

**MICHAEL S. CAZZARI**  
Town Supervisor

**ROBERT F. SCHANIL, JR.**  
Town Councilman  
Deputy Supervisor

**STEPHEN J. BARANOWSKI**  
Town Councilman  
**FRANK D. LOMBARDI**  
Town Councilman  
**SUZANNE MC DONOUGH**  
Town Councilwoman

TOWN OF CARMEL  
TOWN HALL



60 McAlpin Avenue  
Mahopac, New York 10541  
Tel. (845) 628-1500 • Fax (845) 628-6836  
[www.ci.carmel.ny.us](http://www.ci.carmel.ny.us)

**ANN SPOFFORD**  
Town Clerk

**KATHLEEN KRAUS**  
Receiver of Taxes

**MICHAEL SIMONE**  
Superintendent of Highways  
Tel. (845) 628-7474

**TOWN BOARD VOTING MEETING/WORK SESSION**  
**Wednesday, March 15, 2023 7:00pm**

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PLEDGE OF ALLEGIANCE - MOMENT OF SILENCE

**6:30pm Executive Session:**

1. Kieran Boyle, Brown & Brown Insurance – Contractual
  - **Roll Call Attendance**
  - **Public Comments on Town Related Business (Five (5) Minutes Maximum for Town Residents, Property Owners & Business Owners Only)**

**Town Board Voting Meeting:**

- **Accept Town Board Minutes February 15 and March 1, 2023**
1. Res: Authorizing Return of Bond – Pulte Homes of New York, Inc. Lot 3 TM#55.14-1-11.1
  2. Res: Acknowledging Emergency Repairs Carmel Water and Sewer Districts
  3. Res: Authorizing Extension of Contract C271 Sludge Hauling in Carmel Sewer Districts #s2,4,5,6 & 7
  4. Res: Declaring Certain Equipment Obsolete and Authorizing Disposal
  5. Res: Authorizing Attendance at Conference
  6. Res: Authorizing Entry into Contract Putnam County Department of Real Property Tax Services
  7. Res: Authorizing Grant of Temporary Parking and Access Easement to County of Putnam
  8. Res: Authorizing Mahopac Chamber of Commerce Community Event Sycamore Park
  9. Res: Authorizing Acceptance of Proposal for Professional Services Design and Construction Documents for Proposed Downtown Mahopac Improvements
  10. Res: Extending Radio Equipment Rental Agreement Town of Carmel Highway Department
  11. Res: Amending 2023 User Fee Schedule
- **Motion to Adjourn Voting Meeting**
  - **Motion to Open Town Board Work Session**

**Town Board Work Session:**

1. Richard Franzetti, PE, Town Engineer – Consider Request to Authorize Payment for Annual Membership – East of Hudson Watershed Corporation (EOHWC)
2. Mary Ann Maxwell, Town Comptroller – Review of General and Highway Fund Balance Y/E 2015-2022
3. Anne Pasquerello, Chief of Staff – Consider Request to Authorize Request for Proposals for Town of Carmel IT Services
4. Michael Martin, Dep.Highway Superintendent – Consider Awarding Bids for Spring Materials & Supplies
5. **Mr. Edward Cooke, North Atlantic States Regional Council of Carpenters,**  
**Mr. John Cooney, Construction Industry Council, NYS**  
**Mr. Dominick Cassanelli, Jr., President, Building & Construction Trades Council of Westchester & Putnam Counties, NY, AFL-CIO,**  
**Mr. Jack Frazier, Senior Vice-President, American Global of New York, LLC:**  
**Presentation of Labor Agreements and How They Can Assist with Infrastructure Grants**

- **Town Board Comments**
- **Motion to Adjourn Meeting**

**RESOLUTION #1**

**RESOLUTION AUTHORIZING RETURN OF BOND – PULTE HOMES OF NEW YORK, INC. LOT 3-TM#55.14-1-11.1**

WHEREAS the Site Plan Bond application has been made by Pulte Homes of New York, Inc for return of a subdivision bond posted in accordance with the Land Subdivision and/or Zoning Regulations for the Carmel Centre Senior Housing, Terrace Drive, Tax Map #55.14-1-11.1 Lot 3; and

WHEREAS said application had been previously reviewed by the Town Engineer and return of the bond has been previously recommended and approved by the Planning Board;

NOW, THEREFORE, BE IT RESOLVED that the Town Board of the Town of Carmel hereby authorizes the return of the aforementioned bond posted for Pulte Homes of New York, Inc., the Carmel Centre Senior Housing, Lot 3, Hartford Fire Insurance Co. Bond No. 59BSBEA8755, in the amount of \$2,579,959.00

Resolution

Offered by:

Seconded by: \_\_\_\_\_

\_\_\_\_\_

<u>Roll Call Vote</u>	<u>YES</u>	<u>NO</u>
Stephen Baranowski	_____	_____
Frank Lombardi	_____	_____
Suzanne McDonough	_____	_____
Robert Schanil	_____	_____
Michael Cazzari	_____	_____

## RESOLUTION #2

### RESOLUTION ACKNOWLEDGING EMERGENCY REPAIRS CARMEL WATER AND SEWER DISTRICTS

RESOLVED, the Town Board of the Town of Carmel, acting as Commissioners of the various water and sewer districts of the Town of Carmel, hereby acknowledges the emergency performance of water and sewer district collection system/distribution system and treatment facilities repairs as fully detailed in the memorandum of Town Engineer Richard J. Franzetti, P.E. to the Town Board dated March 1, 2023, as attached hereto and made a part thereof.

Resolution

Offered by: \_\_\_\_\_

Seconded by: \_\_\_\_\_

<u>Roll Call Vote</u>	<u>YES</u>	<u>NO</u>
Stephen Baranowski	_____	_____
Frank Lombardi	_____	_____
Suzanne McDonough	_____	_____
Robert Schanil	_____	_____
Michael Cazzari	_____	_____

Richard J. Franzetti, P.E.  
Town Engineer



(845) 628-1500  
(845) 628-2087  
Fax (845) 628-7085

**Office of the Town Engineer**  
60 McAlpin Avenue  
Mahopac, New York 10541

## MEMORANDUM

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**To:** Carmel Town Board

**From:** Richard J. Franzetti P.E. Town Engineer 

**Date:** March 1, 2023

**Re:** Emergency Repairs/Services

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This memorandum is being presented to the Town Board to advise the Board of emergency invoices that were submitted for payment/authorization to proceed in excess of \$10,000.00 for services rendered. The following provides a brief a summary of the work that was performed.

- Carmel Sewer District 4

Inframark, the operators for Carmel Sewer District 4 (CSD 4), notified the Engineering Department the need for an emergency replacement of two (2) sets of leaking PVC pipes at the continuous microfiltration filter (CMF). The system has developed leaks that will need to be professionally repaired (fabricated and replaced) in stainless steel as the Inframark personnel are unable to repair any longer.

The Board may not that a similar project was completed at CSD 2 in February of 2022. That repair was made after a bypass of the system occurred. In order to avoid a similar situation, this work was deemed an emergency as the failure of this piping system could potentially cause a bypass and cause a potential compliance issue which would then place the Town of Carmel in violation of our State Pollution Discharge Elimination System (SPDES) Permit. As such the Engineering Department authorized the quote for RCJ Welding and Fabricating in the amount of \$20,520.00 to make this repair.

As an FYI this project was completed as a Regulatory Upgrade and were financed through NYS EFC by New York City. The Town will be reimbursed for 50% of the costs.

**TOWN OF CARMEL**  
**ENGINEERING**  
**REQUEST FOR PURCHASE OR REPAIR**

District: CSD 4 CMF

**Inframark, LLC**  
2 Renwick Street  
Newburgh, NY 12550  
United States

T: +1 845 228 0460  
[www.inframark.com](http://www.inframark.com)

Date of Request: 2-15-23     **EMERGENCY REQUEST**

Item requested: Emergency replacement of leaking PVC pipes at the CMF units at CSD 4 for two microfilters. They have developed leaks that will need to be professionally repaired (fabricated and replaced) in stainless steel. We cannot continue with temporary repairs. TAM did the same job on the units at CSD 2 this past year.

2-16-23: We were able to obtain an additional quote for the work. Please see below, as well as the attached quote.

Purpose of item: Pipes for two of the microfilters.

Estimated age of equipment to be replaced / repaired: Original; 20 plus years

Estimated life expectancy of new equipment / repair: 10-20 years

Labor cost for installation and/or repair: Included

Vendor #1:	TAM Enterprises	Cost: \$34,426.00
Vendor #2:	RCJ Welding & Fabricating	Cost: \$20,520.00
Vendor #3:		Cost:

# RCJ Welding & Fabricating

594 Horsepound Rd  
Carmel, NY 10512  
(845) 821-4989  
RCJWeldFab@yahoo.com



## Estimate

ADDRESS  
Inframark

ESTIMATE 1048  
DATE 02/16/2023

DATE		DESCRIPTION	QTY	RATE	AMOUNT
09/27/2021	REPAIR	Replace section of leaking plastic pipe with 304 sch40 stainless pipe , t fittings and flanges	1	0.00	0.00
	FABRICATION.	2- t fittings 6 ft of 4 in stainless pipe 2- 4in to 4in flanges 1- Eccentric reducer from 8 in to 4 in 1- 8in flange	2	10,260.00	20,520.00
	DELIVERY & INSTALLATION	installing units -field fit and fabrication as needed -new hardware -new gaskets	1	0.00	0.00T

SUBTOTAL 20,520.00

TAX 0.00

TOTAL **\$20,520.00**

Accepted By

Accepted Date

114 Hartley Road  
Goshen NY 10924



P: (845) 294-8882  
F: (845) 294-8883

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## Quote

**Customer** Town of Carmel  
60 McAlpin Avenue  
Mahopac NY 10541

Date            Estimate #  
01/03/2023    4177

PO #:

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Description	Unit	Quantity	Rate	Amount
- WWTP				
TAM Enterprises Inc. is pleased to quote the following:				
- Removal of existing leaking PVC piping for (2) microfilters.				
- Fabrication & installation of new stainless steel Sch40 piping.				
For the sum of:		1.00	34426.000	34,426.00

### Notes

Customer Signature \_\_\_\_\_

Accepted By : \_\_\_\_\_

Subtotal	\$34,426.00
Sales Tax:	0.00
<b>Quote Total</b>	<b>\$34,426.00</b>

24 Hour Emergency Service - Certified Backflow Prevention Technician - Hydro Vacuum Excavation - Pump Station Installation & Maintenance  
High Pressure Water Jetting - Video Inspection of Underground Lines - Installation of Water & Sewer Lines - Clearing of Catch Basins  
Man Hole Rehabs - Sewer & Water Plant Rehabs - Confined Space Entry - Pipe Lining Services - Soil Remediation Services  
Pipe Location Services - Wet Taps - Inset-A-Valves - Industrial Tank Pumping - Excavation Services - Emergency Sewer By-Pass Pumping

[www.tamenterprises.com](http://www.tamenterprises.com)

## **RESOLUTION #3**

### **RESOLUTION AUTHORIZING EXTENSION OF CONTRACT C 271 SLUDGE HAULING IN CARMEL SEWER DISTRICTS #2, #4, #5, #6 AND #7**

WHEREAS the Town Board of the Town of Carmel, acting as Commissioners of the various sewer districts of the Town of Carmel, has previously entered into a contract with Wind River Environmental d/b/a Earthcare dated July 23, 2021, with two (2) one (1) year extensions at the unilateral option of the Town;

BE IT RESOLVED that upon the recommendation of Town Engineer, Richard Franzetti, PE, Town Engineer in his memo dated February 23, 2023, the Town Board authorizes the renewal of the aforesaid Contract # C271 Wind River Environmental d/b/a Earthcare for sludge hauling services for the Town of Carmel Sewer Districts #s 2, #4, #5, #6, and #7 commencing July 4, 2023 for a period of two years, expiring on July 3, 2025, at a unit cost of 17.7cents per gallon; and;

BE IT FURTHER RESOLVED that the Town Board of the Town of Carmel hereby authorizes Town Supervisor Michael Cazzari to sign any necessary documents concerning said renewal on behalf of the Town of Carmel; and

BE IT FURTHER RESOLVED, that Town Comptroller Mary Ann Maxwell is hereby authorized to make any and all necessary budget transfers or modifications required to fund the cost of this authorization.

Resolution

Offered by: \_\_\_\_\_

Seconded by: \_\_\_\_\_

<u>Roll Call Vote</u>	<u>YES</u>	<u>NO</u>
Stephen Baranowski	_____	_____
Frank Lombardi	_____	_____
Suzanne McDonough	_____	_____
Robert Schanil	_____	_____
Michael Cazzari	_____	_____

**RESOLUTION #4**

**RESOLUTION DECLARING CERTAIN EQUIPMENT OBSOLETE  
AND AUTHORIZING DISPOSAL**

RESOLVED, that the Town Board of the Town of Carmel hereby declares the following equipment to be obsolete and authorizes disposal in accordance with Town Law, including but not limited to Town Law §64(2-a)

2004 International 4900 Dump Truck VIN# 1HTWEADRO4J084835

Resolution

Offered by: \_\_\_\_\_

Seconded by: \_\_\_\_\_

<u>Roll Call Vote</u>	<u>YES</u>	<u>NO</u>
Stephen Baranowski	_____	_____
Frank Lombardi	_____	_____
Suzanne McDonough	_____	_____
Robert Schanil	_____	_____
Michael Cazzari	_____	_____

**RESOLUTION #5**

**RESOLUTION AUTHORIZING ATTENDANCE AT CONFERENCE**

RESOLVED that the Town Board of the Town of Carmel hereby authorizes Town of Carmel Senior Recreation Leader, Nina Kallmeyer to attend the New York State Recreation and Parks Conference, on April 23 to 25, 2023 at the Kartrite Resort and Conference Center, Monticello, New York; and

BE IT FURTHER RESOLVED that the Town Board of the Town of Carmel authorizes payment of reasonable and necessary expenses incurred in connection therewith upon audit.

Resolution

Offered by: \_\_\_\_\_

Seconded by: \_\_\_\_\_

<u>Roll Call Vote</u>	<u>YES</u>	<u>NO</u>
Stephen Baranowski	_____	_____
Frank Lombardi	_____	_____
Suzanne McDonough	_____	_____
Robert Schanil	_____	_____
Michael Cazzari	_____	_____

**RESOLUTION #6**

**RESOLUTION AUTHORIZING ENTRY INTO CONTRACT  
PUTNAM COUNTY DEPARTMENT OF REAL PROPERTY TAX SERVICES**

WHEREAS appropriations have been made in the 2023 Town Budget for entry into various contracts for the provision of various services to the Town of Carmel, and

WHEREAS said contracts are on file in the office of the Town Supervisor for the inspection and review of all Town Board members,

NOW, THEREFORE, BE IT RESOLVED that the Town Board of the Town of Carmel hereby authorizes Town Supervisor Michael Cazzari to enter into and execute, on behalf of the Town, the contract with the Putnam County Department of Real Property Tax Services for preparation of the tentative assessment roll for year 2023 in form as attached hereto and made a part hereof.

Resolution

Offered by: \_\_\_\_\_

Seconded by: \_\_\_\_\_

<u>Roll Call Vote</u>	<u>YES</u>	NO
Stephen Baranowski	_____	_____
Frank Lombardi	_____	_____
Suzanne McDonough	_____	_____
Robert Schanil	_____	_____
Michael Cazzari	_____	_____

## PUTNAM COUNTY REAL PROPERTY TAX SERVICE CONTRACT

AGREEMENT MADE THIS 1<sup>st</sup> DAY OF MARCH BETWEEN: THE TOWN OF CARMEL REFERRED TO AS THE TOWN, AND THE COUNTY OF PUTNAM HAVING ITS PRINCIPAL PLACE OF BUSINESS AT 40 GLENEIDA AVENUE, CARMEL, NEW YORK 10512. HEREINAFTER REFERRED TO AS COUNTY.

THE PARTIES HEREIN AGREE AS FOLLOWS:

- 1) THE COUNTY SHALL PREPARE THE TENTATIVE ASSESSMENT ROLL, FOR THE CALENDAR YEAR OF **2023** AND HAVE IT AVAILABLE ON THE COUNTY WEBSITE TO COMPLY WITH RPTL §1591.
- 2) EVERY TRANSFER OF PROPERTY, CHANGE OF ADDRESS, DESCRIPTION OR VALUATION, SPECIAL FRANCHISE, PUBLIC UTILITY, SHALL BE DATA ENTERED BY ASSESSOR OF TOWN OR DESIGNATED STAFF MEMBER. ASSESSOR AND/OR DESIGNATED STAFF MEMBER IS RESPONSIBLE FOR ALL RPS SOFTWARE UPDATES TO BE CURRENT AND UPDATING REFERENCE TABLES IN RPS.
- 3) AFTER TAXABLE STATUS DATE ON MARCH 1<sup>st</sup>, ALL CHANGES SHALL BE ENTERED ON OR BEFORE **APRIL 14<sup>th</sup>** BY THE TOWN. THIS IS ESSENTIAL SO THAT THE TENTATIVE ASSESSMENT ROLL IS AVAILABLE FOR THE MAY 1<sup>st</sup> DEADLINE.
- 4) ALL GRIEVANCE CHANGES, CORRECTION OF CLERICAL ERRORS, & UNLAWFUL ENTRIES SHALL BE APPROVED BY THE BOARD OF ASSESSMENT REVIEW AND ENTERED BY THE TOWN INTO THE REAL PROPERTY SYSTEM, BACKED UP AND BROUGHT TO THE REAL PROPERTY TAX SERVICE AGENCY NO LATER THAN **JUNE 16<sup>th</sup>** FOR FINAL ROLL PROCESSING AND SCHOOL PROCESSING.
- 5) ALL CHANGES FOR COUNTY AND TOWN TAX ROLLS SHALL BE SUBMITTED BY THE TOWN ON OR BEFORE **NOVEMBER 17<sup>th</sup>**.
- 6) ALL UNPAIDS TO BE MANUALLY ENTERED BY THE COUNTY MUST BE SUBMITTED BY **OCTOBER 31<sup>st</sup>**. RPSV4 MERGEABLE FILES MUST BE SUBMITTED BY **NOVEMBER 17<sup>TH</sup>**.
- 7) A SEPARATE AGREEMENT SHALL BE NEGOTIATED FOR THE PROVISIONS OF RPTL §1537, OPTIONAL COUNTY SERVICES.

PRICE FOR THE PREPARATION OF THE FOLLOWING IS .48 PER PARCEL:

- 1) TENTATIVE ASSESSMENT ROLL (1 COPY) AND COA'S (Town provided envelope)
- 2) FINAL ASSESSMENT ROLL (1 COPY)
- 3) PDF File of Tentative and Final Rolls
- 4) 1 SET TAX MAPS 24" x 36"
- 5) APPORTIONMENT OF SPECIAL FRANCHISE
- 6) DATA ENTRY FOR PRO-RATAS
- 7) BANK CODE LISTINGS
- 8) RPS 147D1, 155D1 & 160D1 TAX EXTRACTS
- 9) HARD BINDERS FOR TENTATIVE AND FINAL ROLLS

**Optional Items-**

Hard Binders for Tax Rolls	18.00 Ea.
Soft Binders for Tax Rolls	6.00 Ea.
Printed Tax Roll 1 Copy	.04 Per 2-sided Page
PDF of Tax Bills	N/C
1 Set of Tax Bills in Envelopes	.20 Per Parcel
1 set of printed TSO Lettered Bankcoded bills	.10 Per Parcel
Inserts (COA notices and/or Tax Bills)	.01 Per Piece

UNPAID WATER, SEWER, OR OTHER UNPAIDS WILL BE CHARGED A FEE IN THE AMOUNT OF 100.00 PER HUNDRED IF THE DATA HAS TO BE MANUALLY ENTERED, OR IF TAX MAP NUMBERS PROVIDED IN COMPUTER FORMAT ARE INVALID.

IF ANY ADDITIONAL SPECIAL DISTRICT ROLLS ARE REQUIRED THE TOWN WILL BE CHARGED A FEE OF 0.01 PER PARCEL.

THE TOWN OF CARMEL HEREBY REPRESENTS THAT THE AGREEMENT HEREIN HAS BEEN APPROVED BY RESOLUTION OF THE TOWN BOARD, A COPY OF WHICH IS ANNEXED HERETO AND MADE A PART HEREOF:

IN WITNESS WHEREOF, THE PARTIES HAVE EXECUTED THIS AGREEMENT IN NEW YORK, ON THE DATE HEREIN ABOVE SET FORTH.

READ AND APPROVED BY:

\_\_\_\_\_  
Date \_\_\_\_\_  
Kevin M. Byrne  
County Executive

  
Date 3/1/23  
Lisa A. Johnson  
County Director, RPTSA

\_\_\_\_\_  
Date \_\_\_\_\_  
William J. Carlin  
Commissioner of Finance

\_\_\_\_\_  
Date: \_\_\_\_\_  
C. Compton Spain  
County Attorney

\_\_\_\_\_  
Date \_\_\_\_\_  
Mat C. Bruno, Sr  
Risk Manager

\_\_\_\_\_  
Date: \_\_\_\_\_  
Michael Cazzari  
Town Supervisor

**RESOLUTION #7**

**RESOLUTION AUTHORIZING GRANT OF TEMPORARY  
PARKING AND ACCESS EASEMENT TO COUNTY OF PUTNAM**

RESOLVED, that the Town Board of the Town of Carmel hereby authorizes the conveyance of a temporary parking and access easement over the Town road/right of way known as DeColores Drive to the County of Putnam, said easement to be for a maximum period of two (2) years and in form and content as attached hereto and made a part hereof; and

BE IT FURTHER RESOLVED that the County of Putnam shall be responsible for all recording fees incurred in connection therewith; and

BE IT FURTHER RESOLVED that this resolution is subject to permissive referendum.

Resolution

Offered by: \_\_\_\_\_

Seconded by: \_\_\_\_\_

<u>Roll Call Vote</u>	<u>YES</u>	<u>NO</u>
Stephen Baranowski	_____	_____
Frank Lombardi	_____	_____
Suzanne McDonough	_____	_____
Robert Schanil	_____	_____
Michael Cazzari	_____	_____

R&R to: R.K. Hite & Co., Inc.  
P.O. Box 130  
Avon, NY 14414

TEMPORARY PARKING AND ACCESS EASEMENT

THIS INDENTURE made this \_\_\_\_ day of March, 2023,

BETWEEN

TOWN OF CARMEL, NEW YORK, a municipal corporation created and existing under the laws of the State of New York, with offices at 60 McAlpin Avenue, Mahopac, New York 10541,

Grantor, and

COUNTY OF PUTNAM, NEW YORK, a municipal corporation created and existing under the laws of the State of New York, with offices at 40 Gleneida Avenue, 3<sup>rd</sup> Floor, Carmel, New York 10512,

Grantee,

WITNESSETH: that Grantor, in consideration of one dollar (\$1.00) lawful money of the United States, and other good and valuable consideration, paid by the Grantee, does hereby grant and release unto the Grantee, its successors, assigns and/or third party beneficiaries, forever, the following described Temporary Parking and Access Easement:

A Temporary Parking and Access Easement on, over and through that piece or parcel of property situate in the Town of Carmel, County of Putnam, State of New York, shown, depicted and described on Exhibit "A", attached hereto and made a part hereof.

The property subject to this easement is located at:

PROPERTY ADDRESS: Portion of the roadway known as DeColores Drive, Town of Carmel, County of Putnam, State of New York

TAX ACCOUNT NO.: N/A

SUBJECT TO all covenants, conditions and restrictions of record affecting said premises.

SAID Temporary Parking and Access Easement to be exercised for the purpose of a creating and maintaining a temporary parking area and walkway for the benefit of the record owners, successors and assigns of premises commonly known as 83 Fair Street (Tax Map Parcel No. 44.14-1-85) in the Town of Carmel, New York, for use during construction of the Fair Street Reconstruction Project.

SAID Temporary Parking and Access Easement shall be exercisable for a term of 2 years commencing on \_\_\_\_\_, 2023, and ending \_\_\_\_\_, 2025,

unless deemed no longer necessary for the aforesaid temporary parking and access purposes and released by the Grantee prior to the expiration of the aforementioned term.

IT IS FURTHER AGREED AND UNDERSTOOD that the Grantee is required to restore the property of the Grantor that is disturbed during the term of this Temporary Parking and Access Easement to its original condition, to the extent reasonably practicable.

THIS Temporary Parking and Access Easement shall be binding on the undersigned's successors and assigns.

THIS INSTRUMENT may be executed in any number of counterparts, each of which, when executed and delivered, shall constitute a duplicate original, but all counterparts together shall constitute a single instrument.

IN WITNESS WHEREOF, Grantor has hereunto caused this instrument to be signed and sealed the day and year first above written.

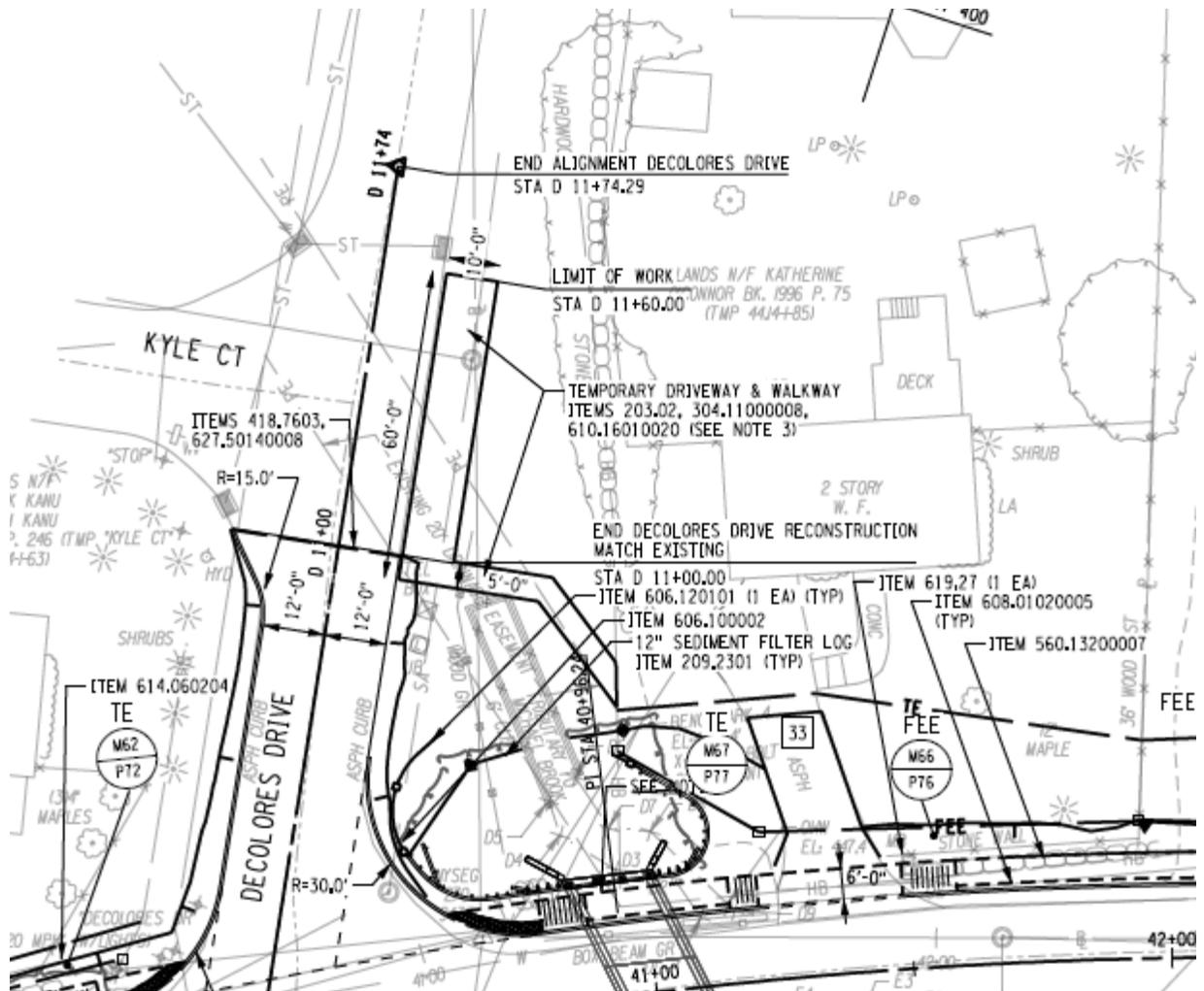
TOWN OF CARMEL, NEW YORK

By: \_\_\_\_\_  
Name:  
Title:

STATE OF NEW YORK                    )  
COUNTY OF \_\_\_\_\_) ss.:

On the \_\_\_\_\_ day of March, in the year 2023, before me, the undersigned, a Notary Public in and for said state, personally appeared \_\_\_\_\_, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual, or the person upon behalf of which the individuals acted, executed the instrument.

\_\_\_\_\_  
Notary Public



NOTES:

3. THE CONTRACTOR IS TO EXCAVATE AND PLACE 4 INCHES OF COMPACTED SUBBASE AS A TEMPORARY PARKING AREA AND WALKWAY FOR 83 FAIR STREET BEFORE THE EXISTING DRIVEWAY IS CLOSED FOR THE RECONSTRUCTION OF STRUCTURE #2. THE WALKWAY IS TO BE EXTENDED TO THE HIGHWAY BOUNDARY. ONCE STRUCTURE #2 HAS BEEN REPLACED THE CONTRACTOR IS TO REMOVE THE SUBBASE AND RESTORE THE AREA UNDER ITEM 610.16010020. ANY BRANCH TRIMMING NECESSARY TO MAKE THE WALKWAY MORE ACCESSIBLE IS TO BE INCLUDED UNDER ITEM 201.06.

## **RESOLUTION #8**

### **RESOLUTION AUTHORIZING MAHOPAC CHAMBER OF COMMERCE COMMUNITY EVENT SYCAMORE PARK**

RESOLVED that the Town Board of the Town of Carmel, hereby authorizes the Mahopac Chamber of Commerce to host and conduct its Softball/Whiffle ball Community Event at Sycamore Park on April 29, 2023 (rain date April 30, 2023) and further waives any park rental fee in connection therewith; and

BE IT FURTHER RESOLVED, that upon presentation of insurance certificates for all vendors and contractors proposed to perform improvements in connection with this authorization in form acceptable to Town Counsel, the aforesaid work may be commenced.

Resolution

Offered by: \_\_\_\_\_

Seconded by: \_\_\_\_\_

<u>Roll Call Vote</u>	<u>YES</u>	<u>NO</u>
Stephen Baranowski	_____	_____
Frank Lombardi	_____	_____
Suzanne McDonough	_____	_____
Robert Schanil	_____	_____
Michael Cazzari	_____	_____

**RESOLUTION #9**

**RESOLUTION AUTHORIZING ACCEPTANCE OF PROPOSAL FOR PROFESSIONAL SERVICES DESIGN AND CONSTRUCTION DOCUMENTS FOR PROPOSED DOWNTOWN MAHOPAC IMPROVEMENTS**

RESOLVED, that the Town Board of the Town of Carmel hereby accepts the proposal of Woodard & Curran, Rye Brook NY for the preparation of design and construction documents in connection with Downtown Mahopac Improvements at a cost not to exceed \$530,000.00.

Resolution

Offered by: \_\_\_\_\_

Seconded by: \_\_\_\_\_

<u>Roll Call Vote</u>	<u>YES</u>	<u>NO</u>
Stephen Baranowski	_____	_____
Frank Lombardi	_____	_____
Suzanne McDonough	_____	_____
Robert Schanil	_____	_____
Michael Cazzari	_____	_____

**RESOLUTION #10**

**RESOLUTION EXTENDING RADIO EQUIPMENT RENTAL AGREEMENT– TOWN OF CARMEL HIGHWAY DEPARTMENT**

WHEREAS, on February 7, 2018 Town Board of the Town of Carmel, upon the recommendation of Town of Carmel Highway Superintendent Michael Simone, authorized entry into a rental agreement for radio equipment for Town of Carmel Highway Department vehicles and facilities for a term not to exceed five years at a monthly cost of \$2,120.00, with Goosetown Communications, Congers, NY;

NOW THEREFORE BE IT RESOLVED, that the Town Board of the Town of Carmel, upon the recommendation of Town of Carmel Highway Superintendent Michael J. Simone, hereby authorizes extension of the existing agreement for a period of five (5) commencing immediately in accordance with the proposal dated March 1, 2023; and

BE IT FURTHER RESOLVED, that the Town Board waives the application of its adopted procurement policy in connection with this authorization; and

BE IT FURTHER RESOLVED, that Town Comptroller Mary Ann Maxwell is hereby authorized to make any and all necessary budget transfers or modifications required to fund the cost of this authorization.

Resolution

Offered by: \_\_\_\_\_

Seconded by: \_\_\_\_\_

<u>Roll Call Vote</u>	<u>YES</u>	<u>NO</u>
Stephen Baranowski	_____	_____
Frank Lombardi	_____	_____
Suzanne McDonough	_____	_____
Robert Schanil	_____	_____
Michael Cazzari	_____	_____

# RESOLUTION #11

## RESOLUTION AMENDING 2023 USER FEE SCHEDULE

RESOLVED that the Town Board of the Town of Carmel hereby amends, effective immediately, the Town of Carmel User Fee Schedule for Fiscal Year 2023 in form as attached hereto and made a part hereof.

### Resolution

Offered by: \_\_\_\_\_

Seconded by: \_\_\_\_\_

<u>Roll Call Vote</u>	<u>YES</u>	<u>NO</u>
Stephen Baranowski	_____	_____
Frank Lombardi	_____	_____
Suzanne McDonough	_____	_____
Robert Schanil	_____	_____
Michael Cazzari	_____	_____

TOWN OF CARMEL PROPOSED REVISED ADOPTED USER SERVICE FEES --  
FISCAL YEAR 2023

FEE DESCRIPTION	PROPOSED REVISED ADOPTED 2023 USER FEES	
<b>TOWN CLERK'S OFFICE</b>		
Certification:		
Registrar's Certification (Birth/Death)	10.00	
Town Clerks Certification (Marriage/Other)	10.00	
Genealogy Fee Schedule:		
	1 - 3 years - \$22.00	
	4 - 10 years - \$42.00	
	11 - 20 years - \$62.00	
	21 - 30 years - \$82.00	
	31 - 40 years - \$102.00	
	41 - 50 years - \$122.00	
	51 - 60 years - \$142.00	
	61 - 70 years - \$162.00	
Copies:		
Copies of Town Ordinance or Other Documents - Per Page	0.25	
Facsimile/Fax - Per Page	2.00	
Map (Zoning, Election, Other) - Black & White/Color	10.00/15.00	
USB Flash Drive	10.00	
Licenses:		
Auctioneering License - Annual	300.00	
Auctioneering License - One Day	150.00	
Annual Dog License Fee - spayed/nuetered	7.50	
Annual Dog License Fee - unspayed/un-nuetered	15.50	
Garbage Carting License - Renewal *	2,000.00	* Plus \$150 per truck inspection annually
Garbage Carting License - NEW *	2,500.00	* Plus \$150 per truck inspection annually
Marriage License	40.00	
Marriage License - Active Duty Members of US Armed Forces	waived	
Miscellaneous:		
Cemetery Grave Marker - Each	100.00	
Dog Pick-Up	-	
Dog Shelter Fee - First Impoundment	25.00	+ 20.00 Each Additional 24 Hours
Second Impoundment - within one year	50.00	+ 20.00 Each Additional 24 Hours
Third Impoundment - within one year	60.00	+ 20.00 Each Additional 24 Hours
Subsequent Impoundment - within one year	70.00	+ 20.00 Each Additional 24 Hours
Petition to Amend Zoning Ordinance	5000.00	
Permits:		
Canvassing/Soliciting Permit - 3 Months	25.00	
Public Assembly Permit - Each Event	200.00	
Sound Amplification Permit Commercial	100.00	per day
Sound Amplification Permit Residential	50.00	per day
Town Code:		
Annual Town Code Book Supplement	75.00	
Code Book	598.00	

TOWN OF CARMEL PROPOSED REVISED ADOPTED USER SERVICE FEES --  
FISCAL YEAR 2023

FEE DESCRIPTION	PROPOSED REVISED ADOPTED 2023 USER FEES	
<b>POLICE DEPARTMENT</b>		
Accident Report - Business	0.25	per page
Accident Report - Personal	0.25	per page
Finger Printing Service - Per Person	100.00	
Photograph	20.00	per photo
Police Special Escort Service - Per Hour	-	
Special Event or Special Services - Per Hour	150.00	with Town Contract
CD of Photographs from Casefile	50.00	
<b>Police Youth Camp</b>	<b>100.00</b>	<b>per camper</b>
Tow Application Fee	250.00	Annual Application Fee
Vehicle Impound Fee	100.00	per vehicle
<b>ALARM ORDINANCE</b>		
Alarm Permit - 1 Year - Residential & Commercial	40.00	
One False Alarm	-	
Two False Alarms	-	
Three False Alarms	50.00	
Four False Alarms	100.00	
Five False Alarms	300.00	
Six-Nine False Alarms	400.00	
Ten or more False Alarms	500.00	
		* All alarm fees: 10% of outstanding balance after 90 days past due.
<b>HIGHWAY DEPARTMENT</b>		
Driveway Bond - "Refundable"	750.00	
Driveway Permit - Includes two Inspections	215.00	
Road Opening Bond - "Refundable" - Entire Road	1,000.00	
Road Opening Bond - "Refundable" - Half Road	500.00	
Road Opening Permit	215.00	

TOWN OF CARMEL PROPOSED REVISED ADOPTED USER SERVICE FEES --  
FISCAL YEAR 2023

FEE DESCRIPTION	PROPOSED REVISED ADOPTED 2023 USER FEES	
<b>PARKS &amp; RECREATION DEPARTMENT</b>		
<b>Camp:</b>		
Playground Camp grade 2 - 8; 9:00 am - 3:00 pm	600.00	Non-Resident \$1,200.00
Primary Camp grade K - 1; 9:30 am - 2:30 pm	650.00	Non-Resident \$1,300.00
Camp Extended Day	250.00	
<b>Classes/Lessons:</b>		
Additional Swimming Lessons	\$75	Residents only
Adult Classes	\$65.00 - \$325.00	* plus \$35.00 non residents
CPR Review	\$75	Non-Resident \$110.00
Lifeguard Training Aid/Safety	\$380.00	Non-Resident \$415.00
Lifeguard Training Review	\$195.00	Non-Resident \$230.00
Youth Classes	FREE - \$180.00	* plus \$35.00 non residents
RTE - Responding to Emergencies	225.00	Non-Resident \$260.00
Swimming Lessons Including Permit	145.00	Residents only
<b>Facilities Rental:</b>		
Ballfield Rental - 2 Hour Limit	\$150.00/\$250.00 w/lights	
Boat Rental Fee	5.00	
Civic - Building Rental	200.00	+Supervisor Hourly Rate
Group Picnic/Pavilion	150.00	Residents Only
Private Building Rental	300.00	+Supervisor Hourly Rate
Sycamore Park Concession [Seasonal]	3,500.00	
<b>ID/Permits: "Residents Only"</b>		
Lake Access Card	50.00	
Family Beach Day Pass	20.00	
Adult Swimming Permit	100.00	
Daily Adult Beach Fee	8.00	
Daily Adult Guest Beach Fee	10.00	
Daily Youth Beach Fee	7.00	
Daily Youth Guest Beach Fee	9.00	
Family Swimming Permit	200.00	
Family Tennis Permit	80.00	
Resident Registration Fee	6.00	
Senior Resident Registration Fee	No charge	
Nanny Registration Fee	12.00	
Nanny Swim Permit	100.00	
Individual Tennis/Pickleball Permit	50.00	
Tennis/Pickleball Guest Fee	6.00	
Youth Swimming Permit	80.00	
<b>Dog Park:</b>		
Sycamore Dog Park User Fee - Resident	30.00	Annual
Sycamore Dog Park User Fee - Non-Resident	80.00	Annual
<b>Vendor Space Fee</b>		
	\$20.00 per event	10'x10' Vendor Space for Special Events
	\$250.00 / Half Season	10'x10' Vendor Space for Farmers Market 12 weeks
	\$500.00 / Full Season	10'x10' Vendor Space for Farmers Market 24 weeks
		10'x10' Concession Vendor Space for Farmers Market - * Different
	\$20.00 / Date	Concession Vendors featured weekly
	\$360.00 / Full Season	10'x10' Craft Vendor Space for Farmers Market 12 weeks max.
	\$40.00 / Date * Per day	10'x10' Craft Vendor Space for Farmers Market
Registration Cancellation Processing Fee	25% of program fee	Fee incurred if participant cancels their registration less than 5 days prior to class start date
Returned Deposited Bad Check - each item	20.00	

TOWN OF CARMEL PROPOSED REVISED ADOPTED USER SERVICE FEES --  
FISCAL YEAR 2023

FEE DESCRIPTION	PROPOSED	REVISED	ADOPTED
FEE DESCRIPTION	2023 USER FEES		
<b>BUILDING &amp; CODES DEPARTMENT</b>			
Accessory Apartment Permit		1,000.00	
Bed & Breakfast Special Application		1,000.00	
Building Permits -- Flat Rate PLUS Estimated Cost of Construction		125.00	Flat Rate PLUS
Estimated Cost of Construction -- Calculated as:		15.00	per \$1,000 Calculated Estimated Cost
Residential -- New construction		100.00	per sq. ft.
Residential -- Finish existing space to living space		25.00	per sq. ft.
Commercial		200.00	per sq. ft.
Commercial - Garage		75.00 - 80.00	per sq. ft.
Decks		50.00	per sq. ft.
Garage		75.00	per sq. ft.
Shed		25.00	per sq. ft.
Building Permits -- After structure is built		250.00	New Fee
Certificates of Compliance		80.00/150.00	Residential/Commercial
Certificates of Occupancy		80.00/150.00	Residential/Commercial
Excavation or Fill Permit for the first 2,000 cubic yards		200.00	Plus \$100 for each additional 1,000 CY
Inspection Fee for Clearance of Title Search Violation		200.00	Each Inspection
Mother/Daughter Permit		500.00	
Plumbing Permit Per Fixture		25.00	\$100.00 minimum fee
Plumbing/ Air Conditioning Inspection			
Re-Inspection Fee When Inspection Requested but Job Not Ready		250.00	Paid in Advance of 2nd Inspection
Sign Permit		150.00	
Swimming Pool Permit - Above Ground		250.00	
Swimming Pool Permit - In Ground		500.00	
HVAC Fee		125.00	Flat Rate plus
		20.00	per \$1,000 Estimated Cost of Installation
Title Search		275.00/425.00	Residential/ Commercial + \$100 per establishment
Zoning Letter		100.00	
Outdoor Dining Annual Fee		100.00	Annual Fee
Outdoor Dining (fee per 10 or more seats)		+ 50.00/up to 10 seats	An add'l \$50.00 for 11 or more seats
Fire Inspection: Multifamily / Commercial		150.00 / 100.00	Commercial \$100 per establishment
Blasting Permit		300.00	per month
Operational Permits *		100.00	
* (NYS DOS requires towns to issue permits for storage of certain materials and certain uses)			
Natural Gas Inspections			
Residential		125.00	(5 Fixtures) \$10 each additional
Commercial		175.00	(5 Fixtures) \$20 each additional
Liquid Propane Gas Inspections			
Residential		125.00	(5 Fixtures) - \$10 each additional
Commercial		175.00	(5 Fixtures) - \$20 each additional

TOWN OF CARMEL PROPOSED REVISED ADOPTED USER SERVICE FEES --  
FISCAL YEAR 2023

FEE DESCRIPTION	PROPOSED REVISED ADOPTED 2023 USER FEES	
<b>ENVIRONMENTAL CONSERVATION REVIEW BOARD</b>		
ECB Wetlands Marker	25.00	
Permit Renewal/Extension Fee	200.00	\$200.00 for each one year permit renewal/extension;
Application Withdrawal	100.00	
Letter of Maintenance	100.00	
Letter of Permission (In lieu of application)	150.00	
Major Interagency Review - Over 5 Acres - Per Acre or Part Thereof	150.00	Total Wetland Include. 100' Control Area (per acre)
Minor Interagency Review - Up to 5 Acres - Per Acre or Part Thereof	125.00	Total Wetland Include. 100' Control Area (per acre)
Private Consultation/Conference with Wetland Inspector Per Hour	200.00	
Public Hearing	minimum \$200.00 or cost	
SEQR - DEIS	1%	of Bond
Site Plan Inspection - Single Lot - Per Acre or Part Thereof	300.00	Total Wetland Include. 100' Control Area (per acre)
Subdivision Plan Inspection - Per Acre or Part Thereof	300.00	Total Wetland Include. 100' Control Area (per acre)
Tree Cutting - Up to 5 Acres	500.00	Escrow to be determined by Professional Forester
Tree Cutting - 5 to 25 Acres	1,000.00	Escrow to be determined by Professional Forester
Tree Cutting - Over 25 Acres	1,500.00	Escrow to be determined by Professional Forester
Minor Wetland Permit Application - for projects disturbing up to 1,000 sq ft in the 100 ft buffer area.	225.00	
* Escrow Fee for Minor Project	500.00	
Major Wetland Permit Application - for projects disturbing 1,000 sq ft or greater in the 100 ft buffer area or any disturbance in the buffer.	500.00	*plus \$100 for each add't 1,000 sq ft disturbance (or part thereof) in the 100 ft buffer. Maximum fee \$1,000
* Escrow Fee for Major Project	2,500.00	*as determined by the Town's Wetland Inspector
Wetland Determination for Health Dept	200.00	
Floodplain Permit Fee	minimum \$250.00	maximum \$500
<b>ZONING BOARD OF APPEALS</b>		
280A Exemption	400.00	
Application Withdrawal	100.00	
Area Variance Application	200.00	
Bed and Breakfast Special Permit Application	400.00	
Interpretation of Ordinance	400.00	
Use Variance Application	400.00	
Computer address labels for variance mailing	50.00	
NOTIFICATION SIGN	50.00	per sign
<b>PLANNING BOARD</b>		
<b>PLANNING SUBDIVISION FEES:</b>		
Sketch fee	1,250.00	One time fee
Preliminary Fees		
Major Subdivision	5,500.00	Plus \$950 per lot
Minor Subdivision	3,500.00	Plus \$950 per lot
"Extension of Preliminary Sub-division"	2,500.00	
<b>Final Fees:</b>		
Amendment to Final Plat	2,500.00	
Major Subdivision	2,500.00	Plus \$750 per lot
Minor Subdivision	2,500.00	Plus \$750 per lot
Re-approval of Final Approval	2,500.00	(Does not include SEQR fees)
Extension of final approval	2,500.00	
OPEN DEVELOPMENT REVIEW FEE	3,500.00	
LOT LINE ADJUSTMENT FEE	3,500.00	

TOWN OF CARMEL PROPOSED REVISED ADOPTED USER SERVICE FEES --  
FISCAL YEAR 2023

FEE DESCRIPTION	PROPOSED	REVISED	ADOPTED
FEE DESCRIPTION	2023 USER FEES		
<b>SITE PLAN FEES:</b>			
Commercial Site Plan -- Flat Rate PLUS Parking Spaces	2,000.00		Plus \$100 per Parking Spaces
Residential Site Plan -- Flat Rate PLUS Unit Fee	3,000.00		PLUS \$500 per Dwelling Unit
Amendment to Previous Approved Site Plan -- with no new parking spaces	3,000.00		
Amendment to Previous Approved Site Plan -- with new parking spaces	3,000.00		Plus \$100 per Parking Spaces
Re-grant of Site Plan Approval	3,000.00		
Extension of Site Plan Approval	2,000.00		
<b>SPECIAL SITE PLAN FEES</b>			
Boat House/Bathhouse	1,000.00		
Parking Lot	1,000.00		
Pools/Tennis Courts/ Playgrounds	1,000.00		
Residential Barns	1,000.00		
Residential Dock	1,000.00		
Residential Horse Riding Ring	1,000.00		
Home Office	1,000.00		
<b>LANDFILL, SURFACE GRADING, &amp; OTHER EXCAVATION</b>			
Up to 2 Acres	300.00		
From 2 to 5 Acres	600.00		
Over 5 Acres	900.00		Plus \$40.00/Acre
<b>ARCHITECTURAL REVIEW</b>			
New Commercial Structure Review	300.00		
Modification to Existing Commercial Structure Review	200.00		
Other Structure or Sign Review	100.00		
Single Family Residential Structure Review	150.00		
Two or More Family Residential Structure Review	150.00		Plus 50.00 each Additional Unit over two
<b>PLANNING/MISCELLANEOUS FEES:</b>			
Engineering Fee (Site Plans & Subdivisions) - Technical Review and Construction Inspections		5%	% of Bond Amount
Public Hearings Including Bond Returns and Reductions	250.00		Per Hearing
Planning Board SEQR Escrow Fees - DEIS	2.00%		Not to exceed 2% of Project Value
Planning Board SEQR Escrow Fees - FEIS	2.00%		Not to exceed 2% of Project Value
Recreation Fee in Lieu of Parklands	8,500.00		Per Residential Lot
Recreation Fee Sr. Cit. Multi Family Dwelling/Apt.	3,500.00		Per Dwelling/Apartment for site plan with approvals originating prior to 12/31/15
Recreation Fee Sr. Cit. Multi Family Dwelling/Apt.	6,500.00		Per Dwelling/Apartment for site plan with approvals originating after 1/1/16
Recreation Fee Multi Family Developments	7,000.00		Per Dwelling
Computer address labels	50.00		
NOTIFICATION SIGN	50.00		per sign

TOWN OF CARMEL PROPOSED REVISED ADOPTED USER SERVICE FEES --  
FISCAL YEAR 2023

FEE DESCRIPTION	PROPOSED REVISED ADOPTED 2023 USER FEES	
<b>DEPARTMENT MISCELLANEOUS TOWN SERVICES:</b>		
Computer Labels	0.05	Each Label - 5.00 Minimum
Computer Report of Tax Parcels	0.25	Per Page - 5.00 Minimum
Copies of Plans/Maps - 24" x 36" black/white or color	10.00 black/white, 15.00 color	
Copies of Records/Documents	0.25	Per Page
Mail Reminder Notices	2.00	
Returned Deposited Bad Check - Each Item	20.00	
Tax or Record Search and Copy	5.00	
Tax or Record Search and Copy with Letter	10.00	
Floodplain Permit	250.00	
<b>SPECIAL DISTRICTS</b>		
<b>PARK DISTRICTS:</b>		
Building Rental - District Resident	350.00	
Building Rental - Non-District Resident	N/A	
Building Rental Deposit - "Refundable"	350.00	
<b>SEWER DISTRICTS:</b>		
Sewer System Service Application, including one inspection	250.00	Residential
(where Street Lateral to Curb Line exists)	500.00	Commercial
Sewer System Connection Additional Inspection - Each Inspection	50.00	
Sewer Sludge Dumping Fee, each 1000 gallons	200.00	
Out of District Application Fee - Residential	4,000.00	
Out of District Application Fee - Commercial	5,000.00	
Pretreatment Permit Exceedence Surcharge	500.00	
<b>WATER DISTRICTS:</b>		
Water System Service Application, including one inspection	250.00	Residential
(where water line curb box exists)	500.00	Commercial
Water System Connection Additional Inspection - Each Inspection	50.00	
New Badger Water Meter Purchase - 3/4"	Base \$100.00	Residential 3/4"
	Encoder - \$100.00	
	Endpoint \$300.00	
	Total - \$500.00	
New Badger Water Meter Purchase - 1" or greater	***At Replacement Cost***	plus 15%
Water Meter Replace Due To Customer's Damage	\$500.00 for 3/4" meter replacement cost	plus 15% for all other size meters
Water Meter Test, by written request of consumer	200.00	* If test shows the meter failed no cost; if test shows meter functions then fee applies
Water service turned on or off	50.00	
Water sprinkler tap - Annual Fee	200.00	
Final Bill Fee	35.00	
Bulk Water Sales	10 times the normal in district rate	Minimum fee \$300.00
Out of District Application Fee - Residential	4,000.00	
Out of District Application Fee - Commercial	5,000.00	
Water Bill Adjustment from Estimate to Actual	25.00 after 2nd adjustment	
Water Consumption Manual Read Assessment for Non-cellular meters.	\$300.00 Residential/\$600.00 Commercial	Billed Semi-Annual
Install Meter Pit at Residence/Business	****Repalcement Cost****plus 25%	

Richard J. Franzetti, P.E.  
Town Engineer



(845) 628-1500  
(845) 628-2087  
Fax (845) 628-7085

**Office of the Town Engineer**  
60 McAlpin Avenue  
Mahopac, New York 10541

## MEMORANDUM

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**To:** Carmel Town Board  
Mike Simone, Superintendent of Highways

**From:** Richard J. Franzetti P.E. Town Engineer



**Date:** March 7, 2023

**Re:** EOHWC O&M Invoice

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As the Board is aware, the Town of Carmel (Town) is a member of the East of Hudson Watershed Corporation (EOHWC). The EOHWC is made up of nineteen municipalities in Dutchess, Putnam and Westchester Counties and was established as a regional stormwater entity in response to the heightened phosphorus removal requirements under the New York State Department of Environmental Conservation (NYSDEC) stormwater regulations.

The EOHWC administers, coordinates and installs the regional stormwater retrofit projects (SRPs), with funding made available by the New York City Department of Environmental Protection (NYCDEP), Westchester County, and Putnam County. Through the EOHWC, the member municipalities are collectively achieving compliance with their SRP requirements through bubble compliance, regardless of the physical location of each retrofit.

As identified in the attached EOHWC O&M policy each municipality has to maintain the SRPs that have been or will be installed. The Town adopted the EOHWC policy as identified in the attached February 17, 2016 Resolution.

Due to bubble compliance the Town is required to pay for O&M based on the Town's overall phosphorus reduction not just for those SRPs installed in the Town. The EOHWC provides the O&M for the SRPs located in the Town.

Attached please find an invoice from the EOHWC in the amount of \$21,985.02 for the O&M performed in 2022. Per the attached there are sufficient funds in the budget for this expense.

March 7, 2023

## EOHWC O&M Invoice

The following is a summary of the Town's operation and maintenance (O&M) status:

- The ten (10) year phosphorus reduction goal for the entire EOHWC is 919 kg.
- The Town's portion for the ten (10) years 144 kg (~16% of the total EOHWC goal).
- There have been 16 SRPs installed in the Town with a total phosphorus reduction of 49.17 kg (~34% of the Town's total goal).
- The Town passed the attached February 17, 2016 Resolution adopting the EOHWC O&M policy.
- SRP inspections are performed semi-annually by the Engineering Department (with the labor costs applied back to the EOHWC) and the O&M performed by Putnam County.

In order to maintain permit coverage and to be eligible for future funding, the EOHWC developed the O&M Policy. Please note the attached O&M Policy estimated the costs for O&M for the Town of Carmel at \$38,137.28. This value has been adjusted to more accurately represent actual cost.



**EAST OF HUDSON  
WATERSHED CORPORATION**

2 Route 164  
Patterson, NY 12563  
Tel: 845-319-6349  
Fax: 845-319-6391

November 10, 2015

To the Chief Elected Officials of Member Municipalities,

Today the Board of Directors of the EOHWC adopted an Operation and Maintenance Policy ("O&M Policy"), conditioned on each member municipality agreeing by resolution of its legislative body to accept the Policy. I'm enclosing for your review and action the EOHWC Board resolution, a model member resolution, the O&M Policy (5 pages) and the Annual Estimated O&M Cost (1 page).

It is critically important that each of you give this your immediate attention. The MS4 Permit requires each municipality to maintain the stormwater retrofit practices ("SRPs") that have been or will be installed. Failure to do so would violate the permit and may cause the phosphorus reduction credits we've amassed to be lost. In a worst case, if EOHWC does not step up to the plate and ensure O&M is performed, all municipalities could be liable for a permit violation and bubble compliance would collapse.

In addition, we have been told by representatives of DEP that while they may be willing to fund some or all of the next five years of SRP construction, they are not willing to fund O&M. They are looking to the municipalities to take on that responsibility as their contribution to the overall effort. Without DEP funding of SRP construction, all the cost of the next five years would fall on the municipalities.

The Annual Estimated O&M Cost I've enclosed is only an estimate to give you an idea of the numbers our engineers have calculated. As O&M is performed we will acquire actual data that will give us more accurate figures, hopefully less than what is conservatively estimated on the enclosed sheet. The basic concept is that municipalities will be expected to perform the O&M in the most efficient way possible. As you will see in the Policy, some will get reimbursement from EOHWC and some will pay in, depending on the allocation in the Policy.

Again, please give this your immediate attention. If at all possible, please return your adopted resolution to me at EOHWC no later than December 31. This is a very important step in our negotiations for funding for years 6-10 of the MS4 Permit. If you have questions about how the policy works or how it will apply to your municipality, feel free to contact me or Kevin Fitzpatrick at EOHWC.

  
Michael Griffin, President

**BOARD OF DIRECTORS  
EAST OF HUDSON WATERSHED CORPORATION  
2 Route 164, Patterson, NY 12563**

**RESOLUTION TO ADOPT O&M POLICY**

Resolution #: R-1110-07

Moved By: \_\_\_\_\_

Dated: November 10, 2015

Seconded By: \_\_\_\_\_

At the meeting of the Board of Directors of the East of Hudson Watershed Corporation held on November 10, 2015, the following resolution was adopted:

WHEREAS, the MS4 Permit applicable to all member municipalities requires the municipality to maintain each stormwater retrofit project (SRP) for its useful life to ensure that it continues to operate as it was designed; and

WHEREAS, DEP has indicated that while it may to some extent be willing to continue funding the construction of SRPs approved by NYSDEC as part of the regional stormwater retrofit plan, it is not willing to fund the non-construction costs of operation and maintenance (O&M) of completed SRPs, as such expenses may not be paid from bond proceeds; and

WHEREAS, the Executive Committee has developed and recommends for adoption by the Board of Directors the annexed O&M Policy providing for the equitable sharing of the costs and responsibilities of O&M by all member municipalities in a manner consistent with the MS4 Permit bubble compliance concept; and

WHEREAS, approval of the O&M Policy is a Type II action exempt from the State Environmental Quality Review Act (SEQRA) under 6 NYCRR 617.5(c)(1) as it relates to the routine maintenance of the SRPs;

NOW THEREFORE IT IS HEREBY RESOLVED by the Board of Directors of the East of Hudson Watershed Corporation that:

1. The Board of Directors hereby approves the annexed O&M Policy providing for the equitable sharing of the costs and responsibilities of O&M by all member municipalities in a manner consistent with the MS4 Permit bubble compliance concept, conditioned on the legislative body of each member municipality agreeing to comply with the terms and conditions of the O&M Policy; and

2. Authorizes the President to distribute to each member municipality the annexed Model Member O&M Resolution with a request that the member municipality promptly adopt the model resolution or a similar resolution assuring that it will comply with the terms and conditions of the O&M Policy.

Aye \_\_\_\_\_ Nay \_\_\_\_\_

\_\_\_\_\_  
Michael Griffin, Chair

[Town/Village/County] of \_\_\_\_\_

**Resolution Regarding O&M  
of Stormwater Retrofit Projects**

Resolution No. \_\_\_\_\_  
Date: \_\_\_\_\_, 2015

Moved by: \_\_\_\_\_  
Second by: \_\_\_\_\_

WHEREAS, the [Town/Village/County] of \_\_\_\_\_ is a member of the East of Hudson Watershed Corporation (“EOHWC”), a not-for-profit local development corporation formed to assist the member municipalities in complying with the stormwater retrofit requirements of the Municipal Separate Storm Sewer System Permit (MS4 Permit); and

WHEREAS, EOHWC has installed and will continue to install stormwater retrofit projects (SRPs) or has reimbursed member municipalities for installing SRPs in compliance with the first five-year Regional Stormwater Retrofit Plan and intends to do so for the second five-year plan to the extent funding is provided by New York City Department of Environmental Protection (DEP); and

WHEREAS, the MS4 Permit requires member municipalities to maintain each SRP for its useful life to ensure that it continues to operate as it was designed; and

WHEREAS, the Board of Directors of EOHWC has adopted an O&M Policy providing for the equitable sharing of the costs and responsibilities of O&M by all member municipalities in a manner consistent with the MS4 Permit bubble compliance concept, conditioned on the legislative body of each member municipality agreeing to comply with the terms and conditions of the O&M Policy; and

WHEREAS, approval of the O&M Policy is a Type II action exempt from the State Environmental Quality Review Act (SEQRA) under 6 NYCRR 617.5(c)(1) as it relates to the routine maintenance of the SRPs; and

WHEREAS, approval of the O&M Policy is in the best interests of the [Town/Village/County] as it assures continued compliance by the [Town/Village/County] with the MS4 Permit;

NOW THEREFORE IT IS HEREBY RESOLVED by the [Legislative Body] of the [Town/Village/County] of \_\_\_\_\_ that:

1. The [Town/Village/County] of \_\_\_\_\_ accepts and agrees to the terms and conditions of the EOHWC O&M Policy; and
2. Authorizes the [Supervisor/Mayor/County Executive] to take whatever other actions are required to implement this resolution.



# EAST OF HUDSON WATERSHED CORPORATION

PO Box 176  
Patterson, NY 12563  
Tel: 845-319-6349  
Fax: 845-319-6391

## POLICY FOR THE OPERATION AND MAINTENANCE of EOHWC STORMWATER RETROFIT PRACTICES Adopted November 10, 2015

The nineteen municipalities, represented by the East of Hudson Watershed Corporation (EOHWC) have over 150 stormwater retrofit practices planned for, or constructed within their individual municipalities. Each of these projects, over time will require maintenance in order for the practice to maintain optimal efficiency in its operation. Within the EOHWC there has been much discussion concerning funding for, and completion of the maintenance required for these stormwater retrofits. This Policy will define how maintenance of the stormwater retrofit projects (SRP's) will occur.

In order for stormwater practices to remain effective at reducing phosphorus, proper maintenance is essential. Each stormwater retrofit that is installed by the EOHWC will have its own unique set of maintenance requirements and maintenance cycle, however some generalities can be made. Maintenance can be broken down into three parts; inspections, routine maintenance and non-routine repairs that may be required after large storms, or as a result of other unforeseen problems. Practices can be broken down into classes which have similar maintenance periods and requirement. These classes would include wet ponds, created wetlands, infiltration, and filter practices.

The NYSDEC General Permit for Stormwater Discharges from Municipal Separate Storm Sewer Systems (GP-0-15-003) places the ultimate responsibility with each individual municipality for all stormwater practices within their jurisdiction including those considered stormwater retrofits. Part VI.Q states, "A covered entity must at all times properly operate and maintain all facilities and systems of treatment and control (and related appurtenances) which are installed or used by the covered entity to achieve compliance with the conditions of this SPDES general permit."

At present, Towns and Villages are considered 'traditional land use control MS4's' as they hold the authority to make land use decisions under zoning and subdivisions controls. As such, they are obligated under the General Permit to maintain an inventory<sup>1</sup>, provide for inspections and ensure the maintenance of all stormwater practices within their jurisdiction<sup>2</sup>. The NYSDEC language in the General Permit covers both publically-owned, and privately owned stormwater management facilities that are located in, or under a municipality's jurisdiction.

Under the requirements of the General Permit, Towns and Villages should already be maintaining, or causing maintenance to be performed on, the stormwater management practices in their respective jurisdictions. This includes all drainage control structures such as stormwater ponds, and other practices installed as part of their highway drainage system. This also includes stormwater management practices

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<sup>1</sup>Part VII.A.5.a.vi. "maintain an inventory of post-construction stormwater management practices within the covered entities jurisdiction" [including] "type of practice, maintenance needs per the NYS Stormwater Management Design Manual, SWPPP and dates and type of maintenance performed."

<sup>2</sup>Part VII.A.5.a.vii 'ensures adequate long-term operation and maintenance of management practices identified in Part VII.5.a.vi. by trained staff, including inspection to ensure that the practices are performing properly.'



## EAST OF HUDSON WATERSHED CORPORATION

PO Box 176  
Patterson, NY 12563  
Tel: 845-319-6349  
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constructed as part of a subdivision or site plan approved by the Town or Village. Pursuant to the requirements of the General Permit, municipalities must already have written procedures<sup>3</sup>, the equipment and the manpower to provide inspections and maintenance to the stormwater infrastructure in their respective municipalities. Since municipalities must already have a program in place, it should be relatively simple to manage the additional EOHWC retrofit practices constructed in their municipalities, although their individual resources will likely need to be supplemented.

With participation in the EOHWC, each municipality has agreed to “bubble compliance”, or a shared responsibility for the installation of stormwater retrofits. While each individual municipality will ultimately be responsible for the retrofits located within their jurisdiction, it is generally agreed that the EOHWC should remain involved in some fashion for meeting the maintenance requirements for as long as the EOHWC is in existence.

The EOHWC has chosen the following means for providing maintenance to EOHWC SRP’s;

Each stormwater retrofit will require maintenance specific to each individual retrofit. This maintenance obligation will be described in a written plan, prepared for each project by the design engineer preparing the construction documents in consultation with the host municipality. The maintenance plan shall include the design life of each SRP, recommended inspection schedule and checklist which also provides basic design criteria for the practice, required maintenance activities, an estimate of time needed and cost of such activities, schedule of such activities, and a present worth cost for inspecting and maintaining the SRP for its design life. Three copies of the maintenance plan shall be provided to the host municipality, along with an as-built drawing upon completion of construction of the retrofit. Moving forward, each maintenance plan shall be reviewed and approved by the chief elected officer of the host municipality prior to the SRP construction being placed for bidding.

Each municipality will be responsible for providing the inspections and maintenance of the stormwater retrofit practices (SRP) within, or under their jurisdiction. Maintenance shall be completed in accordance with the maintenance plan that has been prepared for the project.

The EoH municipalities have sought to achieve compliance with the stormwater regulations and the retrofit program through bubble compliance i.e., a sharing of the overall phosphorus reduction requirements for all of the EoH municipalities. Similarly the expense of paying for the cost of maintenance of the stormwater retrofits that have been installed would be shared between the municipalities in proportion to each of their obligations for phosphorus removal. The O&M **financial obligation** for each municipality will be based on their percentage of the overall 5-year phosphorus reduction (see Table 1) and the estimated annual total O&M cost for maintaining the stormwater retrofits.

Municipalities will be reimbursed by the EOHWC for costs incurred for providing maintenance at the actual cost plus 2% for administration. Municipalities can individually chose how to accomplish maintenance responsibilities to find the most cost-effective and efficient means; either by using municipal staff/highway departments, or through the use of private contractors.

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<sup>3</sup>Part IX.A.6



# EAST OF HUDSON WATERSHED CORPORATION

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When completing SRP maintenance by contracting with a private contractor, all contracts seeking reimbursement from the EOHWC must follow EOHWC procurement policies. However, as the minimum requirement to qualify for reimbursement of maintenance costs, municipalities must request at least three written quotes from three different contractors in order to ensure that the work is being completed at a fair price. Where there is a conflict between a municipality's procurement policy and the EOHWC procurement policy, the EOHWC procurement policy will govern.

Costs associated with the use of municipal employees and equipment to provide SRP maintenance shall be.

Work completed by municipal employees and consultants will be reimbursed at cost, based on a schedule of values, and subject to a cap. The EOHWC Board of Directors shall establish a schedule of reimbursement rates for completing SRP maintenance. The schedule shall provide a maximum hourly rate for municipal employees, consultants and equipment. Reimbursement costs shall also be capped by the estimate of time needed and cost of such activities found in the maintenance plan. Any exceedance of the cap must be approved by the EOHWC Board of Directors.

## **Financing O&M Requirements**

The EOHWC shall oversee the O&M operations for the retrofits installed by the Corporation. The EOHWC shall create a separate fund (a bank) to fund the estimated cost of providing the annual operation and maintenance cost of all the stormwater retrofits in the Program. Each municipality is responsible to provide their proportionate share of this amount to the EOHWC as either a direct payment or as a documented labor and capital expenditure to be applied as credit toward O&M costs.

Twice annually, in June and November municipalities will submit an invoice for reimbursement of the actual cost for providing maintenance of the stormwater practices under their jurisdiction. Invoices will be reviewed by the EOHWC staff and Executive Board. Actual costs incurred will be credited against any amount due and owing to the Corporation. Where there is a surplus, the municipality would receive a refund. EOHWC staff shall be responsible for spot checking inspections completed by each municipality and ensuring that the maintenance of each practice is being completed in a timely and efficient manner.

Each municipality's financial obligation will fall into one of two categories:

- 1) The estimated O&M financial obligation of your municipality is **less** than your yearly O&M costs. Those municipalities that are required to contribute towards retrofit maintenance fund must provide payments to the EOHWC on the following schedule:
  - § January 1, 2016. 35% of total O&M estimates costs minus any incurred costs for completing retrofit maintenance.
  - § May 1, 2016. 35% of total O&M estimates costs minus any incurred costs for completing retrofit maintenance.
  - § September 1, 2016. 30% of total O&M estimates costs minus any incurred costs for completing



# EAST OF HUDSON WATERSHED CORPORATION

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retrofit maintenance.

In case 1, the actual expenses incurred by the municipality will serve as a credit towards meeting its responsibility to the EOHWC O&M program. The difference between the actual expenses and the municipality's financial obligation will be due as payment to the EOHWC.

- 2) The estimated O&M financial obligation for your municipality is **more** than your yearly O&M Costs.

Those municipalities that will receive O&M funds must provide documentation of inspection and maintenance completed for each project to the EOHWC on the following schedule:

- § June 30, 2016. O&M Documentation for December 1, 2015 thru May 31, 2016.  
§ November 30, 2016. O&M Documentation for June 1, 2016 thru November 30, 2016

In case 2, the municipality will document all expenditures for the O&M program. Once the municipality has reached the estimate annual O&M costs, the EOHWC will reimburse the municipality for the additional required O&M which exceeds its financial obligation.

These reimbursements will be capped by the calculated percentage contribution for the overall bubble compliance. Any additional expenditure will be documented by the municipality. All overages to the estimated municipal costs must be verified and approved by the EOHWC prior to the work being completed. These costs will be then included in an updated budget for the next O&M calendar year.



**EAST OF HUDSON  
WATERSHED CORPORATION**

PO Box 176  
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TABLE 1

<b>Municipality</b>	<b>5-Year Phosphorus Reduction (kg)</b>	<b>Percent Contribution</b>
Bedford	32.2	7.01%
Brewster	9.2	2.00%
Carmel	72.0	15.67%
Cortlandt	11.6	2.52%
Kent	33.6	7.31%
Lewisboro	35.5	7.73%
Mount Kisco	18.7	4.07%
New Castle	25.1	5.46%
North Castle	1.0	0.22%
North Salem	19.1	4.16%
Patterson	17.2	3.74%
Pawling, Town	3.5	0.76%
Pawling, Village	4.3	0.94%
Pound Ridge	9.5	2.07%
Putnam County	30.9	6.72%
Putnam Valley	1.0	0.22%
Somers	50.0	10.88%
Southeast	31.1	6.77%
Yorktown	54.0	11.75%
Total	459.5	100.00%

2022 O&M Analysis					
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Town	2022 O&M Costs (\$) submitted	with 2% Admin Fee(\$)	Town P- Removal Require-	Towns Monetary Responsibility	Net EOHWC Payout/ (Billing)
Brewster	\$ -	\$ -	9.2	\$ 3,439.41	\$ (3,439.41)
Carmel	\$ 4,835.40	\$ 4,932.11	72	\$ 26,917.13	\$ (21,985.02)
Kent	\$ 34,817.64	\$ 35,513.99	33.6	\$ 12,561.33	\$ 22,952.67
Patterson	\$ 24,018.31	\$ 24,498.68	17.2	\$ 6,430.20	\$ 18,068.47
Pawling (T)	\$ 180.75	\$ 184.37	3.5	\$ 1,308.47	\$ (1,124.11)
Pawling (V)	\$ 460.94	\$ 470.16	4.3	\$ 1,607.55	\$ (1,137.39)
Putnam County	\$ 32,725.70	\$ 33,380.21	30.9	\$ 11,551.93	\$ 21,828.28
Putnam Valley	\$ -	\$ -	1	\$ 373.85	\$ (373.85)
Southeast	\$ 17,435.45	\$ 17,784.16	31.1	\$ 11,626.70	\$ 6,157.45
Total Putnam				\$ 75,816.58	
Bedford	\$ 8,599.65	\$ 8,771.64	32.2	\$ 12,037.94	\$ (3,266.30)
Cortlandt		\$ -	11.6	\$ 4,336.65	\$ (4,336.65)
Lewisboro	\$ 17,899.99	\$ 18,257.99	35.5	\$ 13,271.64	\$ 4,986.35
Mt. Kisco	\$ -	\$ -	18.7	\$ 6,990.98	\$ (6,990.98)
New Castle	\$ -	\$ -	25.1	\$ 9,383.61	\$ (9,383.61)
North Castle	\$ -	\$ -	1	\$ 373.85	\$ (373.85)
North Salem	\$ 6,965.51	\$ 7,104.82	19.1	\$ 7,140.52	\$ (35.70)
Pound Ridge	\$ -	\$ -	9.5	\$ 3,551.57	\$ (3,551.57)
Somers	\$ 20,475.98	\$ 20,885.50	50	\$ 18,692.45	\$ 2,193.05
Yorktown	\$ -	\$ -	54	\$ 20,187.85	\$ (20,187.85)
Total Westchester				\$ 95,967.04	
<b>Total</b>	\$ 168,415.32	\$ 171,783.62	459.5	\$ 171,783.62	
			O&M Cost per/Kg	\$ 373.85	



**From:** [Esteves, Donna](#)  
**To:** [Franzetti, Richard](#)  
**Subject:** 03-06-23 EOH Invoice for O&M  
**Date:** Monday, March 6, 2023 12:46:16 PM  
**Attachments:** [EOH O&M Invoice.pdf](#)

---

Rich,

The attached will need authorization from the Board for payment. There are sufficient funds in the budget for this expense.

Thanks,

*Donna Esteves*  
Town of Carmel ~ Engineering Department  
60 Mc Alpin Ave  
Mahopac, NY 10541  
845-628-1500 ext. 184

**TB/WS 3-15-2023 Agenda Item #2**

**TOWN OF CARMEL**

\*\* unaudited \*\*

**GENERAL AND HIGHWAY FUND COMBINED FUND EQUITY (YEARS 2015-2022)**

DESCRIPTION	2015	2016	2017	2018	2019	2020	2021	2022
<b>GENERAL FUND</b>								
RESERVE FOR PREPAID EXPENSES	393,897	389,280	408,839	371,705	382,894	383,078	465,418	494,878
RESERVE FOR ENCUMBRANCES	118,210	152,275	378,818	500,516	547,344	825,197	977,560	1,150,263
RESERVE FOR COMPENSATED ABS	1,000,000	1,440,000	1,615,000	1,785,000	1,815,000	1,815,000	1,815,000	1,700,000
DESIGNATED FOR TAX CERTIORARI	770,000	770,000	770,000	770,000	1,070,000	1,070,000	1,170,000	1,170,000
DESIGNATED FOR RETIREMENT CONTRIBUTIONS	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000
DESIGNATED FOR CAPITAL PROJECTS	500,000	750,000	1,000,000	1,500,000	2,000,000	2,000,000	3,000,000	3,250,000
DESIGNATED RESERVE VEHICLE PURCHASES	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000
UNRESERVED DESIGNATED EQUITY-FY	400,000	400,000	400,000	400,000	400,000	400,000	400,000	400,000
<b>UNRESERVED DESIGNATED EQUITY - SUBSEQUENT YEARS BUDGET</b>	-	-	-	-	360,000	110,000	475,000	450,000
UNRESERVED UNDESIGNATED EQUITY**	2,172,921	2,881,689	3,487,762	3,319,837	2,949,458	3,634,305	3,775,415	3,891,672
<b>TOTAL GENERAL FUND EQUITY</b>	<b>\$ 5,705,028</b>	<b>\$ 7,133,244</b>	<b>\$ 8,410,419</b>	<b>\$ 8,997,058</b>	<b>\$ 9,874,696</b>	<b>\$ 10,587,580</b>	<b>\$ 12,428,393</b>	<b>\$ 12,856,813</b>
<b>HIGHWAY FUND</b>								
RESERVE FOR PREPAID EXPENSES	112,500	97,000	128,875	120,500	126,250	127,561	134,875	87,750
RESERVE FOR CAPITAL PURPOSES	150,000	150,000	100,000	250,000	190,000	850,000	850,000	850,000
RESERVE FOR COMPENSATED ABSENCES	300,000	300,000	300,000	300,000	325,000	375,000	375,000	400,000
RESERVE FOR SNOW REMOVAL/ROADS	450,000	600,000	750,000	750,000	750,000	750,000	750,000	750,000
UNRESERVED DESIGNATED EQUITY	111,856	296,914	474,431	298,687	295,526	544,957	1,203,253	1,152,648
UNRESERVED UNDESIGNATED EQUITY								
<b>TOTAL HIGHWAY FUND EQUITY</b>	<b>\$ 1,124,356</b>	<b>\$ 1,443,914</b>	<b>\$ 1,753,306</b>	<b>\$ 1,719,187</b>	<b>\$ 1,686,776</b>	<b>\$ 2,647,518</b>	<b>\$ 3,313,128</b>	<b>\$ 3,240,398</b>
<b>TOTAL GENERAL &amp; HIGHWAY EQUITY</b>	<b>\$ 6,829,384</b>	<b>\$ 8,577,158</b>	<b>\$ 10,163,725</b>	<b>\$ 10,716,245</b>	<b>\$ 11,561,472</b>	<b>\$ 13,235,098</b>	<b>\$ 15,741,521</b>	<b>\$ 16,097,211</b>

\* need resolut

\* need resolut

\* need resolut

**MICHAEL S. CAZZARI**  
Town Supervisor

**ROBERT F. SCHANIL, JR.**  
Town Councilman  
Deputy Supervisor

**STEPHEN J. BARANOWSKI**  
Town Councilman  
**FRANK D. LOMBARDI**  
Town Councilman  
**SUZANNE MC DONOUGH**  
Town Councilwoman

**TOWN OF CARMEL**  
TOWN HALL



60 McAlpin Avenue  
Mahopac, New York 10541  
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[www.carmelny.org](http://www.carmelny.org)

**ANN SPOFFORD**  
Town Clerk

**KATHLEEN KRAUS**  
Receiver of Taxes

**MICHAEL SIMONE**  
Superintendent of Highways  
Tel. (845) 628-7474

## **MEMORANDUM**

**Date: March 15, 2023**

**To: Supervisor Cazzari and Carmel Town Board**

**From: Anne Pasquerello, Chief of Staff**

**RE: Request for Proposals for IT Services – Town of Carmel**

---

The Supervisor has notified the Town of Carmel's current IT provider, Logically, Inc., that will not be renewing its agreement for IT services, per the terms of their contract with the Town

Attached for your review is the Request for Proposal. The proposal has been updated to include all the necessary requirements; including the increase of the Town's Cybersecurity Readiness, protecting the data and information assets of the Town, both on site and remotely.

I am respectfully requesting that the Board approve via resolution at the next Voting Meeting.

Request for Proposal  
Information Technology Support and  
Consulting Services

Town of Carmel

60 McAlpin Avenue  
Mahopac, NY 10541



March 15, 2023

# REQUEST FOR PROPOSAL

RFP # 2023-01

ISSUE DATE: MARCH 15, 2023

## Information Technology (IT) Consulting Services

**RFP AVAILABILITY** – Provided herein are specifications to provide Information Technology Support and Consulting Services for The Town of Carmel. Official distribution of this RFP document comes solely from the **Town Supervisor's Office** or by authority from the Town Board of the Town of Carmel to publish same at the town's official website located at URL: [www.ci.carmel.ny.us](http://www.ci.carmel.ny.us). Copies of this RFP or any addenda documents obtained from any other source are not considered official copies. All vendors must obtain this RFP and related documents from the **Town Supervisor's Office** or the Town of Carmel Website at URL: [www.ci.carmel.ny.us](http://www.ci.carmel.ny.us), complying with this requirement will guarantee that proposers receive addendum information, if such information is issued. If you have obtained this document from a source other than the **Town Supervisor's Office** or the Town of Carmel Website it is recommended that you obtain an official copy.

**GENERAL REQUIREMENTS:** Respondents are to submit proposals which shall be opened and evaluated in private. Submit one (1) printed, signed original proposal; proposal envelope must include the RFP number, the RFP opening date and the proposer's principal address. The town reserves the right to request additional signed copies of the proposal.

**SUBMISSION LOCATION:** Town of Carmel – Supervisor's Office  
60 McAlpin Avenue, Mahopac, NY 10541

**SUBMISSION DATE:** \*April 21, 2023 11:00am  
\*Proposals received after the time specified will not be opened.

**PRE-PROPOSAL CONFERENCE:** Thursday, March 30, 2023, at 10:30am to be held at the Town of Carmel, **Richard Othmer Conference Room**, 60 McAlpin Avenue, Mahopac, NY 10541.

**CONTACT / QUESTIONS:** Requests for information related to this Request for Proposal should be directed to:

**Anne Pasquerello, Chief of Staff**  
Town of Carmel  
60 McAlpin Ave.  
Mahopac, NY 10541  
845-628-1500 Ext. 137

Questions regarding this RFP, addendums or the computer systems must be submitted in writing. Respondents may send via e-mail to **Anne Pasquerello** [amp2@ci.carmel.ny.us](mailto:amp2@ci.carmel.ny.us) or via fax to **1-845-628-6876**.

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## Background Information

### Purpose

The Town of Carmel is seeking proposals from qualified Information Technology (IT) consulting firms for the maintenance of the existing IT network and computer infrastructure, protecting the data and information assets of the town by backing up, securing, and ensuring recovery of critical data and information assets, supporting town employees with any information technology issues with desktops, laptops, storage, etc., both on site and remotely, and for installation and implementation of new network computer systems and software as may be required by the town. The town would also like to migrate its current infrastructure into a secure Microsoft 365 environment. The migration and subsequent support of this environment should be considered in scope for this proposal.

### Background

The Town of Carmel is located in Putnam County, New York approximately 50 miles north of New York City. The town administration consists of numerous departments which are administered at three locations. Included in this proposal are the following departments:

- Accounting Department
- Assessor's Department
- Building Department
- Comptroller Department
- Engineering Department
- Geographic & Information Systems
- Highway Department
- Justice Court
- Planning & Zoning Department
- Police Department
- Recreation and Parks Department
- Supervisor's Office
- Tax Receiver's Office
- Town Clerk's Office

All departments, apart from the Highway and Recreation Departments, are located completely within the Town Hall which is located at 60 McAlpin Ave. Mahopac, NY 10541. The Highway Department is located at 55 McAlpin Ave (directly across the street) and the Recreation Department is located at 790 Long Pond Road, Mahopac, NY 10541 (approximately 3.5 miles from town hall). ~~For the purposes of this RFP, the Police Department, also located within Town Hall, is excluded from this agreement. The Police Department may be added to the final agreement at a future date.~~

### Overview of Technical Environment

This section will provide respondents with an understanding of the current infrastructure, identifying areas of immediate concern and to provide an overall scope of the support required by our IT partner.

### Physical layout

Currently, there is a secured server room with two racks of equipment. The rack on the right has all the servers as well as firewall and cable modem which serves as the town's Internet connection. The rack on the left contains patch panels which connect to switches that are also present in that rack.

### Networking equipment layout

The networking equipment is distributed throughout multiple locations in the town. Police department equipment is listed here for information purposes but again is excluded from this RFP.

All server and network equipment will be shared with bidders once an NDA is executed between the parties.

### User Environment

All users are equipped with HP desktops purchased between 2015 and 2021. All are Intel based, a majority running i7 processors, while there are 3 i5 processors. All are running Windows 10. There are 81 systems and that corresponds to 81 employees logging into those systems.

## Service and Technical Requirements

The Town of Carmel will require the following services to ensure the technology support needs and data integrity are maintained:

- Remote backup: Executing a nightly backup plan for the critical servers, including a regularly tested recovery process.
- Technology strategy planning: Working with the Town Supervisor or his designate to develop a long-term strategic technology plan. The plan will take advantage of new and existing technologies to produce a pragmatic and effective future roadmap that enables the Town to fulfill its overall mandate to the community.
- Network and email system monitoring: 24/7 monitoring of the Town's network with proactive communication and escalation protocols based on the severity of any unscheduled outages.
- Procurement management: Selection of commercially rated equipment, order placement, order tracking, shipping, equipment returns, and sourcing and ordering of replacement parts.
- Warranty, break fixes and installation: Planned and on-call services, including emergency response to server issues.
- Technical support: Ability to support the Town's inquiries as required, via help desk, including support for remote users. Desktop support may be remotely executed or onsite as required during the Town's business hours.
- Reporting and communication: Ensuring monthly reporting on all purchases, assets, current activities and issues, and project status reports.
- Configuration: Full assembly of hardware and software, including testing and burn-in.

- PC deployment: Delivery and setup of machines on-site, including migration of data from the old system to the new in the event of a replacement.
- On-site implementation of business applications: Installation of software.
- Asset inventory management: Tagging, tracking, and management of warehousing and inventory.
- Life cycle management of hardware units: Process for end-of-life notification, replacement, and asset decommissioning/disposal.
- Software licensing control: Oversight of automatic renewal of software applications and maintenance of appropriate documentation.
- Disaster recovery: Assist the Town in building out a robust IT disaster recovery plan for all technology deployed and test the plan for effectiveness on an annual basis.
- Virus/ransomware Protection: Ensure that the Town is protected against malware, viruses, and ransomware, and develop a methodology to detect, contain, and recover from these attacks.
- Patch management and updates: Ensure the town has the latest security and functional patches in place in a timely manner on all servers, network components, especially firewalls, and end user devices, including managing applicable zero-day vulnerabilities that may impact the Town's technology.

## Additional Optional Requirements

As part of the RFP proposal process, we will also ask bidders to submit on the following one-time projects. The town reserves the right not to engage in any of these projects at the time the vendor is awarded the primary agreement for support and consulting services. These are projects that may depend on additional funding or approval. Even if the town does not engage in these projects at the time of the execution of the primary agreement, the vendor should honor the proposal scope and pricing for a period of six months from the fully executed agreement.

## Microsoft 365 Implementation/Migration

The town is looking to implement a cloud first strategy. As part of this strategy, it would like to examine the feasibility of migrating a majority of the premise-based Microsoft services to Microsoft 365.

- The implementation of Active Directory services in the M365 instance remaining connected to the DC that will remain on premise,
- The migration of email from Exchange to M365,
- The migration of file servers from premise to M365,
- At minimum, the same backup/recovery capabilities that are currently available on premise,
- At minimum, the same security for all data in all phases (at rest, in motion, in use) that are currently available on premise,
- The procurement of required M365 seats at the appropriate level (G3 or G5) for 81 employees,

- Validation of current throughput at all locations to ensure the same level of performance to M365 as from premise-based servers and proposals to remediate any deficiencies identified.

#### Replacement of Network Equipment at Town Hall

The networking equipment is between 6 and 10 years old at Town Hall. A proposal shall be submitted for the replacement of the firewall and 6 switches identified in the Networking Equipment Layout found earlier. This proposal should include:

- Replacing the equipment with comparable or better equipment,
- Ongoing maintenance costs of the hardware and software,
- Migration of configuration from old devices to new ones,
- Installation of devices on premise,
- Secure disposal of replaced equipment.

#### Replacement of Outdated PC's Onsite

The replacement of 21 of the town's oldest systems throughout the buildings. This proposal should include:

- Replacing the equipment with comparable or better equipment,
- Acquisition of later versions of software/licensing, if required,
- Windows 10 operating system. Windows 11 may be deployed if the vendor is comfortable servicing a mixed Windows 10/11 environment,
- If Windows 11 is deployed, changes to group policy to properly secure these devices, if necessary,
- Migration of data from old devices to new ones,
- Installation of devices on premise,
- Secure disposal of replaced equipment.

#### Upgrade/Replacement of Server TH5

As noted above, server TH5 is running Windows 2012 Server which is no longer supported. We are looking for a strategy to upgrade this server to minimum Windows 2019, but we will be open to a deployment of Windows Server 2022. This proposal should include:

- How the upgrade will be accomplished,
- How the vendor will ensure the upgrade will incur the minimum amount of downtime,
- All costs for the OS and any software that may need to be upgraded,
- Windows 2022 Server should only be considered if the vendor is comfortable in a mixed Windows 2022/2019/2016 environment,
- If Windows 2022 is deployed, changes to group policy to properly secure these devices, if necessary.

## Increasing the Town's Cybersecurity Readiness

As ransomware and other cyberthreats continue to proliferate, it is important that we have the proper IT security stance to mitigate these risks. The town would look toward supplementing what is required in this proposal with the following:

- A comprehensive EDR solution, running on both endpoints and servers,
- Vulnerability scanning, both internal and external,
- Managed detection and response to cyber-incidents,
- The establishment of a SOC that will monitor our networks and assets,
- Security awareness training, including online learning and phishing campaigns,
- Onsite or remote installation of the solution and configuration with little impact to end users,
- A breakdown of implementation and ongoing operational costs for this program

## Selection Criteria

The Town of Carmel will use multiple criteria to select the most appropriate partner. Respondents are encouraged to be as aggressive and creative as possible in their proposals. The following list summarizes the major qualitative areas that will be evaluated on a 1–5 point system, with the award made to perceived best value.

- Industry expertise and experience
- Demonstrated customer service quality and support
- Previous relevant experience
- Vendor strength and stability
- Account management
- Reporting capabilities
- Financial considerations

## Information Requirements

All respondents must answer **ALL** the questions below are part of the submission process. Clearly reference each question as part of your response. Responses will be scored and compared against all submissions. Failure to answer a question may result in a lower score and or disqualification from this proposal.

### 1. Corporate Information

- a. Give a brief overview of your organization's involvement in providing IT value added services in the marketplace.
- b. Indicate the number of employees in your organization. How many of those are dedicated to account management and/or technical support?
- c. How many are full-time vs. contract?
- d. Please describe your relationships and experience with manufacturers and major distribution partners in the technology marketplace.
- e. What differentiates your organization from your competitors in the marketplace and how will this be relevant to us?

- f. Will you subcontract any components of the proposed solution to third party organizations? If so, please describe the components to be subcontracted and provide details of any agreement in place with the subcontracted firm/individuals as well as a summary of past work that you have successfully completed together.
- g. Please provide references to 3 current customers who are similar in scope and requirements to those of the Town.
- h. Have you supported public entities as part of doing business? Which entities?

## 2. Proposed Approach and Solution

- a. Provide a proposed work plan for a migration to your organization as the Town's preferred vendor. Specifically, provide the following information:
  - i. Key activities
  - ii. Timing
  - iii. Information/resource requirements from the Town
  - iv. Deliverables
  - v. Key milestones, checkpoints, and other decision points
- b. If we elect to move forward with your organization, what Town resources would you require (e.g., information, data, staff resources, communication) during migration and on an ongoing basis?
- c. Identify the team that will be assigned to the account and describe how you plan to interact with us and any third-party providers that may provide services to the Town.
- d. Please describe your experience in providing the following value-added services:
  - i. Remote backup
  - ii. Technology strategy planning
  - iii. Solution design
  - iv. Network and email system monitoring
  - v. Procurement management
  - vi. Warranty, break fixes and installation
  - vii. Technical support, including remote user support
  - viii. Reporting and communication
  - ix. Unit evaluation and testing
  - x. Implementation planning and guidance
  - xi. Image development and management services
  - xii. Configuration
  - xiii. PC deployment
  - xiv. On-site implementation of business applications
  - xv. Asset inventory management
  - xvi. Life cycle management of hardware units
  - xvii. Software licensing control
  - xviii. Warehousing
  - xix. Disaster recovery
  - xx. Virus/malware management, containment, and recovery
  - xxi. Patch management
  - xxii. Zero-day vulnerabilities

- e. Please describe your experience in providing server, network, and firewall technology and service for your customers, focusing on planning, implementation, and ongoing support. Include and certifications and partnerships your company has with vendors.
- f. Can you provide specific examples of how you have worked with customers that began with significant technology limitations and helped to successfully transform them into organizations with well planned and executed technology strategies? What were the critical success factors in this transformation?
- g. How will you ensure that hardware pricing will remain highly competitive over a multi-year period during which new models may be introduced?

### 3. Support

- a. Describe your technical support options including the assistance request process, escalation process, support hours, response times, staffing levels, staff expertise, and physical location of the help desk.
- b. Please provide details on your standard reporting capabilities.
- c. What options are available for user training and technical training that may be required by our staff?
- d. Describe any user groups, websites, newsletters, conferences, or any other means you support for sharing information and soliciting service feedback.
- e. How do you monitor customer satisfaction and quality assurance on an ongoing basis and how might we benefit from this process?
- f. The Town's user base varies considerably in its level of technical sophistication. Please describe your experience in successfully supporting users that may be remote and possess limited technical skills.

### 4. Financials

- a. Describe the pricing model(s) that you typically employ for your standard services.
- b. What is the standard markup that you charge on the following types of technology units that will be purchased from New York State contracting pricing or other discounted pricing available to public entities:
  - i. Desktops
  - ii. Laptops
  - iii. Servers
  - iv. Other hardware
  - v. Software
  - vi. Network equipment including firewalls
- c. Please indicate the charges associated with each of the following, including the key driver of each cost and whether it is included in a standard per-unit cost vs. charged on an ad hoc basis:
  - i. Remote backup
  - ii. Technology strategy planning
  - iii. Solution design
  - iv. Network and email system monitoring
  - v. Procurement management

- vi. Warranty, break fixes and installation
  - vii. Technical support, including remote user support
  - viii. Reporting and communication
  - ix. Unit evaluation and testing
  - x. Implementation planning and guidance
  - xi. Image development and management services
  - xii. Configuration
  - xiii. PC deployment
  - xiv. On-site implementation of business applications
  - xv. Asset inventory management
  - xvi. Life cycle management of hardware units
  - xvii. Software licensing control
  - xviii. Warehousing
  - xix. Disaster recovery
  - xx. Virus/malware management, containment, and recovery
  - xxi. Patch management
  - xxii. Zero-day vulnerabilities
- d. Do you offer service bundles and if so, describe the effect of this bundling on pricing referenced above?

#### 5. Service Levels

- a. What are your response times for a remote help desk inquiry?
- b. What are your response times for an onsite help desk inquiry?
- c. What are your response times for a server/network down inquiry? How will you handle that?
- d. What are your response times for a malware attack?
- e. What are your recovery SLAs from backup?
- f. What are your recovery SLAs in the event of a disaster the requires the execution of the disaster recovery plan?

## Administrative Inquiries

All inquiries concerning this solicitation should be addressed in writing to the following:

Anne Pasquerello, Chief of Staff  
Town of Carmel  
Supervisor's Office  
60 McAlpin Ave  
Mahopac, NY 10541

All questions relating to this proposal should be submitted in writing at, or preferably, before the mandatory pre-proposal conference. No questions will be answered before that time. Questions must be specific and cite the proposal section and paragraph number. Prospective Proposers should note that all clarifications and exceptions including those relating to the terms and conditions of the contract are to be resolved prior to the submission of a proposal. Answers to

all questions of a substantive nature will be given to all prospective proposers at the preproposal conference, any questions that cannot be answered at that time will be subsequently emailed to prospective proposers who have notified the Town of their intent to submit a proposal, in the form of a formal addendum which may be annexed to and become part of the resultant contract.

## Preproposal Conference

Attendance at a Pre-Proposal Conference is mandatory. Attendance may be in person or via video conference. Prospective Proposers not present at the Preproposal Conference will not receive further information relating to this procurement and will not be considered in the RFP process. The preproposal conference will be held at **Thursday, March 30, 2023 at 10:30am.** Notify the Town if you will be attending by submitting the Receipt Confirmation Form.

Specific questions concerning the RFP shall be submitted in writing (facsimile and email will be accepted) to the individual indicated prior to the conference so they can be answered at the conference. Although questions will be permitted at the conference, answers may be deferred and included in official minutes of the preproposal conference, which will be sent to each Proposers official representative attending the Preproposal Conference.

# TOWN OF CARMEL HIGHWAY DEPARTMENT

Carmel Highway Department  
 55 McAlpin Avenue  
 Mahopac, NY 10541  
**MICHAEL SIMONE**  
*Superintendent of Highways*  
 845.628.7474  
 FAX 845.628.1471  
 MSimone@bestweb.net

## M E M O R A N D U M

TO: TOWN BOARD  
 FROM: MICHAEL SIMONE - HIGHWAY SUPERINTENDENT  
 RE: HIGHWAY SPRING MATERIAL BID AWARDS  
 DATE: March 7, 2023

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 As there continues to be many issues in the supply chain and in delivery, I am recommending that some of the materials be awarded to more than one-vendor as follows:

<u>GRANULAR BASE - ITEM 4</u>	<u>Putnam Materials</u>	<u>Thalle Industries, Inc</u>
FOB	\$16.00	\$15.50
DELIVERED	\$23.50	\$24.00

*Stone quality differs - each order will depend on specific need for job.*

<u>RUN OF BANK GRAVEL</u>	<u>Red Wing Properties</u>
FOB	\$21.00
DELIVERED	\$27.00

<u>ROAD OILS, CUTBACKS, ETC.</u>	<u>NO BIDS</u>
MEDIUM CURING CUTBACKS	No Bid
RAPID CURING CUTBACKS	No Bid
PENETRATION ASPHALT	No Bid
CATIONIC	No Bid

<u>CRUSHED GRAVEL</u>	<u>Putnam Materials</u>	<u>Thalle Industries</u>
1 1/2" FOB plant	\$21.75	\$24.00 PER TON
1 1/2" DELIVERED	\$29.25	\$32.50 PER TON
3/4" FOB plant	\$21.75	\$23.00 PER TON
3/4" DELIVERED	\$29.25	\$31.50 PER TON
3/8" FOB plant	NO BID	\$24.00 PER TON
3/8" DELIVERED	NO BID	\$32.50 PER TON
1/4" FOB plant	NO BID	\$24.00 PER TON
1/4" DELIVERED	NO BID	\$32.50 PER TON

# TOWN OF CARMEL HIGHWAY DEPARTMENT

<u>BITUMINOUS CONCRETE - IN-PLACE</u>	<u>KECT CONST.</u>	<u>CLOVE EXCAVATORS</u>	<u>INTER-COUNTY</u>
<b>TYPE 3 BINDER COURSE - per Ton</b>			
IN-PLACE	\$103.90	\$105.00	\$103.48
IN-PLACE with TACK COAT	\$108.00	\$108.00	\$106.82
IN-PLACE with KEYS	\$108.00	\$107.00	\$104.73
<b>TYPE 6F3 TOP COURSE - per Ton</b>			
IN-PLACE	\$103.00	\$102.50	\$103.42
IN-PLACE with TACK COAT	\$108.00	\$108.00	\$106.62
IN-PLACE with KEYS	\$108.00	\$107.00	\$104.73
<b>TYPE 7F3 TOP COURSE - per Ton</b>			
IN-PLACE	\$112.00	\$112.50	\$108.98
IN-PLACE with TACK COAT	\$117.00	\$115.50	\$112.32
IN-PLACE with KEYS	\$117.00	\$114.50	\$110.23
<b>TYPE 9.5 MM SUPERPAVE TOP F3 - per Ton</b>			
IN-PLACE	\$112.00	\$112.50	\$108.98
IN-PLACE with TACK COAT	\$117.00	\$115.50	\$112.32
IN-PLACE with KEYS	\$117.00	\$114.50	\$110.23
<b>TYPE 12.5 MM SUPERPAVE TOP F3 - per Ton</b>			
IN-PLACE	\$106.00	\$105.00	\$103.48
IN-PLACE with TACK COAT	\$112.00	\$108.00	\$106.82
IN-PLACE with KEYS	\$112.00	\$107.00	\$104.73
<b>TYPE 19.0 MM SUPERPAVE BINDER - per Ton</b>			
IN-PLACE	\$106.00	\$105.00	\$103.48
IN-PLACE with TACK COAT	\$112.00	\$108.00	\$106.82
IN-PLACE with KEYS	\$112.00	\$107.00	\$104.73
<b>TYPE 25.0 MM SUPERPAVE BINDER - per Ton</b>			
IN-PLACE	\$106.00	\$105.00	\$103.48
IN-PLACE with TACK COAT	\$112.00	\$108.00	\$106.82
IN-PLACE with KEYS	\$112.00	\$107.00	\$104.73
<b>TYPE 37.5 MM SUPERPAVE BINDER - per Ton</b>			
IN-PLACE	\$106.00	\$105.00	\$103.48
IN-PLACE with TACK COAT	\$112.00	\$108.00	\$106.82
IN-PLACE with KEYS	\$112.00	\$107.00	\$104.73
<b>TYPE 6.3 POLYMER MODIFIED TOP - per Ton</b>			
IN-PLACE	\$127.00	\$140.00	\$126.48
IN-PLACE with TACK COAT	\$133.00	\$145.00	\$129.82
IN-PLACE with KEYS	\$133.00	\$142.00	\$127.73
<b>TYPE 1 BASE WARM MIX - per Ton</b>			
IN-PLACE	\$110.00	\$111.00	\$107.48
IN-PLACE with TACK COAT	\$116.00	\$114.00	\$110.82
IN-PLACE with KEYS	\$116.00	\$113.00	\$108.73
<b>TYPE 3 BINDER WARM MIX - per Ton</b>			
IN-PLACE	\$110.00	\$111.00	\$107.48
IN-PLACE with TACK COAT	\$116.00	\$114.00	\$110.82
IN-PLACE with KEYS	\$116.00	\$113.00	\$108.73
<b>TYPE 6F3 TOP WARM MIX - per Ton</b>			
IN-PLACE	\$110.00	\$111.00	\$107.48
IN-PLACE with TACK COAT	\$116.00	\$114.00	\$110.82
IN-PLACE with KEYS	\$116.00	\$113.00	\$108.73
<u>BITUMINOUS CONCRETE - F.O.B.</u>	<u>Peckham Materials</u>	<u>Thalle Industries</u>	
BINDER COURSE - TYPE 3	\$ 88.00	\$ 83.50 PER TON	
TOP COURSE - TYPES 6F	\$ 88.00	\$ 81.00 PER TON	
TOP COURSE - TYPES 7F	\$ 94.00	\$ 89.00 PER TON	
CURB MIX	\$110.00	XXXXXXX PER TON	

**ALL Asphalt Prices Bid @ NYS DOT Base Price \$608.00 (February 2023)**

# TOWN OF CARMEL HIGHWAY DEPARTMENT

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## ALUMINUM CULVERT PIPE

## CHEMUNG Supply Corporation

<b>DIAMETER X GAGE</b> <i>BY FOOT</i>	<b>PLAIN</b>	<b>PERFORATED</b>
	<i>FOB/Delivered</i>	
6" X 16	\$18.00	\$18.50
8" X 16	\$21.00	\$22.00
10" X 16	\$23.00	\$24.00
12" X 16	\$27.03	\$28.03
15" X 16	\$33.31	\$35.10
18" X 16	\$40.58	\$43.15
21" X 16	\$48.65	\$49.90
24" X 16	\$54.99	\$56.05
30" X 14	\$70.64	\$73.14
36" X 14	\$118.58	\$121.74

## STEEL CULVERT PIPE

## CHEMUNG Supply Corporation

<b>DIAMETER X GAGE</b> <i>BY FOOT</i>	<b>PLAIN</b>	<b>PERFORATED</b>
	<i>Same FOB/Delivered</i>	
6" X 18	\$18.00	\$18.50
8" X 16	\$19.50	\$20.99
10" X 16	\$21.60	\$22.44
12" X 16	\$22.03	\$22.94
15" X 16	\$26.67	\$27.40
18" X 16	\$33.72	\$34.10
21" X 16	\$39.46	\$40.50
24" X 16	\$53.85	\$54.44
30" X 14	\$69.69	\$70.14
36" X 14	\$88.44	\$97.19

# TOWN OF CARMEL HIGHWAY DEPARTMENT

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## POLYETHYLENE DRAINAGE PIPE AWARD ALL

Carmel WinWater Works ~ Chemung Supply Corp ~ Expanded Supply

<b>DIAMETER</b> <i>BY FOOT</i>	<b>CORRUGATED</b> <i>FOB/Delivered</i>	<b>SMOOTH</b> <i>FOB/Delivered</i>
4"	\$ 0.89	\$ 2.15
6"	\$ 2.36	\$ 4.61
8"	\$ 4.44	\$ 7.23
10"	\$ 9.64	\$10.36
12"	\$10.70	\$ 9.85
15"	\$16.06	\$12.79
18"	N/A	\$18.89
24"	N/A	\$29.23
30"	N/A	\$43.85
36"	N/A	\$57.06
<b>DIAMETER</b>	<b>ELBOW</b>	<b>TEE</b>
4"	\$22.35	\$26.79
6"	\$36.84	\$46.90

## TREE FELLING & TRIMMING

DAILY \$2,200.00  
 HOURLY \$ 275.00

## New England Property Maintenance

- When truck & chipper is provided for final cleanup

cc Town Attorney  
 Town Clerk  
 Town Comptroller

**Before a government agrees to a PLA they must get a Due Diligence Economic Study** for each public-sector project to evaluate whether the PLA will serve the best interest of the government owner and the taxpayers and **to identify the areas in which local unions have demonstrated prior flexibility in their negotiations with project owners on other PLAs.** The report provides the client with a road map of potential areas of savings and other project advantages within the framework of a PLA agreement as well as identifying any potential downsides. This is done by an independent third party and should include the following sections and a cost saving number for each:

### **AVOIDANCE OF WORK STOPPAGE**

Work stoppage or delay is one of the most costly and frequent aspects of construction projects. PLAs eliminate such impediments to completing construction projects by including clear provisions to quickly resolve disputes. The PLA is structured so that all prime contractors, union and non-union, must abide by the decisions made to resolve disputes.

### **WORKING AND NON-WORKING FOREMAN**

Recent Project Labor Agreements accepted by the unions in the Hudson Valley have provisions for the current union agreements to be maintained regarding working and non-working foremen.

### **REDUCED PREMIUM WAGE RATE FOR SHIFT WORK**

Project Labor Agreements include the opportunity to negotiate special agreements for shift work and extended working hours when they are needed. There are many reasons why such adjustments to the standard working schedules are necessary to keep a project on schedule. The local trades have different premiums for second and third shifts as part of their prevailing wage agreements.

### **USE OF APPENTICE WORKERS**

A PLA would allow contractors to utilize the maximum ratio of apprentices for the project. The use of a PLA for the project would also provide craft apprenticeship and training opportunities for women, minorities, and economically-disadvantaged non-minority males.

The minimum ratio of apprentices to journey-workers is set as part of the prevailing wage for each trade; these ratios vary greatly from trade to trade. **Potential cost savings** Cost savings for utilizing apprentice labor are calculated by assuming that apprentices are paid an average of 60% of a journeyman's wages and benefits (actual figures vary from 40-80%).

## **Wicks Law**

NYS law provides state and municipal project owners the opportunity to utilize a PLA in lieu of Wicks bidding and construction requirements.

In the NYS 2008-09 Enacted Budget, then Governor David A. Paterson announced the overhaul of the Wicks Law. As stated in the report the original Wicks Law mandate, first enacted in 1912, local governments in New York State were required to issue multiple construction contracts for most public works projects for which the cost exceeds \$50,000. The current threshold for Wicks Avoidance is \$3m in New York City. In the Hudson Valley, the threshold is \$500,000.

Under the original multiple contract system, the government entity awarded separate prime contracts for at least three major components of the work: electrical, plumbing and HVAC. A fourth contract was awarded to a general contractor for the remainder of the project scope.

The administrative work involved in preparing, issuing, reviewing and managing multiple contracts was felt by many experts to add an unnecessary layer of cost to a project. If a PLA were employed instead of Wicks as the 2008 change in the law provides, the entire bidding process is simplified. Studies conducted by the New York State Division of Budget and Pricewaterhouse Coopers, among many others, conclude that the administrative work involved in managing multiple Wicks contracts, and the resulting jurisdictional overlaps and redundancies in scheduling and coordinating labor force, add 10-30% to the cost of construction projects.

When a PLA has been employed in lieu of Wicks for a project in the Hudson Valley, we conservatively estimate a 3-5% overall saving as a result of simplifying the entire bidding process. These cost savings projections are based on our experience over the last decade.

## **NO PREMIUM RATE FOR 4-DAY, 10 HOUR PER DAY SCHEDULE**

New York State's Prevailing Wage law requires overtime after 8 hours for all the trades which would work in Westchester County. None of the Prevailing Wage classifications for performing work on the Project allow a dispensation or variance for working 4 days at 10 hours a day. Without a PLA, therefore, all trades would have to be paid their overtime rates for the additional two hours per working day (eight hours per week) if the contractor uses the 4-day 10-hour option. Under a PLA Friday could be used as a make-up day for a missed day and be paid at a straight time wage rate when inclement weather or other factors causes missed work days during the week.

## **NO PREMIUM FOR SATURDAY MAKE-UPS**

When inclement weather or other factors causes missed work days during the week, there are PLA provisions under which a Saturday work schedule will make

up for a missed week day and be paid at a straight time wage rate. The times when severe weather shuts down the job site, Saturday work will be needed to keep the project on the tight construction schedule to make up for manhours lost to weather conditions during the week. The prevailing wage for Saturday work is time and one-half the hourly rate for all the prime trades.

### **STANDARDIZED 40-HOUR WORK WEEK**

Standardizing the work day for all trades increases productivity on the job site by providing a predictable framework for coordinating the times different trades use for breaks, lunch, set up and close down time. Construction projects routinely incur overtime hours due to the inevitable slippages in coordinating work hours so one trade can keep up or keep ahead of a coordinating work trade. A good construction manager with strong organizational skills can significantly mitigate these impacts but not eliminate them.

### **WORK RULES, FLEXIBLE START TIMES, LUNCH PERIODS, WORK BREAKS, COLLECTIVE BARGAINING AGREEMENTS, OVERTIME and MANAGEMENT RIGHTS**

A PLA would set a standard time for all trades on the project for breaks, meals and other non-work elements of the workday, overriding their individual collective bargaining agreements for the duration of the project.

### **OVERTIME**

The rate of pay under a PLA for all overtime hours worked outside the eight (8) hour or ten (10) hour work day when work 4-10's are established shall be at time and one-half the regular hourly rate. All time on Saturday, regardless of the number of hours worked, shall be paid at time and one-half (there shall be no time and half if the applicable Appendix A agreement provides for straight-time work on Saturday unless the employee would otherwise be receiving overtime).

### **HOLIDAY SCHEDULES**

Different trades have different holiday schedules as listed in New York State Department of Labor's prevailing wage schedule for the Westchester County trades and this often leads to scheduling conflicts. With a PLA, all trades would be required to follow the same specific holidays.

### **MANAGEMENT RIGHTS**

Many of the existing collective bargaining agreements do not contain a "Management Rights" clause. Those that exist are often ambiguous or inadequate to offer the contractor the authority and flexibility required for vital control and management of the project work. A PLA would have a management rights clause giving the contractor full and exclusive control authority to direct the work force, including determining the number of employees to be hired and their requisite qualifications; the promotion, transfer, and layoff of its employees; the discipline or discharge for cause of its employees; the assignment and schedule of work; the promulgation of reasonable program work rules; and the requirement, timing, and number of employees to be utilized for overtime work. No rules, customs or practices which limit or restrict productivity or efficiency of individual workers, as determined by the Contractor or Owner, and/or joint working efforts with other employees, would be permitted or observed. There would be no limitation or restriction upon the Contractors' choice of means or methods for performing their work, including, techniques, and equipment. For large complex projects such as School projects using clearly established management rights allows the contractor to realize distinct efficiencies which can typically results in savings of the labor costs.

### **COLLECTIVE BARGAINING AGREEMENTS**

On public works projects, all contractors, union and nonunion, are required by law to pay workers the prevailing wage rates, which are derived from the area collective-bargaining agreements (CBA) for each trade. The CBA for each of the trades on the project have provisions governing every aspect of work, and each contains a significant number of miscellaneous clauses unique to that trade. A PLA supersedes all individual CBA work schedules and other terms for the duration of the job, establishing one efficient standard which applies uniformly to all trades. As an example under a PLA there would be language stating that the selection of craft forepersons and general forepersons, and the number of forepersons required, shall be at the discretion of the Contractors, and all forepersons shall take orders exclusively from the Contractor. All craft forepersons shall be designated as working forepersons.

A PLA would guarantee that all unions would continue to work for the duration without change or interruption even if new CBA's were not successfully renegotiated. In the event that any of the trades union collective bargaining agreements are renegotiated during the construction time of the project that are less than 40 hours, under the terms of a PLA the work week would remain at 40 hours per week.

### **Workers' Compensation – Alternative Dispute Resolution (ADR)**

Legislation passed in 1995 authorizing collectively bargained ADR (Chapter 491, Laws of 1995) provides Project Labor Agreement (PLA) the ability to enable an alternative more cost-effective workers compensation insurance option. ADR benefits union contractors by lowering the cost of workers compensation and general liability

insurance. ADR must be collectively bargained by law. Nonunion contractors cannot take advantage of ADR.

A study by Fred Kotler, J.D., Research Associate at the Cornell ILR School, Alternative Dispute Resolution (ADR) for Workers In Collective Bargaining Agreements: An Overview was completed in April 2012. Based upon an evaluation of the Hudson Valley ADR Program, Mr. Kotler, conservatively estimated savings of 10% - 40% of traditional "Expected Loss Factors. Mr. Kotler wrote" PLAs in New York State can include an alternative dispute resolution or ADR provision to resolve disputes involving the payment of workers' compensation benefits". "Given the particular pressure to contain rising workers' compensation costs and the burden that these costs represent for the construction industry ADR procedures are one of the most important advantages of PLAs". ADR procedures are permitted in New York State when established through collective bargaining such as a PLA. The alternative procedures negotiated within PLAs, and subject to Workers' Compensation Board approval, replace WCB procedures with an expedited and non-adversarial process that can potentially save considerable time and substantial costs".

### **INCREASED LABOR PRODUCTIVITY**

When there are jurisdictional disputes (union and non-union craft on the same job) anticipated confrontations between workers adversely impacts the productivity of the workmen. A PLA obviates this concern because it mandates immediate resolution of jurisdictional disputes. Because union workers are graduates of rigorous NY state-certified apprentice programs, they are likely to be more productive and safety conscious than non-union workers. Using largely trained union workers on a PLA project would therefore tend to increase productivity and reduce job-related injuries.

## Project Labor Agreement Consulting Services



## Vendor

Arace & Company Consulting, LLC  
26 Village Cove, Warwick, NY 10990  
356 Golfview Road #704, North Palm Beach, FL 33408

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## Executive Summary

Arace & Company Consultants, LLC. is a consulting firm specializing exclusively in Project Labor Agreement Services. We have successfully delivered 64 Project Labor Agreement Feasibility Studies (PFS), and 55 executed Project Labor Agreements (PLAs), for projects with an aggregate construction cost in excess of \$3.2bn. To date, Arace has completed PF/PLA processes for each of the following clients: Federal Highway Administration, Army National Guard, Department of Military and Naval Affairs; and New York State agencies including: Office of General Services, Department of Transportation, Bridge Authority, State University of New York and City University of New York. We are a certified vendor of PLA Services for the Office of General Services of New York State. A full inventory of completed PFS/PLA processes is on pages 7-8. For more about Arace and its PLA Consulting Services, visit our website: [araceconsulting.com](http://araceconsulting.com).

### Value-Added Services

Arace charges a flat fee for all PLA Services projects. The following services are included at no additional charge:

- Guaranteed delivery of a completed PFS within 60 business days of the Client's acceptance of the Project Assumptions
- Critical review of the Client's proposed Project Details before the PFS process begins. This service can eliminate costly revisions at later stages of the project
- Timely responses to client queries seven days a week, 365 days a year
- For Clients new to the PFS/PLA process, personal/team coaching on the many PFA/PLA rules and conditions unique in the construction industry

## Methodology

### **Statement of Objectives**

Project Labor Agreements (PLAs) are single-site, pre-hire craft labor agreements unique to the construction industry in the United States. They are intended to facilitate safe, high-quality, cost-effective construction. PLAs allow for certain concessions on the part of organized labor while still allowing compliance with Section 220 of the NYS Labor Law. Such concessions are unique to PLA construction projects.

A PFS conducted by Arace & Company is first step in a process which may or may not culminate in a PLA for the subject project. The purpose of the PFS is to provide a foundation for a potential PLA based metrics established by the U.S. Court system. One of the goals of an Arace PFS is to provide clients with an objective picture of the potential beneficial, adverse or neutral impacts on the labor aspects of the proposed PLA.

An Arace PFS focuses primarily on the project's economic impacts, one of the main factors courts have established for determining the validity of PLAs. We research concessions that local unions have granted off Prevailing Wage Standards in the last two years and assess their applicability to the client's project.

We also assesses compliance with participation goals for Minority/Women Business Enterprises and Service Disabled Veteran-Owned Businesses and other PLA-validity factors.

### **Statement of Work**

Arace's PLA Feasibility Study process focuses on analyzing the key cost centers in each proposed project to assess any potential cost savings or avoidances that would derive from utilizing this project management tool. Potential cost savings indicated in the report are based on similar concessions offered by local labor unions on recent PLAs.

Our research matrix includes consideration of the following:

- Work rules and schedules
- Apprentice labor
- Overtime, Saturday and holiday schedules
- Collective Bargaining Agreements
- Labor unrest
- Skilled, local work force
- Area projects competing for labor

Additionally, in compliance with prevailing legal definitions of what constitutes a valid PLA, we evaluate:

- Minority/Women/Disabled Business Enterprises participation
- Inclusion of open shop contractors
- Urgency of completing the project

### **Work Breakdown Structure**

Arace & Company is a small, hands-on firm. All research, interviews, calculation of potential savings and communications for PFS projects, and the Study's production, is undertaken jointly by the two principals, Edward Arace and Lewis Eisenberg. No subcontractors have ever been hired for Arace's PFS projects.

### **PFS Master Schedule**

*A 60 day work schedule for the PFS process is presented here for demonstration purposes only. Arace has often delivered a completed PFS in 60 business days or less. The Client then has seven days to request adjustments to the PFS. Every reasonable effort is made to meet the client's scheduling goals.*

#### *Week One of Project*

Meet with project engineers and architects; determine project's labor requirements, duration and special conditions; percentage labor of total project expenses; trades required to perform the planned work.

Meet with local labor leaders and contractors, union and non-union, to assess current availability of labor, depth of labor pool and to gain an understanding of labor conditions. Begin inventory of competing construction projects planned during period of proposed PLA.

### *Week Two*

Begin investigating labor's performance in fairness and hiring, providing opportunities to minority/women and disadvantaged businesses; job safety record.

Research prevailing wage rates for primary trades with Department of Labor; determine average wage and burden. Research regional history of labor unrest, strikes, slow-downs and walk-outs.

### *Week Three*

Initiate research on prior PLAs in region; determine key bargaining points, conditions and cost concessions, if any; assess quality of open bidding process and non-union participation.

Investigate prior PLA projects in the area to determine if they were completed on-time and demonstrated cost savings; assess the benefits and liabilities arising from using a PLA.

### *Week Four*

Identify any potential issues arising from prior PLAs which may impact the usefulness or validity of utilizing a PLA on this project. Calculate potential cost savings. Produce and deliver the completed PFS.

### **PLA Master Schedule**

*A 60 day work schedule for the PLA process is presented here for demonstration purposes only. Arace has often delivered a draft PLA in 60 business days or less. But delivering a final Agreement can take another 60 days or longer due to the unpredictability of the negotiations process. Similar realities apply to delivering an executed Agreement. Every reasonable effort is made to meet the client's scheduling goals.*

#### *Week One of Project*

Discuss PLA goals with client

Prepare working draft PLA based on the PFS for client review and discussion

Incorporate changes, if any, into working draft

#### *Week Two*

Convene and facilitate pre-negotiations meeting with unions

Review and discuss draft PLA with unions

Revise draft PLA as needed

#### *Week Three*

Review and discuss union meeting with client

Revise draft as needed

Convene negotiations meeting, as needed

Continue process until agreement is reached

#### *Week Four*

Deliver Final PLA to the Client

### Resume of Edward L. Arace



Mr. Arace is Managing Partner of Arace & Company Consultants, LLC. and Managing Member of A & R Global Consulting. He directs the work of both organizations, while specializing in economic development. In 2005, he added Project Labor Agreement Services to the firm's portfolio. To date, Arace & Company has delivered Project Labor Agreement Feasibility Studies and executed PLAs for construction totaling more than \$3bn. Clients include ten New York State municipalities and eleven counties. Arace has completed multiple PFS for each of the following New York State agencies: Office of General Services, State University of New York, City University of New York and the Bridge Authority. The firm has completed multiple PFS/PLA projects for the Department of Transportation in both New York State and Connecticut.

Mr. Arace's prior career included 22 years in New York State government in various capacities, including Regional Director, New York State Department of Economic Development for the Mid-Hudson Region. He was later appointed Vice President of Regional Economic Development for Empire State Development Corporation's Mid-Hudson Region, a seven county area the size of the State of Connecticut. He was responsible for all New York State economic development activities in the region including; business attraction and retention, marketing, planning and development project management. During his tenure, Mr. Arace had the opportunity to take the lead on many high profile projects, including corporate headquarters for Fuji Film, IBM and Heineken; distribution centers for Pep Boys, Staples and Home Depot; and manufacturing facilities for IBM and Amscan.

Prior to his economic development work, Mr. Arace was employed by the New York State Senate for fourteen years. He served as Director of Legislative Programs for the Senate Vice President; Director of Senate Corporations, Authorities, and Commissions Committee; and Assistant Director of the Senate Environmental Conservation Committee. Mr. Arace was the Senate's representative on Hudson River Greenway; Catskill Interpretive Center; Rockefeller Institute 25th Anniversary Study of DEC; and Governor's Task Force on Underground Mining, among others. He also worked on the budget subcommittee for DEC, Energy, and Parks with responsibility for covering the following issues: Adirondack and Catskill Parks (forestry, land acquisition, management, etc.); Greenway (land use issues); hunting, fishing (freshwater), trapping, endangered species; oil, gas, mining (petroleum products, bulk storage).

He was also responsible for primary staff work on the following chapters of law, among others: Establishment of New York Biodiversity Research Institute (Chapter 554, 1993); Preservation of state Fish and Wildlife programs, shifting \$9 million in program costs from the Conservation Fund to the General Fund (Chapter 50, 1994).

Mr. Arace's portfolio includes responsibility for Senate bills dealing with Business Corporation Law and Not-For Profit Law, and appointments to commissions and authorities.

Ed resides in Warwick, New York and North Palm Beach, Florida with his wife Pamela.

## Personnel

### **Resume of Lewis Eisenberg**



Lewis Eisenberg is a business communications professional with two decades of experience in strategic analysis and planning. He has been Arace & Company's point man for PLA Feasibility Studies and PLA negotiations since 2005 and has cultivated good working relationships with union and open shop labor leaders, elected officials and individuals in NYS government who are involved with construction and economic development.

Lew began his career as a journalist with the *Oakland Tribune* and *KPFA radio*, ultimately transitioning into writing for advertising and marketing. He headed a team market-testing a new channel for HBO and was point man for campaigns to re-brand SES AMERICOM, operators of the world's largest satellite communications network, and EVS Broadcast Equipment, the inventors of instant video replay technology. He has written speeches and presentations for James Earl Jones and Larry Tisch.

His work experience includes five years as the executive director of the Men of Reform Judaism, a non-profit organization with 20,000 members organized into 300 chapters across the U.S. and Canada. He was also executive director of the Hudson River Sloop Clearwater, the legendary environmental group founded by Pete Seeger, and marketing director for the Jewish Federation of New Haven.

Lew is the immediate past chair of Open Space Planning for the Town of Gardiner, NY and former chair of that town's Environmental Conservation Commission. He was a member of the steering committee of Ulster Tomorrow (UT), the county's economic development planning committee, and chair of UT's Creative Economy sector.

He currently lives in Milford, CT with his childhood sweetheart, Myrna, an executive coach.

## Fee

Arace charges a flat fee for conducting PLA Feasibility Studies (PFS). The fee includes:

- Guaranteed 60 business day delivery\*
- All research, interviews, calculations and communications pertaining to the PFS
- A PDF of the completed PFS delivered via e-mail
- One revision cycle of the PDF, if needed
- Delivery of a final PFS with a Conclusion and Recommendations
- Prompt responses to questions or requests seven days a week

Material adjustments to the PDF beyond the revisiioonn cycle cited above, and other work requested beyond the original Scope, will be billed at our customary consulting rate.

In the event that the PFS recommends a PLA, and the client decides to construct the project under a PLA, our team is qualified to draft and negotiate an Agreement with the local union Building and Construction Trades Council. If this service is required, it will be conducted as a separate, additional project with its own schedule and fee.

*\* The 60 day PFS process begins after the Client accepts the Assumptions developed by Arace from the Project Details Form (on pages 9-10) which has been completed by the Client and returned to Arace.*

## Recently Completed PFS/PLA Projects

### **10/20 Market Street**

Project owner: Dutchess County, NY  
Delivered: PFS for new construction and rehab  
Date: October 2022

### **Water Department Garage**

Project owner: Village of Mt. Kisco, NY  
Delivered: PFS/PLA for new construction and rehab  
Date: August 2022

### **Lexington Avenue Armory**

Project owner: NYS Department of Military Affairs  
Delivered: in progress - PFS/PLA new construction/rehab  
Date: October 2021 - June 2022

### **Dutchess Stadium**

Project owner: Dutchess County, NY  
Delivered: PFS for new construction and rehab  
Date: August 2022

### **I-95 Improvements Exchange 74, East Lyme**

Project owner: CTDOT  
Delivered: PFS/PLA for new construction and rehab  
Date: October 2021 - June 2022

### **Manhattan Psychiatric Extension**

Project owner: NYS Office of Mental Health  
Delivered: PFS for new construction and rehab  
Date: March - May 2022

### **Improvements I-91/691, Meriden**

Project owner: CTDOT  
Delivered: PFS for new construction and rehab  
Date: June 2021 - April 2022

### **Rockland County Animal Shelter**

Project owner: Rockland County, NY  
Delivered: PFS for new construction  
Date: February-March 2022

### **Rockland County Utility Building E**

Project owner: Rockland County, NY  
Delivered: PFS for upgrades to existing systems  
Date: February-March 2022

### **Orange County Medical Examiner's Facility**

Project owner: Orange County, NY  
Delivered: PFS for new construction  
Date: November 2021-April 2022

### **Youth Opportunity Union**

Project owner: Dutchess County, NY  
Delivered: PFS for new construction  
Date: January-February 2022

### **Railroad Station**

Project owner: City of Middletown, NY  
Delivered: PFS for rehab  
Date: October 2021-January 2022

### **Vails Gate Firehouse**

Project owner: New Windsor Fire District  
Delivered: PFS for demo/new construction  
Date: September 2021

### **Poughkeepsie School District**

Project owner: Dutchess County  
Delivered: PFS/PLA for rehab/new construction  
Date: October 2021

### **Material Recovery Facility Improvements**

Project owner: Rockland County Green  
Delivered: PFS/PLA for facility improvements  
Date: April 2021

### **Main Pump Station Upgrade**

Project owner: Rockland County Sewer District  
Delivered: PFS/PLA for sewer system upgrade  
Date: March-April 2021

### **Saw Mill Pump Station**

Project owner: Village of Mt. Kisco  
Delivered: PFS/PLA sewer system upgrade  
Date: PFS/PLA December 2020

### **Creedmoor Psychiatric Center**

Project owner: OGS  
Delivered: Addendum to prior PFS; PLA  
Date: January 2021-August 2021

### **Norwalk-Westport Median Project**

Project owner: CTDOT  
Deliverable: PFS/PLA for I-95 improvements  
Date: January 2021-July 2021

### **Gold Star Bridge**

Project owner: CTDOT  
Delivered: PFS/PLA for bridge rehab  
Date: January 2021

### **Newburgh Expanded City School District**

Project owner: Newburgh Board of Education  
Delivered: PFS/PLA for new construction and rehab  
Date: May 2020-December 2020

### **Bedford Community House**

Project owner: Town of Bedford Hills  
Delivered: PFS for interior development and rehab  
Date: February-March 2020

### **Jamaica Armory**

Project owner: NYS Office of General Services  
Delivered: PFS/PLA for rehab and new construction  
Date: September 2019-July 2020

### **Creedmoor Psychiatric Center**

Project owner: NYS Department of Mental Health  
Delivered: PFS/PLA for rehab Building 40  
Date: September 2019-March 2020

### **Justice and Transition Center**

Project owner: Dutchess County  
Delivered: PFS/PLA for new jail  
Date: March-July 2019

### **Hutchinson Elementary School**

Project owner: Pelham Central School District  
Delivered: PFS for new school  
Date: January-September 2019

### **Safety and Operational Improvements I-84**

Project owner: CT Department of Transportation  
Delivered: PFS/PLA for I-95 improvements  
Date: January-September 2019

### **Transfer Station**

Project owner: Orange County  
Delivered: PFS/PLA for new facility  
Date: March-September 2019

### **Deck Replacement Mid-Hudson Bridge**

Project owner: NYS Bridge Authority  
Delivered: PFS/PLA for rehab North Span  
Date: October-September 2019

### **Maybrook Bikeway Path II**

Project owner: Putnam County  
Delivered: PFS for construction of bike trail  
Date: December 2018

### **Maplethorpe Pedestrian Bridge**

Project owner: Putnam County  
Delivered: Qualifying Assessment  
Date: September-December 2018

### **Alternations to Fire Stations**

Project owner: Village of Mt. Kisco, NY  
Delivered: PFS/PLA for upgrading facility  
Date: September 2018

### **Water Main Replacement**

Project owner: Village of Mt. Kisco, NY  
Delivered: PFS/PLA for upgrading infrastructure  
Date: June 2018

### **Renovation Police HQ**

Project owner: Village of Mt. Kisco, NY  
Delivered: PFS/PLA for reno existing building Date:  
January 2018

## Recently Completed PFS/PLA Projects

**Shirley Chisholm Office Building**  
Project owner: NYS Office of General Services  
Delivered: PFS/PLA for repair existing façade  
Date: January-June 2018

**Carolyn Lahey Pavilion Renovation**  
Project owner: Putnam County, NY  
Delivered: PFS/PLA for renovation existing building  
Date: December 2017

**Mixmaster Project**  
Project owner: CTDOT  
Delivered: Negotiated PLA  
Date: August 2017-November 2017

**Nassau Expressway**  
Project owner: NYSDOT  
Delivered: PFS/PLA for elevating roadway  
Date: July-December 2017

**Gold Star Bridge**  
Project owner: CTDOT  
Delivered: PFS/PLA for bridge rehab  
Date: June-December 2017

**Ulster Family Court**  
Project owner: Ulster County  
Delivered: PFS/PLA for relocation of Family Court  
Date: June-July 2017

**Butterhill Well Alternative Water Supply**  
Project owner: Town of New Windsor  
Delivered: PFS/PLA for water treatment facility  
Date: May 2017

**Hunter College Labs Renovation**  
Project owner: City University of New York  
Delivered: PFS for science labs renovation  
Date: August 2016

**Orange County Radio Towers**  
Project owner: Orange County, NY  
Delivered: PFS/PLA for communications towers  
Date: April-May 2016

**Mt. Kisco Garage**  
Project owner: Village of Mount Kisco, NY  
Delivered: PFS/PLA for new Public Works garage  
Date: January-February 2016

**Bundled Bridges Project**  
Project owner: NYS Department of Transportation  
Delivered: PFS for demolition of five bridges  
Date: December 2014-February 2015

**Combined Support Maintenance Shop**  
Project owner: NY Army Reserve Facility,  
Delivered: PFS/PLA for facility at Camp Smith  
Date: August-October 2014

**Reconstruction of I-84, Waterbury**  
Project owner: Connecticut Department of Transportation  
Delivered: PFS/PLA for I-84 project  
Date: October 2013-April 2014

**Warwick Bus Storage Facility**  
Project owner: Town of Warwick, NY  
Delivered: PFS/PLA for bus garage  
Date: July-August 2013

**Kirby Relocation and Manhattan Consolidation**  
Project owner: New York State Office of Mental Health  
Delivered: PFS/PLA for rehab  
Date: May-July 2013

**SUNY Medical Center Expansion Project**  
Project owner: State University Construction Fund  
Delivered: PFS/PLA for Health Center Expansion  
Date: October-December 2012

**Town of Ramapo Baseball Stadium**  
Project owner: Town of Ramapo, NY  
Delivered: PFS/PLA for baseball park  
Date: June-July 2010

**Lake Champlain Bridge**  
Project owner: NYSDOT  
Delivered: PFS for replacement bridge  
Date: January 2010

**Materials Recovery Facility**  
Project owner: Sullivan County, NY  
Delivered: PFS/PLA for solid waste disposal facility  
Date: September-October 2009

**SUNY Orange, Newburgh Campus**  
Project owner: SUNY and Orange County, NY  
Delivered: PFS/PLA for sci-tech building  
Date: August 2008

**Newburgh Schools**  
Project owner: Newburgh Expanded School District  
Delivered: PFS/PLA for Phase Two of Master Plan  
Date: January 2008

**Marlboro High School**  
Project owner: Marlboro, NY Central School District  
Delivered: PFS/PLA for new and rehab construction  
Date: July-September 2007

**Court House**  
Project owner: City of Newburgh, NY  
Delivered: PFS/PLA for renovation  
Date: February-May 2007

**Emergency Response Center Facility**  
Project owner: Dutchess County, NY  
Delivered: PFS/PLA for new construction and renovations  
Date: January-March 2007

**Waste Water Treatment Plant**  
Project owner: Town of Fishkill, NY  
Delivered: PFS/PLA to construct replacement facility  
Date: January-March 2007

**Sewer System**  
Project owner: City of Kingston, NY  
Delivered: PFS for sewer system replacement  
Date: May-June 2004

**Community Center and Court Facility**  
Project owner: Town of Wappingers Falls, NY  
Delivered: PFS for construction of new facility  
Date: May-June 2003

**Combined Support Maintenance Shop**  
Project owner: Army National Guard  
Delivered: PFS/PLA for new construction  
Date: April-May 2012

**Exit 122, Route 17 Interchange**  
Project owner: NYSDOT  
Delivered: PFS reconstruction Exit 122  
Date: November 2010-January 2011

**Moran Center Waterfront Project**  
Project owner: CED, Burlington, VT  
Delivered: PFS for recreational facility  
Date: August-September 2010



**ARACE & COMPANY  
CONSULTING, LLC**

Warwick, NY/North Palm Beach, FL

Project Details Form for Project Labor Agreement Feasibility Study

Today's Date

Project Name

1. Project owner
2. Engineering/Architecture
3. CM
4. GC
5. Scheduled start and completion dates for Project (including individual phases)
6. Projected dates of advertising, letting and award sequences
7. Total project hard cost (excluding contingencies)
8. Percentage labor of total hard costs (labor + materials =100%)
9. Percentage overtime hours anticipated
10. Percentage second/third shift work anticipated

11. Prime trades
12. Hazardous conditions for labor
13. Special equipment requirements
14. Participation goals M/W/S/BE, SVDOB, EEO
15. State, federal, local funding sources
16. Project description



# ADR STRATEGIC PARTNERS, INC.



258 Saw Mill River Road, Elmsford, NY 10523 · Phone (877) 337-2876 • Fax (914) 470-4844

## COLLECTIVELY BARGAINED ALTERNATIVE DISPUTE RESOLUTION (ADR) INSURANCE

The New York state legislature has adopted an ADR amendment to the workers compensation law to allow unions to collectively bargain for workers compensation insurance for union members that is less adversarial, more efficient and eliminates most liability labor law cases.

American Global (AG) and ADR Strategic Partners, Inc (ADRSP) have joined forces to offer a proven ADR insurance program to union contractors, owners and developers that participate in a project labor agreement in the Hudson Valley. This turnkey program is now contracted and supported by one of the largest construction insurance companies. It has a proven track record of multi millions in documented savings for union contractors and developers. The Building Trades Councils in Westchester, Putnam and the Hudson Valley have also shared in the savings and benefits. Projects that might have gone non union were successfully bid and successfully built by union contractors as the result of this ADR component.

The high cost of construction insurance in New York remains labor law section 240 (i), the infamous "scaffold law". Trial lawyers have abused the workers compensation and general liability laws by directing medical treatment to establish and document damages with the object of scoring a big payout for an injured worker and the trial lawyer.

The AG-ADRSP program controls losses by focusing on the best treatment and care for workplace construction injuries with an emphasis on superior professional medical care for an injured worker with the stated goal of a return to work. Ask any of our union construction workers who suffer a workplace injury, except for a catastrophic or totally debilitating injury, "whether they want to stay out of work to gamble to hit a trial lawyer promised jackpot or whether they want to receive the best treatment and return to work?" What we have found with this Hudson Valley ADR program is it has created a culture wherein our union members choose to return to their good paying union construction jobs and maintain a productive career. In Westchester, Putnam and the Hudson Valley all unions and their members participate in our ADR programs. The proven result is more union construction and lower costs.

In summary, ADR benefits union contractors by lowering the cost of workers compensation and general liability insurance; benefits unions by adding an important benefit to project labor agreements and by sharing in the savings; and by union workers by giving them prompt excellent care so they can return to their union job, better support their families and maintain their benefits and productive careers.

ADR must be collectively bargained by law. Non union contractors cannot take advantage of ADR. Trial lawyers ability to make easy money at the expense of destroying lives by promising a pot of gold by turning productive union construction workers unnecessarily into disabled non productive workers is controlled. Trial lawyers get 1/3 of settlements with very little work because New York labor law does not have a negligence standard. Sacrificing the careers of productive union construction workers is the result.

With ADR our union members maintain their careers, wages, pension, annuity, medical for themselves and their family and other union benefits. Union contractors, owners and developers that participate in a project labor agreement with ADR save money and achieve superior results.



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# Alternative Dispute Resolution [ADR] for Workers Compensation in Collective Bargaining Agreements: An Overview

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# Alternative Dispute Resolution [ADR] for Workers Compensation in Collective Bargaining Agreements: An Overview

## **Abstract**

This paper addresses the argued benefits for cost savings and efficiency of alternative dispute resolution [ADR] procedures for workers compensation. Particular focus is on legislative “carve-outs” that authorize collectively-bargained ADR procedures for the construction industry in New York and other states.

Given the particular pressure to contain rising workers’ compensation costs—and the burden that these costs represent for the construction industry—ADR procedures are one of the most important advantages of unionized construction and, in particular, Project Labor Agreements [PLAs]. The negotiated alternative procedures, subject to Workers’ Compensation Board [WCB] approval, use an expedited and non-adversarial process that can potentially save considerable project time and costs.

## **Keywords**

alternative dispute resolution, ADR, workers compensation, construction, costs

## **Comments**

### **Suggested Citation**

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ILR School

**Alternative Dispute Resolution [ADR] for Workers Compensation  
In Collective Bargaining Agreements:  
An Overview**

Fred B. Kotler, J.D.  
Research Associate  
School of Industrial and Labor Relations  
Cornell University

April 2012

# Alternative Dispute Resolution [ADR] for Workers Compensation In Collective Bargaining Agreements: An Overview

Fred B. Kotler, J.D.

This overview addresses the argued benefits for cost savings and efficiency of alternative dispute resolution [ADR] procedures for workers compensation. Particular focus is on legislative “carve-outs” that authorize collectively-bargained ADR procedures for the construction industry.

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- V. Data from other ADR “carve-out” states: Minnesota and California
  - A. Minnesota
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## Acknowledgements

Appendix A: Summary from 2001 Cornell ILR report, *An Evaluation of the New York State Workers’ Compensation Pilot Program for Alternative Dispute Resolution*

Appendix B: New York State Statutory Authority

## I. Scope of ADR use and principal approaches

Several states have adopted Alternative Dispute Resolution [ADR] procedures for workers compensation claims. This is a response to several issues impacting the traditional statutory system: rising health care costs, the volume of contested claims, delays in processing those claims, concerns about the accessibility and adequacy of medical care, and the cost of litigation. The legislation seeks to reduce administrative costs and case backlog and to improve administrative efficiency. Three principal ADR approaches are mediation, arbitration, and use of an ombudsman. Various states authorize use of one or more of these approaches.

**Mediation:** A neutral, third-party mediator is charged with bringing the parties closer, to facilitate a process that may lead to settlement of a dispute. The mediator does not, however, have the power to make a decision that settles the dispute. Seventeen states use mediation to resolve workers compensation issues.<sup>1</sup>

**Arbitration:** A neutral, third-party arbitrator hears and makes a determination based on evidence presented by the parties. Arbitration is typically less formal than court proceedings or administrative hearings. The arbitrator is usually experienced in workers compensation issues. Under some statutes, the parties can determine whether the arbitrator's decision will be binding. Statutes may also define an appeals process to an appropriate appellate body or the state workers compensation agency. These eight states use arbitration: California; Illinois; Massachusetts; Minnesota; New York; Ohio; Oregon; and Texas.

**Ombudsman programs:** An ombudsman [or ombudsperson] is charged with providing information, conducting fact-finding, and guiding the injured worker through procedures. The aim is to protect the injured worker's interests, and to help the worker make well-informed and considered choices for handling of a claim. Early and timely intervention by an ombudsman has the likely effect of reducing the number of number of issues that might otherwise require resolution.<sup>2</sup> Fifteen states<sup>3</sup> use ombudsman programs. Some states may also provide for the ombudsman to serve as a mediator.

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<sup>1</sup> These states are: Colorado, Florida, Iowa, Louisiana, Maine, Massachusetts, Michigan, Missouri, Montana, Nebraska, New Mexico, North Carolina, Oregon, South Dakota, Tennessee, Vermont, and West Virginia.

For a list of state statutes and case law references, see Part 14 PROCEDURAL LAW, Chapter 125 ALTERNATIVE DISPUTE RESOLUTION, 7-125 *Larson's Workers Compensation Law* Section 125.02, LexisNexis.

<sup>2</sup> Part 14 PROCEDURAL LAW, Chapter 125 ALTERNATIVE DISPUTE RESOLUTION, 7-125 *Larson's Workers Compensation Law* Section 125.01, LexisNexis; this section notes the views of administrative officials.

See also *Review of Carve-Outs in Workers' Compensation: An Analysis of the Experience in the California Construction Industry*, by David I. Levine, Frank W. Neuhauser, Richard Reuben, Jeffrey S. Petersen, and Cristian Echeverria. *Industrial & Labor Relations Review*, Vol. 59, No. 1. Available at: <http://digitalcommons.ilr.cornell.edu/ilrreview/vol59/iss1/83>

<sup>3</sup> Alabama, Arizona, Arkansas, California, Florida, Kansas, Kentucky, New Mexico, New York, North Carolina, Ohio, Oklahoma, Oregon, Tennessee, Texas. See Part 14 PROCEDURAL LAW, Chapter 125 ALTERNATIVE DISPUTE RESOLUTION, 7-125 *Larson's Workers Compensation Law* Section 125.02, LexisNexis.

## II. ADR for workers compensation in collective bargaining agreements: “Carve-outs”

Legislation in eleven states authorizes labor and management in the construction industry to establish ADR procedures for workers compensation through collective bargaining. These are the so-called “carve-outs” enabling industry representatives to set-up tailored programs that, in their view, best serves the needs and interests of their workforce and their businesses.

“Carve-out” programs – also called Collective Bargained Workers Compensation [CBWC] programs – are an alternative to, but not independent of, the state supervised insurance program. Statutes commonly impose reporting requirements and authority over appeals and final determination of claims may reside with state officials. The state’s role is primarily to provide oversight of the alternative process – to act more as watchdog than governing body.<sup>4</sup>

The intent is for the parties to realize a range of benefits.<sup>5</sup> These include:

- Realizing substantial cost savings
- Improving the delivery of medical benefits without reducing benefits to injured workers
- Expediting claims processing and promoting administrative efficiency
- Reducing lost-time injury days and enabling the injured worker to return to work earlier
- Significantly reducing litigation
- Fostering a more cooperative and far less adversarial environment
- Providing immediate information and prompt, appropriate care to the injured worker

Flowing from these are additional advantages of ADR over traditional litigation:

### A highly participatory process:

Parties in mediation, for example, can talk directly and informally with each other; issues can more easily be explored and in a way that promotes earlier resolution of a dispute;

### Greater freedom to fashion unique and appropriate remedies:

The court system provides limited remedies for dispute resolution. These include the awarding of monetary damages, specific performance, or an injunction. In mediation, by contrast, the parties are free to shape an appropriate remedy that fits the situation, a practicality that promotes a prompt and sensible resolution.

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<sup>4</sup> See *Construction Industry Service Corporation* at <http://cisco.org/collectively-bargained/>

<sup>55</sup> These states permit collectively bargained “carve-outs”: Maine [1993]; Massachusetts [1992]; New York [1995]; Maryland [1997]; Pennsylvania [1996]; Minnesota [1995]; Kentucky [1994]; Florida [1993]; California [1993]; Hawaii [1995]; Nevada [2009]. William K. Ecklund, COLLECTIVELY BARGAINED WORKERS' COMPENSATION: SMACNA Council of Chapter Representatives, June 2007, available at: [http://www.pinp.org/files/lmcc/CBCW\\_Seminar.pdf](http://www.pinp.org/files/lmcc/CBCW_Seminar.pdf)

Also see: *IMPACT: Ironworker-Management Progressive Action Cooperative Trust, “Talking Points,”* <http://www.ilga.gov/senate/Committees/WorkersCompensationReform/IronworkerManagementProgressiveActionCooperativeTrust-PublicTestimony.pdf>; [www.impact-net.org](http://www.impact-net.org)

Parties have more control over the process:

An example is the selection of the neutral third party.<sup>6</sup>

Participation in the ADR program is voluntary:

Typically it is at the option of the employer – contractor, construction manager or project owner.

### **III. Why collectively-bargained ADR programs are focused on the construction industry**

While some states, most notably California, have extended “carve-out” authority to parties in other industries, the construction industry has been the focus for collectively-bargained ADR. The reasons are straightforward: construction is a particularly dangerous industry and workers compensation rates are correspondingly high. Jobsite fatalities are as high as 1,200 per year, a rate significantly higher than for manufacturing. The risks are inherent in the work and compounded by the presence of multiple contractors and crafts on the site at a given time.<sup>7</sup>

Construction is a highly competitive industry and contractors seek relief from the high costs related to compensation insurance and medical care. The need for prompt medical care, the efficient processing of compensation claims, and the reduction of time lost from injuries is an obvious concern for both contractors and workers.

Workers compensation premiums under the traditional system are based on payroll. Unionized contractors, whose workforce may be both more highly skilled and better paid than nonunion workers, may suffer a competitive disadvantage and pay disproportionately into the state fund. A collectively-bargained alternative program can be based not on payroll but on a more equitable basis of hours worked.<sup>8</sup>

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<sup>6</sup> Jeffrey Schieberl, J.D., “Alternative Dispute Resolution: Using ADR to Resolve Worker’s Compensation Claims,” *Graziadio Business Review / Pepperdine University / Graziadio School of Business and Management*, Volume 9, No. 4 [2006], available at: <http://gbr.pepperdine.edu/2010/08/alternative-dispute-resolution/>

<sup>7</sup> “The fatality rate in construction is “equal to 12.3 fatalities per 100,000 full-time equivalent workers. This compares to a fatality rate of between 2.3 and 3.3 per 100,000 workers in various manufacturing sectors. And while the fatality rate has declined dramatically in most industries, it has remained stubbornly high in construction... the fundamental disorganization of construction sites makes improving safety particularly challenging.” Memorandum, Victoria L. Bor, Sherman, Dunn, Cohen, Leifer & Yellig, P.C. to US Army Corps of Engineers re: *Solicitation of Comments on the Potential Use of Project Labor Agreements [PLAs] for Large Scale Construction Projects Within Orange County, New York*, February 18, 2010.

<sup>8</sup> *Construction Industry Service Corporation*

#### IV. New York State's authorization of collectively-bargained ADR programs

##### A. The 2001 Cornell ILR study

New York State enacted legislation in 1995 authorizing collectively bargained ADR procedures for workers compensation for the unionized sector of the construction industry.<sup>9</sup> Initially a pilot program, the legislation directed the School of Industrial and Labor Relations at Cornell University to conduct a study evaluating the "use, costs, and merits" of ADR.

Cornell ILR professors and associate deans, Ronald Seeber and Robert Smith, assisted by researcher Timothy Schmidle, studied the ADR programs under four collective bargaining agreements and examined claims both for and against ADR. The Cornell team reviewed data on over 6000 injuries, interviewed ADR signatories, and surveyed more than 3000 workers to assess the workers' experiences with the medical, insurance, and procedural elements of the various programs. The Cornell ILR report, *An Evaluation of the New York State Workers' Compensation Pilot Program*, was completed in December 2001 and submitted to the New York State Workers' Compensation Board.

The report articulated several key findings that endorsed the legislative authorization of ADR for workers compensation. The points are quoted here.<sup>10</sup> The full summary is included as Appendix A.

##### Number of disputes

"Injuries that occur under ADR are not more likely, and in some cases are less likely, to lead to a dispute."

##### Dispute resolution

"Injured workers generally rate the ADR system highly and the ADR system concludes cases more quickly."<sup>11</sup>

##### Costs

"ADR is associated with lower medical costs, but not lower benefits."

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<sup>9</sup> Chapter 491 of the Laws of 1995, *NY CLS Work Comp § 25*, Section 2-c. Collective bargaining; alternative dispute resolution

<sup>10</sup> Seeber, R.L., Schmidle, T.P., & Smith, R.S. (2001). *An evaluation of the New York State workers' compensation pilot program for alternative dispute resolution*. Ithaca, NY: Institute on Conflict Resolution, <http://digitalcommons.ilr.cornell.edu/icr/5>, at 7-10.

<sup>11</sup> While the authors note certain limitations on the scope of the data, they clearly state that "the consistency of the findings regarding ADR's impact bolster the conclusion that ADR does lead to faster claims closing." *Ibid* at 87.

### Medical care

“ADR and Control Group workers were generally satisfied with the medical care they received and there were no significant differences between the groups.”

### Support for the programs

“Interviews with ADR signatories and other ADR officials - representatives from unions, management, and insurance organizations - are highly supportive of ADR in workers' compensation.

“On the whole, a high degree of satisfaction was expressed by all parties regarding the experience to date with ADR (even by those signatories who indicated that they were skeptical of ADR at the onset of the program).”

Citing that “the alternative dispute resolution system for the resolution for certain construction industry claims has been successful for employers and workers...,” the 1995 legislation was amended in 2010 to make permanent the use of ADR for workers compensation claims.<sup>12</sup>

## **B. Statutory requirements**

New York State statutes articulate the approval and reporting requirements of a collectively bargained ADR program. Workers Compensation Law Section 25, 2-c is the enabling legislation. ADR program requirements are found at both Section 25, 2-c and within Workers Compensation Law Section 314. *[Relevant sections are included infra as Appendix B.]*

Collective bargaining agreements, according to the statutes, are permitted to

- establish dispute resolution procedures including but not limited to mediation and arbitration;
- identify the agreed managed care organization or a list of authorized providers for medical treatment;

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<sup>12</sup> *BILL NUMBER:A9898: TITLE OF BILL: An act to amend chapter 491 of the laws of 1995 amending the workers' compensation law relating to permitting the establishment of an alternative dispute resolution system to resolve workers' compensation claims through collective bargaining agreements, in relation to making such provisions permanent*

*PURPOSE: Makes permanent the alternative dispute resolution system to resolve workers' compensation claims through collective bargaining agreements.*

*SUMMARY OF PROVISIONS: Section one permanently extends the alternative dispute resolution system for certain workers' compensation claims.*

*JUSTIFICATION: The alternative dispute resolution system for the resolution for certain construction industry claims has been successful for employers and workers.*

Available at: <http://open.nysenate.gov/legislation/bill/A9898-2009>

- define benefits for injured workers, dependents, or survivors that supplement benefits provided under the traditional system;
- outline obligations and procedures for
  - a light duty, modified job, or return to work program;
  - a vocational rehabilitation or retraining program; and
  - worker injury and illness prevention programs and procedures.<sup>13</sup>

The ADR programs are subject to approval by the Chair of the New York State Workers Compensation Board. The program's details, incorporated within the collective bargaining agreement, are submitted for review at least 30 days prior to the program's proposed start date.<sup>14</sup> Consistent with the Board's watchdog status, there is a continuing duty to report: employers are obligated to submit a collective bargaining agreement to the Board annually and whenever renegotiated.<sup>15</sup>

Programs must meet or exceed standards established for the state program. The proposed ADR program cannot "in any way diminish or change any benefits to which an employee, or his or her dependents, or survivors may be entitled pursuant to the provisions of this chapter."<sup>16</sup>

The ADR process must follow a series of due process and recording keeping requirements including: adequate and timely notice of proceedings; fair and practical arrangements for mediation and arbitration; maintenance of records for all claims; and reporting of injuries to the Board. The legislation also states that administrative costs, including costs for arbitration, are the responsibility of the employer.<sup>17</sup>

The statutes favor arbitration as the last step for resolving disputes. The collective bargaining agreement may establish the arbitrator's decision as final and binding; the decision is submitted to but not then reviewable by the Workers Compensation Board. An appeal may be filed within 30 days and heard within the state's court system.<sup>18</sup>

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<sup>13</sup> Section 2-c, subsection (c)

<sup>14</sup> WORKERS' COMPENSATION LAW ARTICLE 2. COMPENSATION, *NY CLS Work Comp § 25* (2012) Section 2-c. Collective bargaining; alternative dispute resolution, subsection (f)

See also TITLE 12. DEPARTMENT OF LABOR, CHAPTER V. WORKERS' COMPENSATION, SUBCHAPTER A. GENERAL PROVISIONS, PART 314. ALTERNATIVE DISPUTE RESOLUTION OF CLAIMS, § 314.2. Review process for collective bargaining agreements, subsection (a).

<sup>15</sup> § 314.2 (b) "Subsequent to its original submission, employers must submit to the office of the chair a copy of their collective bargaining agreement annually and whenever it is renegotiated."

<sup>16</sup> Section 2-c, subsection (b)

<sup>17</sup> § 314.2 (e)

<sup>18</sup> § 25, 2-c, subsection (d); § 314.3

### C. Self-insurance and insurance carrier plans

The statutes provide for employers to choose coverage provided either by a self-insurance or an agreed insurance carrier plan.<sup>19</sup> This section provides examples of both types of plans currently in operation in New York State.

#### i. *The Electrical Employers Self Insurance Safety Plan [EESISP]*

The Joint Industry Board of the Electrical Industry in New York City - International Brotherhood of Electrical Workers Local 3 and affiliated contractors – negotiated and received approval to operate a collectively-bargained ADR program in 1996, soon after New York State authorized such legislative “carve outs.”

The operation and administration of the program, the *Electrical Employers Self Insurance Safety Plan [EESISP]*, involves both ADR and managed care and is the largest ADR program in the state, have provided useful experience, information on efficiencies, costs savings, and overall best practices.

EESISP Director Jean L’Allier presented these program efficiencies based on statistics compiled for 2004-2011:

- 1) 99.96% of the 24,507 filed cases were resolved without mediations or arbitrations;
- 2) The 24,507 cases filed generated one appeal from an arbitrator’s decision to the 2<sup>nd</sup> Department and the arbitrator’s decision was upheld;<sup>20</sup>
- 3) Over the period, for every \$1.00 paid in indemnity benefits, EESISP spent .39 cents in medical benefits, a ratio far better than industry averages;

Director L’Allier also cites the 2001 Cornell ILR study that reviewed EESISP data as stating that the “average time from opening to closing a case in the ADR program was *137 days faster than the traditional workers compensation system.*” [Emphasis added]<sup>21</sup>

As an alternative to litigation of workers compensation claims, EESISP administrators note the following ADR best practices:

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<sup>19</sup> § 314.2 (c)

Article 4, Section 50 (3a) and part 317 of Title 12 NYCRR of the Workers’ Compensation Law permits group self-insurance plans, otherwise known as self-insured trusts, self-insured consortiums, association trusts, or group employer plans. For a discussion of self-insurance procedures and risks, see *New York State Insurance Fund* at [http://ww3.nysif.com/Workers\\_Compensation/About\\_Workers\\_Compensation/Risks\\_of\\_Self\\_Insurance.aspx](http://ww3.nysif.com/Workers_Compensation/About_Workers_Compensation/Risks_of_Self_Insurance.aspx)

<sup>20</sup> *Memorandum, 11/14/11, Jean L’Allier, Director, EESISP* Of 24,507 claims filed during this period, there were 872 medication hearings and 83 arbitration hearings.

<sup>21</sup> *ibid.*

ADR provides a useful administrative model in a system that involves a high volume of cases, with repetitive issues and little controversy

Maximum efficiency results from a limited number of key personnel, authorized, oriented and trained to resolve disputes quickly rather than engage in litigation tactics

Routine cases are best resolved when a single advocate for claimants regularly interacts with claims administrators

ADR combined with managed care “provides the best chance to achieve desirable return to work scenarios... [because] a closed panel of higher quality but more experienced providers leads to better clinical outcomes, better return to work results, and lower total costs...”<sup>22</sup>

The EESISP managed care program “uses the same network of doctors as our participants have access to in their major medical plans” but at negotiated rates that are lower than are paid within the statutory system.<sup>23</sup>

ii. *Insurance Carrier Plan: Westchester and Hudson Valley [NY] ADR Program: Aon’s Report*

The Westchester / Hudson Valley ADR program is an insurance carrier-based plan negotiated between the Construction Industry Council of Westchester and Hudson Valley [New York] and the Building and Construction Trades Council of Westchester and Putnam Counties and in effect since January 2007.

The agreement designates an ADR Program Administrator and a Joint Labor-Management Oversight Committee to oversee the program’s operation.

The Program Administrator and Broker, Aon Risk Solutions, is the program’s direct contact with the Workers Compensation Board, has operational responsibility for program implementation and serves under the direction of the Joint Labor-Management Oversight Committee. The Oversight Committee, comprised of representatives from participating employers and unions, is the policy and ultimate decision-making authority. The program’s key dispute resolution components are Ombudsperson, Mediation, and Arbitration.<sup>24</sup>

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<sup>22</sup> *Characteristics of A Successful Alternative Dispute Resolution Program*, Jean L’Allier, Director, and Vito Mundo, Counsel, EESISP, 2008.

<sup>23</sup> Memorandum, 1/17/12, Joint Industry Board counsel Vito Mundo.

<sup>24</sup> *A Collectively Bargained Workers’ Compensation Alternative Dispute Resolution (ADR) Program, Construction Industry Council of Westchester And Hudson Valley, Inc., et al., and Building and Construction Trades Council of Westchester and Putnam Counties, New York*, executed January 26, 2007.

Aon Global Risk Consulting (Aon) reviewed the performance of the ADR Workers Compensation Insurance Program. Aon's report, *Westchester ADR Program Cost Analysis as of 12/31/11*, issued March 19, 2012, is an analysis of the cost of workers compensation claims and allocated loss adjustments expenses (ALAE). The report is particularly useful because the New York State Workers' Compensation Board, as stated above, does not track ADR data.

Program administrative and claims handling costs are not included. As stated:

The loss costs in this analysis are limited to the cost of claims and ALAE and do not include other costs such as claims handling, administrative costs, or any other costs associated with insurance programs. All losses in this analysis are on an unlimited basis.<sup>25</sup>

Aon examined two ADR carve-out programs that are part of Project Labor Agreements [PLAs: *discussed below*] for two significant public projects in the Hudson Valley region: the New York City Department of Environmental Protection Ultra-Violet Light Disinfection Facility and the New York State Department of Transportation I-287 project.

Aon found "excellent loss results..."

Based upon approximately \$168 million of payroll within these [two] programs, the projected total ultimate loss is expected to be in the range of \$4MM. This result has been compared to an estimated \$18MM industry expected loss costs for traditional WC results over a five year period from 2006 to 2011 for these projects.<sup>26</sup>

For the upcoming Tappan Zee Bridge project, in a letter dated April 5, 2012 from Jack J. Frazier, Senior Vice President – Production, Aon Risk Solutions to Allan M. Paull, Senior Vice President, Tishman Construction Corporation, Aon stated that, assuming similar performance,

... In light of our experience, we can conservatively estimate savings of between 10% and 40% of traditional Expected Loss Factors to be anticipated.<sup>27</sup>

Aon concluded that "PLA ADR Workers Compensation, coupled with a well-run collectively bargained safety program/loss mitigation program, and drug testing (pre-hire, random, and post-accident) will yield substantially lower Workers Compensation costs."<sup>28</sup>

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<sup>25</sup> Aon Risk Solutions, Global Risk Consulting, Actuarial and Analytics, *Westchester ADR Program Cost Analysis as of 12/31/11*, issued March 19, 2012, at 4.

<sup>26</sup> April 5, 2012 letter from Jack J. Frazier, Senior Vice President – Production, Aon Risk Solutions to Allan M. Paull, Senior Vice President, Tishman Construction Corporation

<sup>27</sup> *Ibid.*

<sup>28</sup> *Ibid.*

## V. Data from other ADR “carve-out” states: Minnesota and California

Minnesota and California are two of the eleven states<sup>29</sup> that authorize collectively-bargained ADR for workers compensation program. Data on claims and cost comparisons from these two states are included here for illustration and because the New York State Workers Compensation Board does not track data on ADR programs in New York.

### A. Minnesota

Minnesota’s collectively-bargained ADR program, the Union Construction Workers Compensation Program, has been in operation since 1997. A 2009 report from the Minnesota Department of Labor and Industry [DLI] makes these comments echoing the earlier Cornell evaluation of ADR in New York:

The Union Construction Workers Compensation Program was designed to be simpler and less adversarial than the state system... The UCWCP uses a dispute resolution process that is far simpler than the state’s, with a single path and fewer steps. The UCWCP also has slightly lower denial rates and lower costs, and there is no evidence of greater worker dissatisfaction.<sup>30</sup>

An earlier [October 2007] DLI memorandum, *Construction Collective Bargaining Agreement Claims and Cost Comparison*, noted the following:

The effectiveness of the CBA program can be assessed by comparing various workers’ compensation measures with available data about the construction industry...

Overall, construction employers in the CBA program, compared to all construction industry employers, have slightly fewer claims, pay significantly lower benefits per claim, have claims that require vocational rehabilitation less often, and have fewer claims disputes. These results [based on CBA annual data from 2003 and 2004] are consistent with a shorter average duration of indemnity benefits, in which workers are more likely to return to work without requiring additional services. The comparisons...show that:

The indemnity claims rate per \$1 million of payroll is about 18 percent lower among CBA employers;

The overall claims rate per \$1 million of payroll is 5 percent to 10 percent lower among CBA employers;

Total incurred benefit costs per \$100 of payroll are about 40 percent lower among CBA employers;

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<sup>29</sup> See fn 5 above

<sup>30</sup> *Oversight of Workers Compensation*, Report of the Program Evaluation Division, Office of the Legislative Auditor State of Minnesota, February 2009, available at <http://www.auditor.leg.state.mn.us/ped/2009/workcompsum.htm>

Average benefits paid per claim are about 32 percent to 36 percent lower among CBA employers;<sup>31</sup>

## B. California

California enacted its carve-out for the construction industry in 1993 and, following ten successful years of collectively-bargained ADR programs, authorized similar carve-outs for other unionized industries.<sup>32</sup>

The Southern California Contractors Association [SCCA] references a report of the California Workers' Compensation Institute [CWIC]<sup>33</sup> that compared closed claims from 1993-1999 of an insurance company carve-out program with "Standard Industry Results" and found "a 25 percent reduction on average length of claims and a 39.5 percent savings on average total claim costs."<sup>34</sup>

The NECA West ADR program of the National Electrical Contractors Association [NECA] and the International Brotherhood of Electrical Workers [IBEW] claims

...pure loss results that are 23% below the California industry average, and the loss ratio for the NECA program has been at approximately 53% [over a 7 year period]. NECA's recent independent actuarial report indicates that the reduced pure loss and DCCE for NECA are attributable to its successful ADR program.<sup>35</sup>

NECA offers the following data comparing ADR with non-ADR programs on cost savings, frequency of litigation, length of disability, and length of claims:<sup>36</sup>

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<http://www.ilga.gov/senate/Committees/WorkersCompensationReform/IronworkerManagementProgressiveActionCooperativeTrust-PublicTestimony.pdf> at 8.

<sup>32</sup> 65A Ca Jur Work Injury Compensation § 588; also see [http://www.workerscompensation.com/compnewsnetwork/news/broadspire\\_first\\_alt\\_dr\\_process.html](http://www.workerscompensation.com/compnewsnetwork/news/broadspire_first_alt_dr_process.html); a useful and comprehensive resource guide for the California system is provided by the State of California Department of Industrial Relations, CARVE-OUTS: A GUIDEBOOK FOR UNIONS AND EMPLOYERS IN WORKERS' COMPENSATION [2004], at: <http://www.dir.ca.gov/chswc/CARVEOUTSGuidebook2004.pdf>

<sup>33</sup> California Workers' Compensation Institute: <http://www.cwci.org/> Per the CWCI website: The California Workers' Compensation Institute [CWIC] is a private, non-profit corporation of insurers and public and private self-insured employers that monitors trends and analyzes workers compensation data.

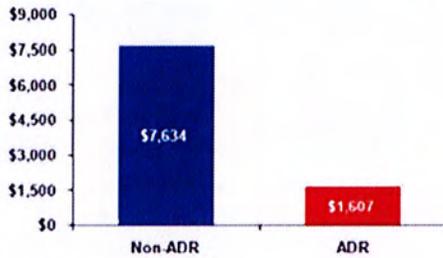
<sup>34</sup> Eugene Zondlo and Gary Hamilton, "What you can do about Workers' Comp rates", Southern California Contractors Association, SCCA's ADR Program, [http://www.sccaweb.org/workers\\_comp.htm](http://www.sccaweb.org/workers_comp.htm)

<sup>35</sup> <http://www.necawest.com/whyadr.htm>

<sup>36</sup> *ibid.*

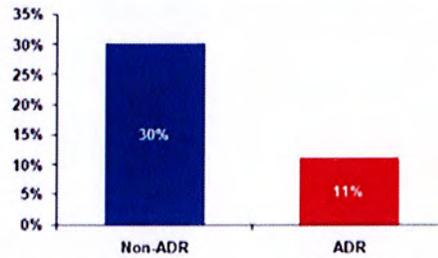
## Benefit to Insurers

Average Paid – Closed Claim Study 2003



Source: PointSure Insurance Services (2003)

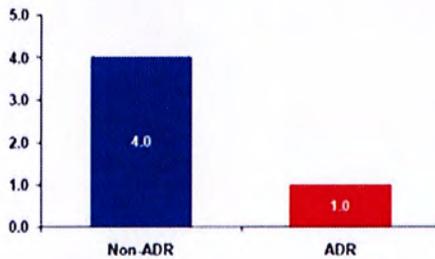
Frequency of Litigation



Source: California Workers' Compensation Institute (March 2003)

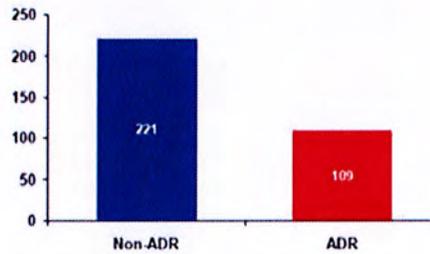
## Benefit to Workers & Employers

Average Temporary Total Disability Weeks



Source: PointSure Insurance Services (2003)

Average Claim Life Span in Days  
(Includes Contested & Non-Contested Claims)



Source: PointSure Insurance Services (2003)

## VI. ADR for Workers Compensation and Project Labor Agreements

Given the particular pressure to contain rising workers compensation costs – and the burden that these costs represent for the construction industry – ADR for workers compensation is one of the most important advantages of Project Labor Agreements – or PLAs. *ADR procedures are permitted in New York State only when established through collective bargaining. And a PLA is a particular type of collective bargaining agreement.*<sup>37</sup>

A PLA is a pre-hire, project-specific agreement that standardizes contract terms among various crafts for the duration of the project. It is a valuable construction management tool that is properly viewed as a “job site constitution” for labor relations on the project. It represents a particularly high level of labor-management cooperation and planned approach to the job.

Project planners – contractors, owners, and labor – can together strategize ways to minimize disruption and inconvenience to the public for a range of construction or renovation projects involving highways, police and fire stations, bridges, airports, schools, courthouses, office buildings, and other public and private facilities.

ADR for workers compensation operates within this cooperative framework. PLAs ban strikes and lockouts and necessarily include dispute resolution provisions to deal with contract and jurisdictional issues. Joint labor-management committees monitor safety and provide an avenue for ongoing communication to promptly respond to problems that arise during the project.

PLAs assure that contractors will have access to a highly-trained, skilled labor pool through union referral. And there is a close connection between worker training and worker safety – as much as a 25% lower fatality rate for construction workers has, for example, been shown in states with prevailing wage laws.<sup>38</sup>

PLAs provide cost savings, flexibility and efficiency through standardization of contract terms among various crafts and, typically, through adjustments to hours of work, the number of paid holidays, shift differentials, and apprentice-journeyman ratios.

The cost savings provided by collectively-bargained ADR procedures for workers compensation add value to PLAs for owners and contractors. ADR procedures add to a PLA’s efficiency by more promptly addressing the needs of injured workers and by contributing to a positive and cooperative work environment.

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<sup>37</sup> Kotler, F. B. (2009). *Project labor agreements in New York State: In the public interest* [Electronic version]. Ithaca, NY: Cornell University, School of Industrial and Labor Relations — Extension Division, Construction Industry Program. <http://digitalcommons.ilr.cornell.edu/reports/22/>, at 20.

<sup>38</sup> Kotler, F. B. (2011). *Project labor agreements in New York State II: In the public interest and of proven value* [Electronic version]. Ithaca, NY: Cornell University, School of Industrial and Labor Relations, at 19. Available at: <http://digitalcommons.ilr.cornell.edu/reports/36/>

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- Roy Barnes, Esq., Barnes, Iaccarino, Virginia & Shepherd LLP., New York, NY
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- L. Todd Diorio, President, Hudson Valley Building and Construction Trades Council
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