations which prohibit unlawful discrimination because of race, creed, color, national origin, sex, sexual orientation, age, disability or marital status, and to take affirmative action in working with contracting parties to ensure that Minority and Women-owned Business Enterprises ("M/WBEs"), Minority Group Members and women share in the economic opportunities generated by LMDC's participation in projects or initiatives, and/or the use of LMDC funds. As a subsidiary of ESDC, LMDC follows ESDC's non-discrimination and affirmative action policy will apply to any contract entered into as a result of this RFP. LMDC

has established a 20% M/WBE participation goal for its entire redevelopment project. The selected firm(s) shall be required to use best efforts to provide for the meaningful participation of United States M/WBE's, Minority Group Members and women in the execution of this contract. A copy of each responding firm's equal employment opportunity policy statement, Attachment 1 relating to the anticipated workforce to be utilized on the contract and Attachment 2 relating to the anticipated participation by M/WBEs as subcontractors, shall be included as part of the response to the RFP. The ESDC Affirmative Action Unit ("AAU") is available to assist you in identifying M/WBEs certified by the State of New York that can provide goods and services in connection with the contract anticipated by this RFP. If you require M/WBE listings, please call the AAU at (212) 803-3224.