Presentation Overview

• Project Background
• Proposals
• Evaluation Approach
• Procurement Activities
• Selected Design Builder
• Proposed Design Features
• Sources and Uses
• Essential Contract Terms
Project Background
Overview

In the growing west side of Manhattan, the Javits Center Expansion Project will enhance the value of one of the State’s greatest assets while also improving the neighborhood.

The Project includes:

- On-site truck marshalling, loading and storage facility that can hold 229 trucks min.
- 90,000 sq ft of permanent exhibit space
- 45,000 sq ft of meeting room space
- 55,000 sq ft ballroom – largest in the New York region
- Green roof terrace to accommodate 1,500 people

A solicitation (RFP) was issued in June 2016 and responses were received in October 2016.
The Expansion Project offers meaningful benefits to all stakeholders

- Offer 500,000 sq. ft. of exhibition space on one level – an industry benchmark (vs. 300,000 sf today)
  - Results in outdoor meeting space for community-focused events

- Spur significant economic activity and job creation throughout New York region
  - Additional ~$400 MM in annual economic activity
  - Additional 4,000 FTE jobs and 2,000 PT jobs and 3,100 construction jobs

- Increase exhibition and meeting space to accommodate multiple larger events each year
  - Javits Center able to cater to higher-spending, large-scale meetings

- Enhance value of the Javits Center and the recent $460 MM renovation
  - Generates $1.5 billion in annual economic activity
  - Supports more than 14,000 jobs for New Yorkers each year

- Increase efficiency of load-in/load-out process
  - Utilization of Javits Center space will lead to 20 additional event days
  - Efficiency of truck delivery operations will increase by 30%

- Increase area’s safety and sustainability by reducing truck traffic
  - 20,000 trailers a year accommodated by on-site marshaling facility
Proposal Contents

Proposers were asked to provide detailed responses to the RFP on the following technical criteria:

1. Proposed Design
2. Schedule
3. Project Plans and Approach
4. MWBE / SDVOB Approach
5. Team, Experience and Financial Strength

Proposers were asked to provide a lump-sum price proposal under separate cover.
Responsive proposals were received from two teams:

<table>
<thead>
<tr>
<th>Proposer</th>
<th>Team Members</th>
</tr>
</thead>
<tbody>
<tr>
<td>Proposer 1</td>
<td>LendLease Turner</td>
</tr>
<tr>
<td></td>
<td>TVS</td>
</tr>
<tr>
<td>Proposer 2</td>
<td>Skanska HOK</td>
</tr>
</tbody>
</table>
Procurement Schedule

- **Development of RFP and Draft Contract (April – June)**
- **Development of Program Requirements (April – June)**
- **SOQ Process (April – May)**

10 Addenda added, 377 RFIs responded to, and 45 ATCs were considered, 22 ATCs were approved.

- **RFP issued**
  - **June 20th**
- **RFP in-market Period**
  - **June 20th – Oct. 31st**
- **Proposal Submission**
  - **Oct 31st**
- **Individual Meetings (ATC and Legal Review)**

**Review & Recommendation**

**Nov. – Dec.**
Procurement Schedule

Completeness Review and Technical Proposal Review

- Proposal Submission: Oct 31, 4 pm
- Completeness and Legal Review & Clarifications: Oct 31 - Nov 3, Duration: 3 Days
- Technical Team Independent Review of Proposals: Nov 4 - 9, Duration: 4 Days
- Technical Team Meetings: Nov 10 - 16, Duration: 5 Days
- Draft Technical Report & Presentation: Nov 17 - 21, Duration: 3 Days

Facilitate Technical Clarifications: Ongoing

Submit Technical Report to Selection Rec. Committee: Dec 1

Selection Recommendation Committee and Price Proposal Evaluation

- Technical Teams present to Selection Rec. Committee: Dec 1, Duration: 0.5 Days
- Selection Rec. Committee Meetings: Dec 1, Duration: 0.5 Days
- Draft Technical Portion of Award Recommendation: Dec 2-5, Duration: 2 Days
- Price & Price Reasonableness Review: Dec 5 - 7, Duration: 2 Days
- Selection Rec. Committee Consensus Meeting / Price Review: Dec 8, Duration: 1 Day
- Finalize / Review Award Recommendation Report: Dec 9 - 14, Duration: 4 Days

Facilitate Clarifications: Ongoing

Submit Recommendation to Board

*Days are based on full business days
Evaluation Approach
Proposal Evaluation Structure

EVALUATION TEAM STRUCTURE

Selection Recommendation Committee (6)

Technical Committees

Proposed Design (10) Schedule (6) Project Plans and Approach (9) MWBE /SDVOB Approach (3) Team, Experience and Financial Strength (5)

Price & Price Reasonableness Team (4)

Evaluation Support Team

Legal Team (6) Procurement Team (10) Project Team (6)

*Numbers refer to stated roles to review teams, 65 unique individuals in total
# Proposal Evaluation Structure

## Evaluation Team Structure

### Selection Committee
- Reviews proposals and technical committee reports
- Assigns adjectival ratings

- Consensus selection of the best value proposal for recommendation to Owner

### Technical Committees
- Review Technical Proposals and assess strengths and weaknesses in relation to project goals and program requirements
- Findings presented to the Selection Committee for consideration
- Team members selected based on expertise in areas under consideration

- Lead: (1) Architect
  - (2) Architect
  - (3) Structural Eng.
  - (5) Ops Rep
  - (6) BIM expert
  - (7) Ops Rep (IT) (Advisor)
  - (8) Electrical (Advisor)
  - (9) Traffic Eng (Advisor)
  - (10) CCDC Rep

- Lead: (1) Ops Rep
  - (2) Const. Scheduler
  - (3) Const. Scheduler
  - (4) BIM person (Advisor)
  - (5) Project Advisor
  - (6) CCDC Rep

- Lead: (1) PM
  - (2) Architect (Advisor)
  - (3) Structural Eng. (Advisor)
  - (4) Mech. Eng. (Advisor)
  - (5) Ops Rep
  - (6) CCDC Rep
  - (7) Legal (Advisor)
  - (8) Traffic Eng. (Advisor)
  - (9) Const. Scheduler (Advisor)

- Lead: (1) OCSD Lead
  - (2) OCS Attorney
  - (3) EC?

### Price Reasonableness Team
- Assesses Price Proposal for reasonableness, drawing on knowledge of technical proposals (including ATCs)

- Lead: (1) Project Advisor
  - (2) CCDC
  - (3) Ops Rep

### Evaluation Support Team

#### Legal Team
- Legal & compliance review
- Provides support to all Teams / Selection Committee as needed

- ESD
- Outside Counsel

#### Procurement Team
- Ensures compliance, confidentiality and integrity
- Documentation and reporting
- Administrative review
- Facilitation and coordination of communications

- CCDC
- EY
- AECOM

#### Project Team
- Technical support to Committees
- Participates in Committee meetings
- Assists in documentation and reporting

- CCDC
- Technical Advisors
- PM / CM
## Selection Committee Members

<table>
<thead>
<tr>
<th>Name</th>
<th>Title</th>
</tr>
</thead>
<tbody>
<tr>
<td>Phil Eng</td>
<td>Executive Deputy Commissioner, NYS DOT</td>
</tr>
<tr>
<td>Lois McLaughlin</td>
<td>Opportunities Program Director, SUNY Construction Fund</td>
</tr>
<tr>
<td>Alan Steel</td>
<td>President and CEO, NYCCOC</td>
</tr>
<tr>
<td>Marilyn Taylor</td>
<td>Professor of Architecture and Urban Design, U Penn; Former Dean of School of Design, U Penn</td>
</tr>
<tr>
<td>Dan Tishman</td>
<td>Principal and Vice Chairman, Tishman Realty Partners</td>
</tr>
<tr>
<td>Howard Zemsky (chair)</td>
<td>President and CEO, Empire State Development</td>
</tr>
</tbody>
</table>
Proposal Access & Conflicts

Proposals, RFP work products and all related discussions were CONFIDENTIAL, and participants were required to disclose any conflicts.

- Technical proposal materials were stored in a secure location at Javits.
- Price Documents were stored and reviewed at a separate time in a secure location at ESD’s offices.
- All materials were checked in / out daily during the review period; no one allowed to work offsite.
- Access to electronic files was highly controlled during the review period and afterwards, with limited access for named individuals.
- Procurement Integrity Monitor, K2 Intelligence was present throughout the entire evaluation review and selection process.
Technical Committees

- **Individual Review** – Each Committee member reviewed the Technical Proposals on an individual basis and identified further clarification questions and an initial set of strengths and weaknesses *compared to program requirements*

- **Consensus Meetings** – Each Technical Review Committee met to reach consensus on the Technical Proposal’s strengths and weaknesses
  - Each strength or weakness that was identified was also assessed for its importance to the project overall, recognizing that some were more material than others
  - Committee leads with Ernst & Young prepared written summary of committee’s consensus assessment of strengths and weaknesses

- **Technical Review Committee Sign-off** – Each Technical Review Committee member reviewed and signed the Committee’s consensus document

- **Technical Review Committee Report** – The Evaluation Support team and the Technical Committee Leads presented the strengths and weaknesses to the Selection Committee in relation to the project Evaluation Criteria
Price/Price Reasonableness Committee

• Price Proposals remained sealed until after the Selection Committee had completed its evaluation and ranking of the Technical Proposals
  – Ensures that no technical review member or Selection Committee member would be influenced by price during their technical evaluation

• The Price/Price Reasonableness Committee was an independent team that did not participate in the review carried out by the Technical Committees
  – Financial and construction cost estimating experts to check reasonableness of Price Proposals on a stand-alone basis

• Review included:
  – Assessment of the price versus the CCDC’s pre-procurement estimate (prepared by outside expert advisors)
  – Assessment of the price versus the proposal content
  – Assessment of the price versus market conditions
Selection Committee

The Selection Committee incorporated the feedback from all Technical Committees in rating and ranking of Proposals

- Selection Committee Members were provided with paper copies of all Proposer Volumes

- Selection Committee Members also received Executive Summaries across all technical areas as well as the aggregated consensus comments from the Technical Committee review

- Selection Committee discussed each proposal and reached consensus on ranking

Selection Committee Members were not permitted to discuss any aspects of Proposals with anyone outside of their committee (with the exception of formal briefings from Technical Committee Leads)
## Ranking Process

Selection Committee provided adjectival scores for each of the evaluation criteria and then each team was ranked.

<table>
<thead>
<tr>
<th>Adjective</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Exceptional</td>
<td>The Proposer has demonstrated an approach that is considered to significantly exceed stated objectives/requirements in a way that is beneficial to the Owner. This rating indicates a consistently outstanding level of quality, with little or no risk that this Proposer would fail to meet the requirements of the RFP. There are essentially no weaknesses.</td>
</tr>
<tr>
<td>Good</td>
<td>The Proposer has demonstrated an approach that is considered to exceed stated objectives/requirements. This rating indicates a generally better than acceptable quality, with little risk that this Proposer would fail to meet the requirements of the solicitation. Weaknesses, if any, are very minor.</td>
</tr>
<tr>
<td>Acceptable</td>
<td>The Proposer has demonstrated an approach that is considered to meet the stated objectives/requirements. This rating indicates an acceptable level of quality. The Proposal demonstrates a reasonable probability of success. Weaknesses can be addressed readily.</td>
</tr>
<tr>
<td>Poor</td>
<td>The Proposer has presented information relative to its qualifications that contains minor weaknesses and/or poor quality. The Proposal fails to meet the stated objectives or requirements, lacks essential information, or is conflicting or unproductive. Weaknesses are significant enough that a major revision to the RFP would be necessary.</td>
</tr>
<tr>
<td>Unacceptable</td>
<td>The Proposer does not meet the majority of the stated objectives or requirements and/or is nonresponsive.</td>
</tr>
</tbody>
</table>

Additional use of + / -  

In developing the adjectival ratings, the Committee may additionally assign PLUS or MINUS suffixes (such as “Exceptional minus”, “Good plus” and “Acceptable plus”) to the ratings to better differentiate within these adjectival levels.
Procurement Activities
## Technical Scorecard

<table>
<thead>
<tr>
<th>TECHNICAL (50%)</th>
<th>LendLease Turner</th>
<th>Skanska</th>
</tr>
</thead>
<tbody>
<tr>
<td>Proposed Design</td>
<td>Good (+)</td>
<td>Poor</td>
</tr>
<tr>
<td>Project Plans and Approach</td>
<td>Good (+)</td>
<td>Acceptable (-)</td>
</tr>
<tr>
<td>Schedule</td>
<td>Acceptable</td>
<td>Acceptable</td>
</tr>
<tr>
<td>MWBE / SDVOB</td>
<td>Good (+)</td>
<td>Acceptable</td>
</tr>
<tr>
<td>Team Experience and Financial Strength</td>
<td>Good</td>
<td>Good</td>
</tr>
<tr>
<td><strong>Overall Score</strong></td>
<td><strong>Good (+)</strong></td>
<td><strong>Acceptable (-)</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Technical Ranking</th>
<th>LendLease Turner</th>
<th>Skanska</th>
</tr>
</thead>
<tbody>
<tr>
<td>Technical Ranking</td>
<td>1</td>
<td>2</td>
</tr>
</tbody>
</table>

*Note: Proposals were compared against program requirements throughout the evaluation process*
Price Scorecard and Best Value Determination

<table>
<thead>
<tr>
<th>PRICE (50%)</th>
<th>LendLease Turner</th>
<th>Skanska</th>
</tr>
</thead>
<tbody>
<tr>
<td>Price Ranking</td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>Conditions</td>
<td>Accepted contract as issued following RFP process</td>
<td>Added conditions to contract that would pose risk to schedule and budget</td>
</tr>
</tbody>
</table>

- Winning bid was $26 MM lower than the unsuccessful bid
- Unsuccessful bid included conditions in the Price Proposal that the Selection Committee found would increase risk to schedule and budget

Selection Committee determined Best Value Proposal was LendLease Turner
Selected Proposal Features
Façade on 11th Avenue
Street View on 11th Avenue
Interior Circulation and Pre-Function (Level 4)
Meeting Room (Level 4)
Ballroom (Level 5)
Roof Terrace (Level 4)
Street View of 11th Avenue

2(A) EXTERIOR
Views of All Four Façades

2(B) EXTERIOR
Views of the New Facilities
Taken from Eye Level
(View from 11th Avenue Showing the
New Facilities)

View from 36th Street & 11th Avenue
Looking North
Truck and Marshalling Area, Level 1
Lobby (Level 2)
Interior Public Areas and Circulation (Level 3)
Cross Section
Cross Section
Ballroom – Flexible Spaces (Level 5)

12th Avenue

40th Street

11th Avenue
## Proposal Highlights

### Design

- Overall design creative and offers good relationship to existing facility
- Increased atrium space and pedestrian flow, including additional escalator
- Good integration of public and support spaces
- Highly effective and efficient truck marshaling strategy to function well
- All-concrete truck garage expected to yield logistical and schedule benefits
- Elimination of basement to align green roof and meeting rooms level offers operational benefit
- Use of super-truss to support ballroom adds structural efficiency
## Proposal Highlights

### Project Plans and Approach

- Highly respectful of the convention center operating environment
- Responsive regarding maintenance of ongoing operations during construction and integration with the early construction work
- Proposal was detailed, logical, proactive
- Overall awareness of and responsiveness to CCDC’s priorities

### Schedule

- Schedule was well-advanced for this stage of development
- Schedule reflected an accurate sequencing of work, time required for permitting, need for double shifts and weekend work, which showed a thoughtful approach
- Overall 46 month schedule (42 months of construction)
## Proposal Highlights

<table>
<thead>
<tr>
<th>MWBE / SDVOB Approach</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Thought out and detailed beyond Proposal requirements</td>
</tr>
<tr>
<td>• Demonstrated opportunities for meaningful MWBE/SDVOB participation in the design</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Team, Experience, and Financial Strength</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Meaningful experience with convention centers (designed 80+ convention centers)</td>
</tr>
<tr>
<td>• Strong financials</td>
</tr>
</tbody>
</table>
Sources and Uses
### Sources & Uses (US$MM)

<table>
<thead>
<tr>
<th>Sources</th>
<th>Sources</th>
<th>Uses</th>
<th>Uses</th>
</tr>
</thead>
<tbody>
<tr>
<td>State Appropriation</td>
<td>1,000</td>
<td>Base D/B Contract</td>
<td>1,213</td>
</tr>
<tr>
<td>Bond Proceeds (Series 2016)</td>
<td>399</td>
<td>Furniture, Fixtures, and Equipment</td>
<td>50</td>
</tr>
<tr>
<td>Bond Proceeds (Series 2015)</td>
<td>151</td>
<td>Contingency for Owner-directed Changes</td>
<td>50</td>
</tr>
<tr>
<td>Other Cash Available</td>
<td></td>
<td>Early completion bonus (max)</td>
<td>12</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Total D/B Contract</td>
<td>1,325</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Other CCDC Costs (Overhead, Contingency, Insurance, Consultant Services, Permitting Fees, and other Capital Expenditures)</td>
<td>225</td>
</tr>
<tr>
<td>Total Sources</td>
<td>1,550</td>
<td>Total Uses</td>
<td>1,550</td>
</tr>
</tbody>
</table>

- FFE, contingency and bonus are Owner-directed and any unused portion is returned to CCDC
Essential Contract Terms
# Contract Terms

<table>
<thead>
<tr>
<th>Term of Contract</th>
<th>Commencement (Contract) Date</th>
<th>Expiration Date</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Date of Notice to Proceed from CCDC to DB, which shall be conditioned upon: (a) CCDC Director authorization; (b) CCOC Director authorization; (c) contract execution by CCDC and DB; (d) DB has entered into Project Labor Agreement; (e) New York State Attorney General approval; and (f) New York State Office of State Comptroller approval</td>
<td>Two years after the Project’s Occupancy Readiness Date (end of Warranty Period), absent termination for cause or convenience at CCDC discretion</td>
</tr>
</tbody>
</table>

### DB Responsibilities

**Scope**

DB shall perform all Design-Build Work, including but not limited to furnishing all labor and materials and performing all work necessary to design, permit, construct, commission, and achieve Occupancy Readiness for the Project by the contractually specified Scheduled Occupancy Readiness Date, and for continuing warranty work obligations for a two-year period following the Occupancy Readiness Date.

- Applying for and maintaining all Governmental Approvals (i.e., permits)
- Performing site preparation and excavation work
- Demolishing and removing existing improvements
- Re-routing and replacing utilities
- Removing and disposing of any demolition or construction debris and unused excavated soil
**DB Responsibilities**

- Completing design and construction of the Project in compliance with the Project Design, subject to: (a) coordination with the Early Work; and (b) maintaining uninterrupted operations at Existing Javits
- Commissioning (to achieve Occupancy Readiness and during a one-year period thereafter)
- Preparing a Master Maintenance Plan
- Timely achieving Occupancy Readiness
- Achieving Final Completion one year following Occupancy Readiness
- Removing and disposing of any demolition or construction debris and unused excavated soil

**Plans**

DB must produce the following plans for CCDC review and approval: Quality Management; Maintenance of Operations; Safety and Security; and Commissioning

**Guarantee / Bonding**

DB shall secure its performance via a parent company guaranty and performance and payment bonds
## Contract Terms, cont’d.

<table>
<thead>
<tr>
<th>Project Design</th>
<th></th>
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</thead>
<tbody>
<tr>
<td>DB must comply with Program Requirements and Proposed Design attached as Appendices to the DB Contract, subject only to adjustment for CCDC-approved change orders</td>
<td></td>
</tr>
<tr>
<td>DB has the sole and exclusive responsibility and liability for the design, construction and performance of the Project and is required to correct any Design-Build Work not conforming to Project Design</td>
<td></td>
</tr>
<tr>
<td>CCDC has the right to review and comment on all design documents, and subsequent construction, in order to confirm compliance with the Project Design</td>
<td></td>
</tr>
<tr>
<td>The Project will be designed and constructed to LEED Silver standards</td>
<td></td>
</tr>
<tr>
<td>DB must correct any malfunctioning or defective Design-Build Work during the two-year warranty period following Occupancy Readiness</td>
<td></td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>DB Price</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Lump sum, fixed price of $X, payable on a progress basis for performance of Design-Build Work, subject only to adjustment for CCDC-approved change orders</td>
<td></td>
</tr>
<tr>
<td>(1) $50 million for the cost of acquiring, storing, delivering, furnishing, installing and commissioning furniture, fixtures and equipment, as directed by CCDC</td>
<td></td>
</tr>
<tr>
<td>(2) $50 million contingency for CCDC-directed changes</td>
<td></td>
</tr>
<tr>
<td>(3) $12 million for early completion bonus</td>
<td></td>
</tr>
<tr>
<td>Any amounts not expended against the three items will remain the property of CCDC</td>
<td></td>
</tr>
</tbody>
</table>
## Contract Terms, cont’d.

<table>
<thead>
<tr>
<th>Schedule</th>
<th>Design-Build Work must meet all Occupancy Readiness Conditions by the Scheduled Occupancy Readiness Date, or 1,398 days after the Commencement (or Contract) Date set forth above</th>
</tr>
</thead>
</table>
| Occupancy Readiness | • Physical completion of the Design-Build Work in compliance with the Project Design  
• Ready for use for truck marshalling and Javits operation  
• Security systems operational  
• All furniture, fixtures, and equipment installed  
• Successful commissioning of the Project as a whole |
| L/Ds | If DB fails to meet the Occupancy Readiness Conditions by the Scheduled Occupancy Readiness Date, then liquidated damages of $125,000 per day accrue |
| Relief Events | DB may receive price and/or schedule relief only upon the occurrence of a Relief Event. DB has mitigation responsibilities and bears the burden of proof in establishing the occurrence of a Relief Event and the entitlement to any additional compensation or time to perform. DB is not entitled to any price relief for the first 30 days of aggregate delay attributable to any single or series of Relief Events. |

## Termination; Liability

| Default | CCDC can terminate the Contract following contractually defined DB events of default, including failure to properly design or construct, and failure to achieve timely occupancy readiness. CCDC has a convenience termination right exercisable in its discretion upon 30 days written notice. Following such a termination, DB is entitled to settlement payment for outstanding work already performed. |