

Ossining Breaks Ground on
\$100M Water Treatment Plant
Page 3

Halmar Int. Completes
Work on U.S. Rte. 1 Bridge
Page 5

Ambiguous Contract
Sends Dispute to Trial
Page 6



Construction NEWS



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\$1.50



High Heat Distresses Bridge

This summer, high levels of heat created problems for aging infrastructure. Above, as temps soared into the high 90s, metal on a bridge in Manhattan expanded and failed to swing back into its closed position for four hours. See page 4. Photo Credit/LOKMAN VURAL ELIBOL/ANADOLU AGENCY

PJS Montesano JV Begins Work On \$1.9B Kensico Water Tunnel

Special to CONSTRUCTION NEWS

VALHALLA, NY—In late July, officials of the New York City Department of Environmental Protection, local officials in Westchester and construction professionals threw the ceremonial “first dirt” to mark the start of the massive \$1.9-billion new water tunnel that, when completed, will stretch two miles—from the Kensico Reservoir in Central Westchester to the Catskill Delaware Ultraviolet Disinfection Facility in Eastview.

Called the Kensico-Eastview Connector, the project will provide more operational flexibility and safeguards for maintenance and protection of the

downstate region’s drinking water supply serving the downstate population characterized as “nearly half of New York State.”

The project will be New York City’s largest water-supply tunneling effort in Westchester County since the 1940s. The first phase of construction includes site preparation at the DEP campus adjacent to Kensico Reservoir, new road alignments, electrical and DEC management security facilities.

Highlights of subsequent phase contracts are vertical shafts and the tunnel itself, that will run approximately 500 feet. Please turn to page 5

Turner Begins Work on \$220M Expansion At Westchester Medical Center Project

By JOHN JORDAN

VALHALLA, NY—New York State Lt. Governor Antonio Delgado was among the many dignitaries that joined Westchester Medical Center Health Network’s leadership on July 24 to commemorate the start of construction for the Critical Care Tower at Westchester Medical Center.

The Critical Care Tower at Westchester Medical Center, a \$220-million project, will span 162,000 square feet and rise five stories when completed. Adjacent to Westchester Medical Center’s main tower, the Critical Care Tower at Westchester Medical Center will house 128 private, state-of-the-art patient rooms—all equipped with the latest and most advanced medical technologies for intensive care. The project is expected to be completed in 2026.

With this new project, WMC will have invested approximate-

ly \$550 million in new capital projects at its Grasslands campus in less than a decade.

The Westchester Medical Center Health Network is a 1,700-bed healthcare system headquartered in Valhalla with nine hospitals on seven campuses in the Hudson Valley. WMCHHealth employs more than 12,000 people and has nearly 3,000 attending physicians.

“Advanced care is Westchester Medical Center’s bedrock service and as we break ground on the Critical Care Tower, we reaffirm Westchester Medical Center’s enduring legacy as the region’s unquestioned leader in advanced care,” said Michael D. Israel, president and CEO of WMCHHealth, on July 24.

The Critical Care Tower at Westchester Medical Center will house several notable services, including advanced cardiac, neuroscience, oncology, and surgical specialty care. Ad-



A rendering of the new Critical Care Tower at Westchester Medical Center.

ditionally, Westchester Medical Center serves as the region’s Level I trauma center, and all trauma intensive care services will relocate to the Critical Care Tower, WMC officials stated.

The Critical Care Tower is the second major structural and service addition to Westchester Medical Center in less than a decade and follows the successful completion of the eight-story, \$230-million Ambulatory Care Pavilion in 2019.

At press time, a spokesman for the Westchester-Putnam Building and Construction Trades Council said a Project Labor Agreement on the Westchester Medical Center expansion project was discussed but an agreement has

not been reached. However, the spokesman for the BCTC said he expects the project to be predominately union. Turner Construction is the general contractor on the project.

The project is estimated to create more than 770 construction jobs and 127 new full-time jobs.

The Westchester County Local Development Corporation, which issued \$195 million in tax-exempt bonds for Westchester Medical Center in connection with the project in 2023, estimated that Westchester County will receive more than \$3.5 million in total economic benefits from the creation of the Critical Care Tower at Westchester Medical Center.

The construction of the Critical Care Tower at Westchester Medical Center will allow other WMCHHealth services to expand. For example, pediatric emergency medicine at Maria Fareri Children’s Hospital and Please turn to page 21

Inside

Economic Outlook	9
Albany Update	11
Financial Management	17
Safety Watch	18
Washington Update	20
What’s New & Who’s News	20
Low Bids	22

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Ossining Breaks Ground on Record \$100-Million Water Treatment Plant

By JOHN JORDAN

OSSINING, NY—A host of elected officials celebrated the official groundbreaking for the new Indian Brook Water Treatment Plant—the largest infrastructure project in Ossining's history. It is also one of the largest municipal capital projects in memory in this northwest section of Westchester—and it's the largest potable water treatment plant in development in the Northeast, according to many village and town officials of Ossining present Tues., Aug. 6.

In 2023, The Village of Ossining was awarded \$10 million through the Mid-Hudson Momentum Fund, a New York State funding program designed to support community investment in projects throughout the region, specifically earmarked for growing infrastructure and housing needs, to help fund the construction of the new Indian Brook Water Treatment Plant.

The main contracts include General Construction: ELQ Industries of New Rochelle, NY at \$68,541,828.64; Solar Electric Systems of White Plains (electric) at \$13,100,000; Carey & Walsh of Briarcliff Manor, NY (HVAC) at \$3,185,000 and Mace Contracting Corp. of New Rochelle, NY (plumbing) at \$2,200,000. Arcadis is the construction manager on the project. The remaining costs of the project include soft costs and contingencies, village officials noted.

President & CEO Samuel Etre of ELQ Industries told CONSTRUCTION NEWS that the new Indian Brook Water Treatment Plant job would be a union project, and that at peak construction periods the project would employ up to 75 union tradesmen.

In 2016, the Village and Town of Ossining jointly initiated planning for the construction of a new water treatment plant as it was mutually understood that the existing plant was reaching the end of its useful life. It could not continue to operate efficiently at the capacity required to meet evolving regulatory requirements and accommodate population growth. Ossining Town Supervisor Elizabeth Feldman said that Ossining is growing and seeing affordable and mixed-use developments being built in the town. She said the expansion of the water plant was necessary to accommodate

its future growth.

Mayor Levin and others advised county and state officials in attendance that the project could use more public funding. The village also secured \$5 million in Water Infrastructure Improvement and \$160,000 in Green Innovation Grant Program funding through the New York State Environmental Facilities Corporation to offset the capital cost of the project and to integrate a green roof array on the completed plant, underscoring the village's commitment to sustainable, smart development, village officials stated.

Ossining Director of Public Works Paul Fraioli said that the plant is by far the biggest project ever undertaken in Ossining and said that the new plant would take more than three years to complete and will service Ossining's water



Village and Town of Ossining officials were joined recently by county and state government representatives to celebrate the official groundbreaking for the new Indian Brook Water Treatment Plant. The \$100-million project is the largest infrastructure project in Ossining's history and one of the largest municipal capital projects in memory in the region.

needs well into the future. Once the new plant is in operation, the existing plant will likely be converted to office space.

Among the dignitaries at the groundbreaking were town and village officials, Westchester Deputy County Executive Ken

Jenkins, New York State Sen. Peter Harckham, New York State Assembly members Dana Levenberg and Steve Otis.



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COMMENTARY

Stuck Bridges, Buckling Roads Sound Alarms That America's Aging Infrastructure is in Distress

WASHINGTON—More than \$450 billion in infrastructure spending has already been awarded to states and cities through the Infrastructure Investment and Jobs Act passed in 2021. That's the good news.

The very good news is that there's another \$550 billion available in the \$1.2-trillion bipartisan infrastructure law. While it's understood that spending infrastructure funding takes time going from wish-list fulfillment to shovel-ready with boots on the ground, states are tackling their aging bridges and buckling roadways with differing speeds of commitment.

Now the bad news. The summer of 2024 is posting record heat in the U.S. This extreme heat coupled with new levels of flooding are exacerbating havoc on infrastructure—and when



Patrick Purcell
Executive Director of the
New York State and
Greater New York
Laborers-Employers
Cooperation and Education
Trust (GNY LECET)

combined with years of underfunding and new challenges posed by changing climate—the need to get cracking to fix

America's aging transportation facilities and networks has never been greater.

The American Society of Civil Engineers gave U.S. infrastructure an overall grade of C- in its latest national Infrastructure Report Card released three years ago. Some 7.5% of U.S. bridges were in poor condition and many are aging, making them difficult to maintain. Meanwhile, 40% of the road system was considered in poor or mediocre condition, and maintenance costs have substantially increased due to the strains of added volume and resource erosion caused by inflation.

As the summer of 2024 marches on, high levels of heat are creating new problems. In one case, New York's Third Avenue Bridge in Manhattan broke down for hours on July 8 after its metal expanded from the heat and it could not swing back into its closed position. The span, which swings open and shut over the Harlem River near 128th Street, failed for four hours when temperature readings reached 95 degrees. Its steel expanded from the heat at 2:46 p.m., and it required



Marc Herbst
President
New York Roadway and
Infrastructure Coalition

a pair of fireboats spraying cooling water on the trusses for four hours before the bridge section could pivot back into service for the 50,000 vehicles that use the TAB each day.

"While potholes and crumbling roadways are usually the first complaints you will hear from drivers, local bridges are crucial for the economy and public safety," wrote transportation construction leaders Marc Herbst, President of the New York Roadway and Infrastructure Coalition and Pat

Purcell, Executive Director of the New York State and Greater New York Laborers-Employers Cooperation and Education Trust (GNY LECET). In a joint commentary published earlier this month, they argued that neglecting this infrastructure not only impacts economic growth but puts lives at risk.

The writers noted that a recent report from the New York State Comptroller's office highlights a pressing issue: Many of New York's local bridges desperately need repair, and it will take a staggering \$29 billion to address the problem. "Most of these bridges are owned by local municipalities that simply don't have the funds to fix them," they said. "These communities are constantly searching for state and federal funding to ensure their bridges are safe and functional."

The solution, they propose, is for lawmakers to do more and that additional federal and state funding is needed to maintain and repair these local bridges. "The cost of inaction far outweighs the cost of repairs and maintenance," they concluded.



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Funding Option	Raises \$1 billion annually available to MTA?	Bondable to \$15 billion over 5 years?	Reduces Traffic and Congestion?	Improves Air Quality?	Improves "Affordability" for New Yorkers?	Other Consequences
Congestion Pricing	\$1 billion annually available to MTA	YES	YES	YES	YES	Improves the region and transit
Raising Taxes on the Ultra-Wealthy (per the Working Families Party)	Depends on proposed details	YES	NO	NO	NO	Proposals have not passed in recent years
Increasing the Payroll Mobility Tax on NYC Businesses (per Governor Hochul)	Up to \$1 billion	YES	NO	NO	NO	Increases taxes for working New Yorkers
\$1 Billion "TOU" for the MTA from NY State (per Governor Hochul)	\$1 billion (not guaranteed)	NO	NO	NO	NO	Not real money, subject to veto
Reducing Fare Evasion (per Assemblymembers, Eichenstein, and others)	(Maximum) \$700 million a year for operating budget	NO	NO	NO	NO	Funds operating budget, not capital, but costs capital funding
Casino Licensing Revenue	\$1.3 billion in increasing fees for operating budget	NO	NO	NO	NO	Funds operating budget, not capital
Casino and Online Gaming Tax Revenue (per Senator Adabbo)	Up to \$2 billion with some already allocated to the state's operating budget and education	YES	NO	NO	NO	50% of tax revenue from casinos in NYC and 40% from casinos outside of NYC is already dedicated to the MTA's operating budget, while the rest is dedicated to education
Selling Naming Rights for all Subway Stations (per AM Weprin)	(Maximum) \$94 million a year if sold at Barclays Center rate of \$200,000	NO	NO	NO	NO	Minor amount of funding compared to congestion pricing even at maximum price
Increasing the NY Sales Tax by 3.75% (per Joe Louta)	\$1 billion annually	YES	NO	NO	NO	Decreases affordability for NYers

**Fixing the \$16.5 Billion
Hole in the MTA's
2020-2024 Capital Plan:**

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MTA Advisory Committee Slams Congestion Pricing Alternatives

NEW YORK—The Permanent Citizen's Advisory Committee to the MTA released a new report earlier this month entitled "Funding the MTA's 2020-2024 Capital Plan: Evaluating Proposed Alternatives to Congestion Pricing." The panel examined how Congestion Pricing compares to eight of the more noteworthy alternative schemes. All proposals failed to tackle the issues of traffic reduction and steps to improve air quality, the report noted.

Traffic congestion has been estimated to cost the New York City region \$20 billion in lost economic activity. In contrast to the economic damage congestion causes, public health also improves when there's less traffic. Cities that have implemented congestion pricing plans report lower asthma hospitalization rates, decreases in air-pollution-related health outcomes and road-traffic injuries.

Four of the eight proposals are bondable, it was noted, but all would be better utilized to fund the 2025-2029 MTA capital plan. This is

essential as the \$1 billion in revenue is expected to bond up to \$15 billion toward the current capital plan. For a funding stream to be bondable, it is necessary for it to be continuous and predictable, not a onetime infusion of cash, the report stated.

The report comes on the heels of subway delays that are an early indicator of issues that will become endemic if the 100-year-old switches and signals aren't replaced, and substations upgraded. Recent significant weather events have also highlighted the system's vulnerabilities.

For her part, Gov. Kathy Hochul said recently she was "massaging" plans to close the funding gap, although details remain unclear at press time. Many elected officials and groups have floated far-flung funding concepts to replace the \$16.5-billion-hole that Gov. Kathy Hochul created in the MTA's current Capital Program on June 5, following her 11th-hour pause of the congestion pricing toll program that was

Please turn to page 5

Halmar Int. Completes Major Construction On U.S. Rte. 1 Bridge Over Mamaroneck River

MAMARONECK, NY—New York State officials announced on Aug. 2 that major construction was completed on a project that reconstructed the bridge carrying U.S. Route 1 over the Mamaroneck River in the Town of Mamaroneck.

The project effectively rebuilt the 129-year-old stone arch bridge from the ground up, adding new structural supports to create a more durable structure that's more accessible and better able to withstand floods and other severe weather impacts, the state said in a statement.

Completion of the U.S. Route 1 bridge marks the end of a \$115-million project (Lower Westchester Bridge Bundle) that began in 2020 to replace or upgrade several flood-prone bridges in lower Westchester County and ensure that some of the region's most vital commuter routes are prepared for the growing impacts of climate change.

The Lower Westchester Bridge Bundle was awarded in



The new bridge over the Mamaroneck River structure was constructed off trusses that spanned the entire width of the river under the existing bridge.

2020 as a Design-Build project with Halmar International, LLC of Nanuet, NY as the lead contractor. Other partners include: M.G. McLaren Engineering and Land Surveying, P.C., Schnabel Engineering of New York and Shumaker Consulting Engineering and Land Surveying, D.P.C.

As part of the project, the

original stone arch bridge was reinforced and strengthened with a cast-in-place concrete liner installed underneath the bridge and new foundation elements were drilled into the underlying rock. The bridge was also widened and pedestrian walkways created to enhance safety and improve access to nearby businesses,

schools and other popular destinations in Mamaroneck.

Additionally, new traffic signals and pedestrian safety enhancements were implemented at the busy intersection of U.S. Route 1 and Mamaroneck Avenue, including signals, curb ramps and crosswalks. The project also included the replace-

ment of retaining walls and the embankment supporting Meighan Park (Harbor Island Pocket Park), a small walking park, on the southwest corner of the bridge structure. Because of the six-to-eight-foot tidal influx of the river, divers and special equipment were used to progress this project. The new bridge structure was constructed off trusses that spanned the entire width of the Mamaroneck River under the existing bridge.

The Lower Westchester Bridge Bundle initiative also replaced two bridges on the Saw Mill River Parkway over the Saw Mill River in Pleasantville and the East Lincoln Avenue bridge over the Hutchinson River Parkway in the City of Mount Vernon/Village of Pelham. All of these locations focused on drainage improvements and the reconstruction of roadways prone to flooding, while enhancing safety and improving the region's resiliency following storm events caused by climate change.

PJS Montesano JV Begins Work on \$1.9B Kensico Water Tunnel

Continued from page 1

feet below the surface for two miles between Kensico Reservoir in the Town of Mount Pleasant and the Catskill-Delaware Ultraviolet Light Disinfection Facility in Eastview. The new tunnel will provide an additional conveyance between these vital components of the water supply system, giving DEP the ability to take other facilities out of service for periodic maintenance and inspection.

The first phase of the four-part construction project is expected to be completed late next year. It includes site preparation and building work at the DEP campus adjacent to the Kensico Reservoir by PJS Montesano JV, LLC. The joint venture team of Paul J. Scariano, Inc., and Montesano Brothers, Inc., JV was the lowest bidder competing for the contract which the DEP awarded for \$107 million.

JV partner Paul J. Scariano said, "Ensuring a reliable supply of tap water means investing in our infrastructure." On the day following the groundbreaking event on July 23, he observed, "Yester-

day we joined guests to break ground on a \$1.9-billion tunnel in Westchester that'll provide critical redundancy to the water system that serves nearly half of NY State!"

Dominick Montesano, president of Montesano Brothers, Inc., said, "We believe that investing in clean water infrastructure is vital for the well-being and sustainability of life. It is a source of great pride for us to contribute to this vital project."

Phase I activities include:

- Clearing and grubbing inclusive of required tree removal for a majority of the overall KEC project;
- Staging area preparation and installation of temporary construction trailers and construction fencing to meet town code;
- Management of excavated material, including on-site soil placement;
- Construction of the relocated Westlake Drive at the northern limits of the Kensico Campus;
- Construction of a new electrical building with exterior lighting and associated parking;



From left, DEP Director of External Affairs John Milgrim, NYC Councilmember Alexa Aviles, NYC Councilmember Sandy Nurse, Town of Mount Pleasant Supervisor Carl Fulgenzi, DEP Commissioner Rohit T. Aggarwala, DEP Deputy Commissioner Paul V. Rush (Bureau of Water Supply), Valhalla Union Free School District Superintendent Kevin McLeod, DEP Police Chief Frank Milazzo, DEP Deputy Commissioner Ari Maas (Bureau of Police and Security), and CIC Board member Dominick Montesano of the joint venture construction contractor on the project, PJS Montesano JV, LLC.

Photo Credit/NYC DEP

- Construction of a 30-space parking lot with lighting at the northeast corner of the intersection of the relocated Westlake Drive and Columbus Avenue;
- Construction of a new interim DEP Bureau of Water Supply (BWS) operations entrance at Lakeview Avenue;
- Construction of a storm-water management system (three new sediment ponds

along Columbus Avenue, a new bioretention basin near the Upper Effluent Chamber and relocated Westlake Drive, vegetated swales and an underground drainage conveyance system).

Construction of KEC is projected to create hundreds of jobs for the local union Building Trades over the coming decade. Work hours will span one shift, 7:00 a.m. to 3:30 p.m. Monday

through Friday, although occasional work on the electrical building may extend into a second shift.

Located north of White Plains, the Kensico Reservoir is a vital component of New York City's renowned water supply network, the Catskill-Delaware Water Supply System. The reservoir stores approximately 30 billion gallons of water at full capacity. DEP draws about 1 billion gallons of drinking water from Kensico Reservoir each day to meet the demand of more than nine million residents in the five boroughs of New York City and Westchester County whose communities are connected to the city's system.

As it moves toward the city, drinking water that leaves Kensico Reservoir is also treated at CDUV.

Phase II, which is projected to overlap Phase I, will follow by the digging of two large shafts, 400 feet-500 feet deep, the tunneling between the two shafts, and the addition of several new facilities and upgrades at the Kensico campus. All phases of the project are expected to span a 10-year period with the new tunnel coming fully online by 2035.

MTA Advisory Committee Slams Congestion Pricing Alternatives

Continued from page 4

scheduled to begin on June 30.

"The unexpected pause of Congestion Pricing is already having immediate and dramatic impacts on the transit system, the millions of daily transit riders in New York who rely on it, and hundreds of thousands of New Yorkers across the state who rely on the MTA for their paychecks," said Lisa Daglian, executive director of PCAC. "Promises made, promises broken, and we're just seeing the tip of the iceberg of

the true cost of the governor's pause, which will affect New Yorkers of every income level, but lower income workers the most."

She continued, "At the same time, we're seeing air quality alerts almost daily, and traffic levels even higher than they were pre-pandemic—while traffic speeds are slower than ever. It's high time for Gov. Hochul to obey the law, and 'unpause' the pause to let Congestion Pricing move forward. The economic viability of our entire region depends on it."



The Kensico Campus in Valhalla, NY, will be the site of a new electrical building, major modifications and construction of connecting shafts and connecting tunnel for the drinking water from the Kensico Reservoir.

Attorney's Column

Ambiguous Contract Sends Dispute to Trial And Prevents Summary Resolution of Claim

By THOMAS H. WELBY, P.E., ESQ. and GREGORY J. SPAUN, ESQ.

This column often stresses the important provisions to include in construction contracts. Among them are thorough indemnification clauses, dispute resolution provisions and adequate insurance provisions. There are many others of course, including perhaps the most important one as illustrated by the recent case of *Providence Construction Corp. v Silverite Construction Co., Inc.* The court denied a motion for summary



(and withheld the last couple of Providence's payment requisitions to secure this credit). The difference was \$1.1 million.

Providence sued Silverite to recover for the additional

ment either. Accordingly, this dispute had to be resolved by a jury. Similarly, the issue of how much CMU square footage was installed (the 198,000 square feet claimed by Providence, or the 172,000 square feet claimed by Silverite) also had to be resolved by the jury.

Comment

Because of the conflicting language in the contract, what should have been something that was resolvable as a matter of simple math—and likely

With longer and more complicated construction contracts becoming the norm, it is easier for ambiguous language to creep into the document. What the parties may think is clear may only be clear from their perspective, and could be the subject of reasonable disagreement.

Because of the conflicting language in the contract, what should have been something that was resolvable as a matter of simple math—and likely would not have even been the subject of a lawsuit—engendered 11 years of litigation so far, with more to come (including a trial).

judgment on what should have been a straightforward contract claim. Now the parties are required to endure a trial. The court's decision reminds us that the one thing to include in a contract more than anything else is clarity.

Background

In October 2010, the New York City Transit Authority entered into a design-build contract with Silverite Construction for the construction of a bus depot on Lenox Avenue in Manhattan. In April 2012, Silverite entered into a subcontract with Providence Construction for Providence to perform the masonry work at the project and lay 120,000 square feet of regular concrete masonry units ("CMU") at \$41 per square foot, and 70,000 square feet of glazed CMUs at \$30.25 per square foot, for a "total lump sum price" of \$6.55 million. The contract provided that this "lump sum" price was subject to addition or reduction from that price, at the indicated unit prices, based on actual job quantities. Certified as a minority business enterprise, Providence had its contract utilized in Silverite's W/MBE utilization plan for the full contract value.

Providence worked on the project between May 2012 and September 2013, and Providence's records indicated that it installed 198,000 square feet of CMUs, which was 5,700 square feet more than was contracted for. Silverite's records did not agree, so it hired an independent 3-D modeling company to determine the quantity actually installed; the 3-D modeling showed only 172,000 square feet installed. Providence sought payment for the extra quantity, while Silverite wanted a credit for the uninstalled quantity

materials and unpaid requisitions, and Silverite counter-claimed for the remainder of the sought credit. After a lengthy litigation, both Providence and Silverite moved for summary judgment. In support of its motion, Providence argued that the contract was a lump sum based on the language (and the specific use of those words), thus negating Silverite's ability to claim a credit based on actual square footage. Providence also argued that evidence of the lump sum nature of the contract was that Silverite never modified its W/MBE utilization plan to reflect any changes from the lump sum number. Silverite, in opposition and in support of its competing motion, argued that the inclusion of the unit prices, and the language that the price was subject to adjustment based on the quantity installed, compelled the conclusion that this was a unit price contract. Accordingly, Silverite argued, Providence was not entitled to any additional funds, and Silverite was entitled to a credit for the uninstalled quantity.

Decision

The court denied both motions, finding numerous issues of fact which needed to be resolved by a jury. The first issue of fact was with regard to the contract itself. While the court acknowledged the presence of the term "lump sum" in the contract, it noted that in a traditional lump sum agreement, there is no adjustment for the quantity installed. Because this contract contained such a provision, it was not clear that it was actually a lump sum agreement.

Conversely, because the contract contained the "lump sum" language, it was not clear that it was a unit price agree-

would not have even been the subject of a lawsuit—engendered 11 years of litigation so far, with more to come (including a trial). Truly, a waste of resources when all that was needed here was language

clearly indicating either that the contract was a unit price agreement or a lump sum agreement.

Last month we wrote about the average construction subcontract now being more than 30 pages (and, ironically, advocated for a longer document there because it would have clarified what provisions were incorporated into that contract by reference). With longer and more complicated construction contracts becoming the norm, it is easier for ambiguous language to creep into the document. What the parties may think is clear may only be clear from their perspective, and could be the subject

of reasonable disagreement or, in legalese, a triable issue of fact sufficient to deny summary judgment to a party and require a (very expensive) trial. Unfortunately, this is not the first time we have come across a contract where the parties disagreed as to whether it was Lump Sum or Unit Price. We have even seen this where a standard AIA A101 Lump Sum form was used because of careless modifications to the form. While the facts of Providence are rather dramatic, it is easy for less stark, but equally ambiguous language to creep into a contract document. In order to avoid the consequences of

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Economic Outlook

NYC Metro Commercial Real Estate Sector Improving Marginally So Far This Year

By MICHAEL J. PATON

As of mid-2024 most reports of the U.S. economy were positive, despite geopolitical uncertainty, lower inflation, the prospect of interest rate cuts, and continued employment growth suggesting a strong economy for the rest of 2024. Within the commercial real estate space, most asset types are benefitting from demand growth, but the overall industry outlook is mixed due to headwinds such as overbuilding in the multifamily sector and vacant office space—an overhang from the Covid pandemic.

While growth is expected to slow in the near term, the U.S. economy will likely avoid a recession and support modest commercial real estate activity. Nonetheless, commercial real estate pipelines have been declining for all property types (including office, industrial and multifamily) due to higher construction costs, weak demand fundamentals and the high cost of capital in the current interest rate environment. The office sector, in particular, has substantial headwinds related to softness in the market and uncertainty as to when demand will strengthen.



first time in seven quarters that leasing exceeded 6.0 msf. The strong quarterly performance was boosted by seven new leases, each greater than 100,000 square feet, bringing the year-to-date total to 11.4 msf—a 29.8% increase from the midyear 2023 output of 8.8 msf.

The average lease size jumped by 30.5% in the second quarter, growing from 9,684 sf in Q1 2024 to 12,639 sf. Class A (newer buildings) registered an even more significant uptick, increasing by 37.5% quarter-over-quarter to an average of 17,700 sf. Manhattan continued to benefit from robust demand in the financial services sector, which accounted for 30.4% of new leases of 10,000 sf and larger. Lease renewals through midyear reached 3.2 msf, an

estate brokerage and research firm, Westchester's office market broke a one-year stretch of occupancy losses, recording slightly over 15,000 square feet of positive net absorption in the second quarter of 2024. A deceleration in sublease additions was a contributing factor in the reversal. The amount of sublease space entering the market declined 59% from the previous quarter. Second quarter leasing totals were primarily driven by renewals in the healthcare sector. Renewals accounted for 48% of velocity, highlighted by Dانونe North America's 45,000-square-foot restructure at 1 Maple Ave in White Plains. Medical office leasing captured 37% of total volume. White Plains Hospital expanded outpatient services at 222 Westchester Ave (38,000 square feet), while Westchester Institute for Human Development committed to two full floors (59,000 square feet) at 80 Grasslands Road in Elmsford.

Again, according to JLL, Westchester's favorable suburban demographics makes

the region are actively evaluating the potential conversion of obsolete office product.

JLL's outlook is that quality assets in downtown White Plains and the immediate suburbs will continue to capture most of the activity throughout the remainder of the year and into 2025. Tenants that renew or relocate are likely to take less space, generating upward pressure on vacancy rates. With an empty development pipeline, landlords able to invest in amenities and tenant experience will succeed in capturing a greater share of leasing activity. Higher interest rates and a defensive lending environment will challenge marginalized office assets that require extensive reinvestment in order to compete.

About the author: Michael J. Paton is a portfolio manager at Tocqueville Asset Management L.P. He can be reached at 212-698-0800 or by email at MPaton@tocqueville.com.

Westchester's office market broke a one-year stretch of occupancy losses, recording slightly over 15,000 square feet of positive net absorption in the second quarter of 2024.

In New York City, the nation's largest commercial real estate market, total employment has been steadily climbing, reaching an all-time high of 4.75 million jobs in the spring and summer months. The increase in employment was led by gains in the private sector and education & healthcare sectors, each reaching historic highs of nearly 4.2 million and 1.3 million jobs, respectively. Financial services employment, which is a heavy user of office space, rose by 5,500 jobs over the past year, despite a slight decline during the second quarter of 2024.

Manhattan has the largest office market in the nation. According to Cushman and Wakefield, a real estate commercial real estate and research firm, new leasing activity in Manhattan continued a positive trajectory in the second quarter of 2024, totaling 6.3 million square feet. This marked the

increase of 21.4% from 2.6 msf one year ago. Combined new and renewal leasing totaled 14.6 msf, up 27.9% from the 11.4 msf registered in the first half of 2023.

Despite the notable increase in leasing activity, the Manhattan office vacancy rate edged up only marginally by 20 basis points during the second quarter to 23.6%. Only four blocks greater than 100,000 square feet entered the market, down from 13 blocks in the first quarter of this year. For the first time since the third quarter of 2021, no new construction or fully renovated buildings were completed during the quarter. Sublease vacant space remained relatively stable at 22.6 msf but was down by 0.4% from one year ago, while direct vacant supply reached an unprecedented quarterly high of 99.1 msf.

According to Jonas Lang LaSalle (JLL) another major real

New leasing activity in Manhattan continued a positive trajectory in the second quarter of 2024, totaling 6.3 million square feet. This marked the first time in seven quarters that leasing exceeded 6.0 million square feet.

the county a popular target for education tenants as evidenced by Rebecca School's expansion into Mount Vernon late last year. In the second quarter of 2024, Monroe College leased a 57,000-square-foot space at the New Roc City retail complex in New Rochelle. Private schools and colleges seeking to grow in



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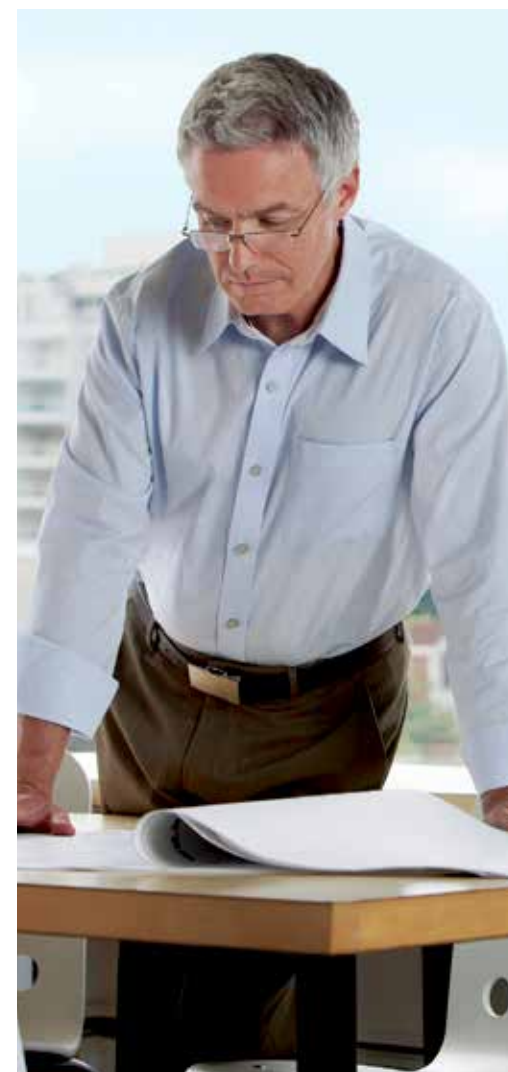
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New York City Council Approves Bronx Re-Zoning; Adams Admin. Commits to \$500M in Improvements

By JOHN JORDAN

NEW YORK—On Tuesday (Aug. 6) the New York City Council's Committee on Land Use voted to approve the Bronx Metro-North Station Area Study rezoning proposal with modifications. The rezoning will pave the way for the development of thousands of units of new affordable housing and invest in neighborhood infrastructure improvements surrounding new Metro-North train stations to be built or improved in the Bronx as part of the more than \$3-billion Penn Station Access Project, which is currently under construction.

The rezoning, approved by the city council on Aug. 15, will help create approximately 7,000 new units of housing in and around the four new MTA stations to be developed—Hunts Point, Parkchester/Van Nest, Morris Park, and Co-Op City, which will connect commuters in the East Bronx directly to Manhattan's Penn Station once completed.

The New York City Council announced that in connection with the committee's approval of the rezoning plan, the council successfully negotiated commitments from the Adams administration to invest \$498.5 million for improvements to the surrounding neighborhoods. The infrastructure investments include nearly \$96.7 million for renovations of local parks and playgrounds, \$11.5 million for upgrades to local schools, street and sewer improvements to address flooding issues, redesign of streets and sidewalks around the new Metro-North stations, and critical repairs and upgrades to the 49th Precinct. The council's negotiated rezoning will also create up to 500 units for homeownership opportunities.

According to *amNewYork*,



A rendering of one of the four new stations to be developed in the Parkchester/Van Nest section of the Bronx.

a spokesperson for Mayor Eric Adams stated after the vote: "From day one, our administration advocated that the Bronx Metro-North Station Area planning was a once-in-a-lifetime opportunity to deliver thousands of affordable homes and jobs to Bronxites," said Adams spokesperson Liz Garcia. "Today's news is a step towards a historic investment in the Bronx for improved public spaces, enhanced transit access, and more affordable housing."

"Confronting the housing and affordability crisis in our city requires creating more new homes for New Yorkers," said Speaker Adrienne Adams. "The opening of four new Metro-North stations in the Bronx presents a unique opportunity to develop affordable housing and homeownership opportunities, while delivering critical infrastructure investments that benefit surrounding neighborhoods for generations. This project will have a lasting positive impact for the residents of the Bronx and our entire city."

"The Bronx Metro North rezoning proposal represents a once-in-a-generation chance to deliver essential housing, enhanced transit options, job

access, and safer streets," said Council Majority Leader Amanda Farinas. "I am proud to have championed this development project, alongside securing over \$200 million in investments for District 18. These investments were shaped by extensive community outreach, including in-person and virtual events in Parkchester, which resulted in key achievements in affordability, parking, school investments, community-centered spaces, and cultural inclusion."

Bronx Borough President Vanessa Gibson in a statement called the Council Committee's vote a "significant step in addressing our housing shortage and creating much-needed homeownership opportunities. Alongside this crucial development, we are also making substantial investments in our parks, schools and infrastructure to ensure that our community's growth is sustainable and beneficial for all. These upgrades will help prevent flooding and enhance the quality of life for our residents. This comprehensive approach to development reflects our shared commitment to building a stronger, more resilient Bronx...."

There was some opposition to the rezoning plan. For example, *The Daily News* reported that Council Member Kristy Marmorato of the East Bronx ultimately gave her support after securing a number of concessions from the administration.

Among some of the concessions included requiring a minimum number of parking spaces. "We live in a transit desert where cars are a necessity for daily activities," said Ms. Marmorato. "The Bronx Metro-North rail is not here yet, and even after it arrives, people will still need their cars. We must be proactive in ensuring parking is part of any zoning changes."

Ms. Marmorato also noted that the rezoning plan will still cap building heights.

"This rezoning is the largest we've seen in a decade and today marks a pivotal moment in our community's journey," said Ms. Marmorato. "With any proposed development, it is my job to ensure that it aligns with the district's vision and safeguards our neighborhood's integrity. Our collaborative efforts have resulted in significant modifications to the Bronx Metro North proposal, ensuring it respects our community's character and

meets our needs with regards to keeping our parking mandates, respecting and keeping our lower density communities, and securing much needed capital commitments. I have listened closely to the district and fought to secure over \$300 million in real, capital investments for our district."

Among the Penn access project benefits include in addition to the four new Bronx stations:

- A one-seat ride between Penn Station and the East Bronx, Westchester, and Connecticut.

- Significant reduction in commutes between the Bronx to Manhattan.

- Newly generated economic growth in and around the East Bronx.

- A second Metro-North route into Manhattan and another terminal for the railroad.

- A total of 19 miles of new and rehabilitated track along Amtrak's Hell Gate Line, which will improve reliability and on-time service for Amtrak customers.

- Less traffic and air pollution.

Other committee members also reacted favorably to the revised rezoning proposal.

City Council Member Rafael Salamanca, Chair of the Council's Committee on Land Use, said, "Not only will the creation of four new Metro-North stations—Hunts Point, Morris Park, Parkchester/Van Nest, Co-Op City—dramatically improve transportation from the South Bronx to Manhattan, we will also see an influx of new professional and educational opportunities open up for our constituents. With our city experiencing a heightened housing crisis, thanks to the Bronx Metro-North, there will be an addition of 7,000 new units of desperately needed housing built in our borough. The half a billion dollars in capital funding allocated to this project is a historic investment that will improve our storm water drainage infrastructure, invest in numerous schools and parks, and repair and redesign the city's roadway streetscape."

Council Member Kevin C. Riley, chair on the Council's Subcommittee on Zoning and Franchises said. "With the addition of four new Metro North stations, including Co-op City, we are enhancing our public transportation network and creating invaluable opportunities for affordable housing and local job growth. I am particularly excited about the administration's significant commitments to the Co-op City area, including investments to address illegal dumping, clear debris from the Hutchinson River waterfront, and explore new bus routes with dedicated lanes. These enhancements will greatly improve the quality of life for our residents."

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ALBANY UPDATE



Funding Will Allow Second Ave. Subway Project to Continue

ALBANY—New York Gov. Kathy Hochul announced on Tuesday (July 30) that the state will provide \$54 million to support utility work that will allow the Second Avenue Subway project to proceed while state lawmakers address the massive capital funding gap caused by the recent decision by the governor to put the congestion pricing tolling program on pause.

Multiple press reports indicate that the MTA previewed its \$51.5-billion five-year capital program and expects the governor and State Legislature to approve the funding gap caused by the pause in congestion pricing that was to generate \$15 billion to the transportation agency.

The capital funding provided to the Metropolitan Transportation Authority will be earmarked towards the utility relocation contract (“Contract 1”) for Phase 2 of the expansion project, which will deliver subway service to residents of East Harlem. With this funding support the MTA can immediately proceed with the work to relocate utility lines along Second Avenue and nearby streets, putting the project in position to advance as scheduled. State officials noted that the action will not impact MTA Capital Program State of Good Repair projects that are prioritized or currently underway.

“I have been committed to the Second Avenue Subway since the day I took office, and we will deliver this project for the people of East Harlem and the millions of riders who will use it every day,” Gov. Hochul said. “When I announced the pause on implementing congestion pricing, I directed my team to think creatively about how to keep these generational investments moving forward. Now, we are committing the funds needed to continue the utility relocation contract, the first step to building this transformational project to meet the needs of everyday New Yorkers.”

MTA Chair and CEO Janno Lieber said, “We are grateful the governor was able to identify new funds to advance the utility relocation project along Second Avenue without impacting funding available for State of Good Repair investments. Advancing that utility work now—while congestion pricing is on pause—puts the MTA in a position to keep the overall Second Avenue Subway Phase 2 project on schedule while Albany resolves how to fund the \$15 billion outstanding for the MTA’s 2020-24 Capital Program.”

The second phase of the project will extend Q train service from 96th Street north on Second Avenue to 125th Street and then west on 125th Street to Park Avenue, approximately 1.5 miles in total. There will be three new stations at 106th Street, 116th Street and 125th Street, and a direct passenger connection with the existing 125th Street subway station on the Lexington Avenue subway line. Phase 2 will also feature an entrance at Park Avenue to allow convenient transfers to the Metro-North Railroad 125th Street Station.

New York State Comptroller Thomas DiNapoli estimates the MTA will have a \$25-billion shortfall in its five-year capital spending plan as long as the congestion pricing funding program’s funding is not replaced.

Feds to Provide \$43M To Support Localities

ALBANY—New York Gov. Kathy Hochul and US Senate Majority Leader Chuck Schumer announced on July 30 that New York State will receive up to \$43 million in U.S. Department of Energy funding to benefit under-resourced communities located along the Propel NY Energy transmission line.

The Propel transmission line is a 90-mile innovative electric transmission project that will improve reliability, resiliency and the delivery of clean energy—including offshore wind—through electric grid improvements in parts of Long Island, New York City and Westchester County. The New York Power Authority, which is developing the line with New York Transco, plans to use the funding for the Propel NY Energy Sustainable Communities Initiative to support energy efficiency projects in locations such as local schools, housing authorities, and communityser-

Please turn to page 14



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Construction Advancement Institute Awards \$70,000 in Academic Grants to 14 Students



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TARRYTOWN, NY—As part of its mission to elevate professionalism in the building and construction sectors in the Lower Hudson Valley, the Construction Advancement Institute this month awarded \$70,000 in grants to 13 regional undergraduate students and one graduate student who are enrolled in STEM majors such as engineering, architecture, construction technology, construction management and related disciplines this fall. CAI is the educational and advocacy organization aligned with the Building Contractors Association of Westchester & The Mid-Hudson Region, Inc.

The CAI Scholarship Committee reviewed more than two dozen scholarship applications, school transcripts and essays in June, said CAI Chairman Mark Fante of Darante Construction Ltd. of Elmsford, NY. The awards to the 14 recipients are \$5,000 grants for use in the current 2024-2025 academic year.

“The money our industry awards annually for scholarships is a joint effort of the contracting community with union labor to assist families with tuition support at academic institutions nationwide,” Mr. Fante noted. “Our goal is to strengthen the ranks of engineers and technologists employed at the companies that are members of the BCA. It’s one more way the association works to keep our member companies competitive and our local economies growing.”

Since its inception, the CAI Scholarship Program has awarded 135 grants to 80 students at more than 40 colleges and universities throughout the U.S. This year’s grant award of \$70,000 also lifts the total scholarship awarded by CAI to more than \$609,000 since its first year in 2009 when just six grants were bestowed.

The following scholars were chosen from more than 25 applicants who applied for and were carefully considered by the CAI Scholarship Committee. They are:

Cristopher Altomare, 19,

of Yonkers, NY, is a Sophomore who attends Sacred Heart University in Fairfield, CT, pursuing a degree in electrical engineering. He is the grandson of a member of the Bricklayers & Allied Craftworkers Local 1 New York.

Adam Beno, 18, of Poughkeepsie, NY, is a Freshman at SUNY New Paltz, NY, pursuing a degree in Computer Science. He

is the son of a BCA member company.

Kyle Burdick, 22, of Patterson, NY, is a Junior attending Manhattan College in the Bronx, pursuing a degree in Computer Engineering. He is the son of a member of the International Union of Operating Engineers Local 137.

Anthony Darrow, 19, of Hopewell Junction, NY, is a Sophomore attending Syracuse University, Syracuse, NY, pursuing a degree in Civil Engineering. He is the son of a BCA member of Darlind Associates.

Eric Darrow, 19, of Hopewell Junction, NY, is a Sophomore attending Villanova University, Villanova, PA, pursuing a degree in Finance and Real Estate. He is the son of a BCA member of Darlind Associates.

Sophia Mangone, 21, of Hartsdale, NY, is a Senior attending SUNY @ Oneonta, NY, pursuing a degree in Science. She is the granddaughter of a BCA member company Bay Crane.

Luke Marotta, 19, of New Fairfield, CT, is a Freshman attending the University of New



Carter Mistishin



Luke Marotta

Haven, CT, pursuing a degree in Construction Management. He is the grandson of a BCA member Martino Contracting.

Carter Mistishin, 19, of Lake Ariel, PA is a Sophomore attending Johnson College, PA, pursuing a degree in HVAC and Electrical Construction. He is the son of a BCA member company Byram Concrete Supply LLC.

Cooper Mistishin, 22, of Lake Ariel, PA, is Senior who attends Rochester Institute of Technology, Rochester, NY, pursuing a degree in Software Engineering. He is the son of a BCA member company Byram Concrete Supply LLC.

Daniella Mulvey, 24, of Valhalla, NY, is attending graduate school at the University of Pennsylvania, PA, Stuart Weitzman School of Design, pursuing a degree in Masters of Architecture. She is the daughter of a BCA member company Stratis Contracting Corp.

Nicholas Mulvey, 21, of Valhalla, NY, is a Senior attending Bucknell University, Lewisburg, PA, pursuing a degree in Civil Engineering. He is the son of a BCA member company Stratis Contracting Corp.

Kristen Stepien, 21, of Wayne, NJ, is a Junior attending the Stevens Institute of Technology in Hoboken, N.J., pursuing a degree in Engineering Management. She is the daughter of a BCA member Company Halmar International LLC.

Jonnathan Tapia, 29, of Mount Kisco, NY, is a Sophomore attending Alfred State University, Alfred, NY, pursuing a bachelors of technology (b.tech) in construction supervision. He is a member of Carpenters Local 279.

Hailey Weber, 19, of Southbury, CT, is a Sophomore attending the University of Connecticut, pursuing a degree in Environmental Engineering. She is the daughter of a member of the Operating Engineers Local 137.

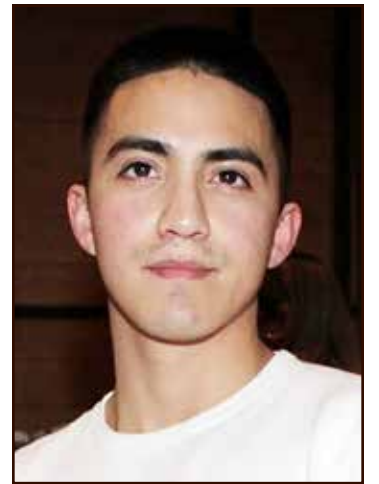
For additional information and to request an application for next year’s grants opportunities, please contact Laurel Brunelle at 914-631-1033 or laurel@bcany.org.



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Following his passing in 1998, Darante Construction today is owned and operated by Teresa Fante, his wife, and it specializes in all types of masonry construction. These include CMU, brick, stone and architectural cast stone work. The company also performs as a general contractor on a wide range of projects.

Located in Elmsford, NY in Westchester County, Darante Construction also serves clients on projects in Rockland, Dutchess, Orange, the Bronx and Lower Connecticut.

“A core strength is the high level of craftsmanship our company delivers,” said Darante President Teresa Fante. “We’re proud of our reputation of providing professional work in all aspects of GC and subcontracting. The quality of our masonry craftsmanship, coupled with professional field coordination and timely service, reinforces our reputation for delivering the highest level of satisfaction with our customers and many repeat clients.”

Awards & Achievements

Darante Construction has completed many notable projects and has won hard-earned recognition for its outstanding craftsmanship from:

- The Building Trades Employer Association for “Outstanding Craftsmanship in Brick Work” at the General Accident Insurance Building in Greenburgh, NY
- Bricklayers, Masons and Plasterers International Union of America “Excellence in Craftsmanship Award”
- The Building Contractors Association “Subcontractor’s Industry Distinguished Service Award” to Genesio Fante and Darante Construction



Hudson Valley Hospital where Darante Construction provided masonry work for its client, Barr & Barr.



Fortunoff Building where Darante Construction served The Whiting-Turner Contracting Company providing masonry work.

The Darante Team

- Teresa Fante..... President
- Mark Fante, P.E..... Vice President
- Steven Fante Vice President
- Matthew Fante.... Field Operations
- Carol Matra.....Administration

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- LeChase Construction Services
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- The Whiting-Turner Contracting Company
- Yorke Construction Corp.
- Barr & Barr
- Darland Associates, Inc.
- Pustola & Associates

Membership in Associations and Board Posts

- Building Contractors Association: Mark Fante – Board Membership
- Construction Industry Council: Mark Fante – Board Membership
- Construction Advancement Institute: Mark Fante – Chairman
- Signatory Contractor with Laborers Union Local 235
- Signatory Contractor with Bricklayers & Masons Union Local 1
- Signatory Contractor with Operating Engineers Local Union 137

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Iona College Student Union in New Rochelle, NY, where the company performed masonry work for Darland Associates, Inc.



Sleepy Hollow Country Club in Scarborough, NY where Darante Construction completed masonry work.

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Hunter Roberts Prismatic JV Named Low Bidder On \$326M Mid-Hudson Forensic Hospital Project

By JOHN JORDAN

ALBANY—The New York State Dormitory Authority opened bids on the General Construction component of the Mid-Hudson Forensic Hospital project in New Hampton, NY on Aug. 15.

A joint venture of Hunter Roberts Prismatic Constructors-OMH Mid-Hudson JV was the apparent low bidder with the lowest of four bids at \$326,698,514. Hunter Roberts is based in New York City; Prismatic Development Corp. is based in Fairfield, NJ.

The Dormitory Authority also announced bids for other work involved in the Mid-Hudson Forensic project—Celtic Sheet Metal of Orangeburg, NY (HVAC) \$81,524,800; S&L Plumbing & Heating of Armonk, NY (Plumbing) \$11,870,000; and H&L Electric Co. of Long Island City (Electric) \$54,500,000.

In late January 2024, OCS Industries, Inc., of Poughkeepsie, NY was the lowest of six bidders at \$5,869,950 for site work including HAZMAT Abatement at the project site at 2 River Road as part of Phase One of the project.

CONSTRUCTION NEWS previously reported the Dormitory Authority issued the bid entitled, “New Forensic Replacement Hospital and HAZMAT Abatement at the Mid-Hudson Forensic Psychiatric Center,” in December 2023. The facility was slated for closure by the State Department of Health under a consolidation plan released in 2013, but the DOH later reversed itself and announced it would remain open.

The expansion project, a partnership between the Office of Mental Health and the Dormitory Authority of the State of New York, involves the design and construction of a new facility and will replace the existing outdated buildings located at 2834 NYS Route 17M, which is slated for redevelopment. The new building will feature 300 state-of-the-art forensic, in-patient beds.

The bid for Phase One of the project included building demolition, hazardous waste abatement,



The Hudson Valley Building and Construction Trades Council has finalized a Project Labor Agreement with the sponsors of the Mid-Hudson Forensic Hospital project in New Hampton, NY.

site preparation and site clearing utility work.

The general construction phase involves the development of a proposed approximately 340,000 gross square-foot replacement forensic residential, inpatient facility that would be constructed on a mostly undeveloped, approximately 39-acre portion of MHFPC’s existing, approximately 69-acre main campus. The proposed replacement facility would accommodate approximately 272 active patient beds with an additional 28 “swing” beds available when needed for a total of 300 beds, a 15-bed net increase over the existing facility. The term of the GC contract ends in June 2028.

The project would also include the construction of new municipal water and sewer connections to the City of Middletown’s existing infrastructure, along Route 17M.

The Dormitory Authority has hired TDX Construction, which is headquartered in Purchase, NY, as the Construction Manager for the project. The development will be constructed by local labor.

Todd Diorio, president of the Hudson Valley Building & Construction Trades Council, previously confirmed to CONSTRUCTION NEWS that the project sponsors had finalized a Project Labor Agreement with the building trades on the project.

Feds to Provide \$43M

Continued from page 11

vice agencies, as well as develop clean energy education and workforce training and career opportunities for residents in under-resourced communities.

U.S. Senate Majority Leader Schumer said, “This substantial \$43-million federal investment for communities in New York City, Long Island and Westchester County was made possible by the Inflation Reduction Act I shepherded through Congress, and is paving the way for the era of affordable and renewable energy in New York. This funding supports clean-energy education and develops job opportunities through local schools, housing authorities and community service agencies.”

The Transmission Siting and Economic Development grants, which were awarded to 20 projects across 16 states by DOE recently, will accelerate the permitting of high-voltage, interstate transmission projects, expediting the buildout of a resilient and reliable electric grid. The exact amount of funding will depend on award negotiations, which may take up to 120 days. The funding is made possible through the Infrastructure Investment and Jobs Act.

The Propel NY Energy Sustainable Communities Initiative will engage with local communities near the Propel transmission line, offering energy efficiency projects, clean energy training internships, a clean energy careers program, future energy leader scholarships, student engineering challenges, adult energy literacy programs, and green classroom programs.

New York Power Authority President and CEO Justin E. Driscoll said, “The New York Power Authority is pleased to have been selected for this Transmission Siting and Economic Development funding made possible through the Inflation Reduction Act. Upgrading New York’s transmission infrastructure is critical to the resilience and reliability of New York’s grid, and this federal funding will help ensure that under-resourced communities along the Propel NY Energy line’s route can experience even greater benefits from New York’s growing clean energy economy.”

The Propel transmission line will strengthen the backbone of the electric grid with increased transmission capacity by building new underground and submarine transmission lines in existing public rights-of-way and substation facilities on Long Island, in New York City, and across Westchester County. Propel will efficiently and cost-effectively deliver clean energy to homes and businesses that benefit all New Yorkers and aid the state in achieving critical clean energy goals. Pending regulatory approvals, Propel NY Energy construction is anticipated to commence in 2026 and enter service in 2030.



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300 Munis Seek Pro-Housing Certification To Tap Into \$650 Million in State Funding

EAST HAMPTON, NY—New York Gov. Kathy Hochul announced on Aug. 9 that 335 New York municipalities have launched applications to be certified as Pro-Housing Communities, 162 of which have already been certified, including major cities in every region of the state.

The governor made the announcement while touring Three Mile Harbor Housing in East Hampton, NY, a recently certified Pro-Housing Community. The Pro-Housing Communities Program, launched by the governor last year as part of a package of Executive Actions to increase the housing supply, recognizes municipalities for their commitment to housing growth. As part of the FY25 Enacted Budget, Gov. Hochul secured an agreement to make the Pro-Housing Community certification a requirement to be eligible for up to \$650 million in state discretionary funding.

“We are confronting New York’s housing crisis head-on by working with local leaders to grow our housing supply, build new homes and make New York more affordable for everyone,” Gov. Hochul said. “More than 300 communities across the state, including rural towns, villages and major cities in every region, are unlocking housing growth to ensure families have access to quality homes—supporting residents, building our

economy and helping our communities reach their full potential.”

The scoreboard for the Mid-Hudson region is that a total of 39 municipalities have submitted letters of intent and 19 others have been certified as a “Pro-Housing Community.”

The following are the municipalities in the Mid-Hudson region that have sent Letters of Intent to the state:

- Town of Amenia
- City of Beacon
- Town of Carmel
- Town of Cornwall
- Town of Cortlandt
- Town of Crawford
- Village of Croton-on-Hudson
- Town of Fallsburg
- Town of Greenburgh
- Village of Greenwood Lake
- Village of Haverstraw
- Village of Kaser
- City of Kingston
- Village of Kiryas Joel
- Town of Liberty
- Town of Mamaroneck
- Village of Mamaroneck
- Town of New Paltz
- Village of New Paltz
- City of New Rochelle
- City of Newburgh
- Village of Nyack
- Village of Ossining
- City of Peekskill
- Town of Pine Plains
- Village of Port Chester
- City of Port Jervis
- City of Poughkeepsie
- Town of Poughkeepsie
- Town of Ramapo
- Town of Red Hook
- Village of Red Hook



Gov. Kathy Hochul announced the latest Pro-Housing Community certification numbers at an event in East Hampton on Long Island.

- Town of Rockland
- Town of Shandaken
- Village of Sleepy Hollow
- Village of Warwick
- City of White Plains
- Town of Woodstock
- City of Yonkers

New York State Homes and Community Renewal Commissioner RuthAnne Visnaukas said, “Cities, towns, and villages across New York are recognizing that housing and a healthy economy go hand-in-hand. In the coming years, the innovative Pro-Housing Communities Program will undoubtedly help boost our housing supply and create the types of strong communities that make a real difference in people’s lives. We’re proud that more than 160 localities have been certified to date and the list continues to grow—it means Governor Hochul’s

commitment to making New York more affordable and a better place to live is a goal shared by our local partners across the state.”

In 2023, Gov. Hochul signed an Executive Order to establish the Pro-Housing Community Program to recognize and reward municipalities actively working to unlock their housing potential and encourage others to follow suit. Localities that have successfully unlocked housing growth or committed to taking important steps to support housing, such as by streamlining permitting and adopting pro-housing policies, and that have applied and submitted critical housing and zoning data to the state, will receive a certification from New York State Homes and Community

Renewal that will make them eligible for up to \$650 million in state discretionary funding. The discretionary funding programs include: the Downtown Revitalization Initiative, administered by the Department of State; NY Forward, administered by the Department of State; Regional Council Capital Fund, administered by Empire State Development; New York Main Street, administered by New York State Homes and Community Renewal; Market New York capital grants, administered by Empire State Development; Mid-Hudson Momentum Fund, administered by Empire State Development; and Public Transportation Modernization Enhancement Program, administered by the Department of Transportation..

The New York Forward and Downtown Revitalization Initiative programs opened the applications for its next funding rounds Tuesday, Aug. 6 and applications close on Friday, Oct. 18 at 4:00 p.m. Municipalities must be certified by HCR as a Pro-Housing Community in order to receive a grant award through these programs.

HCR is reviewing program applications on a rolling basis and will provide approval or denial within 90 days of submission. Application requirements and materials are available on the program at: <https://hcr.ny.gov/phc>



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Sophia Mangone

15 Students Share \$75,000 in College Scholarships From CIC/Louis G. Nappi Management-Labor Fund

TARRYTOWN, NY— Fifteen college and graduate students will begin the new academic year each with a \$5,000 grant from the Louis G. Nappi Construction Labor-Management Scholarship Fund for studies in Engineering, Architecture, Mathematics and Applied Sciences.

The announcement of the \$75,000 in scholarships awards was made by John Cooney, Jr., executive director of the Construction Industry Council of Westchester & Hudson Valley, Inc.

Committee Chairman William Mascetta stated, "In this fast-paced world driven by the highest level of technology, it has bred the ASAP culture, hence the importance of exercising patience and tolerance. Your decision-making will be sharper and more accurate while avoiding errors and omissions and improving performance and increasing individual skill set."

As a major construction industry financial-aid program, the Louis G. Nappi Fund was established in 2009 by Mr. Nappi (1920-2014), a former CIC Chairman (now Emeritus). It was Mr. Nappi's vision that the hard sciences of Mathematics and Engineering were essential pathways for the U.S. to reestablish American companies as world leaders in transportation and infrastructure construction.

The scholarship fund is a living testimony to Mr. Nappi who served as CIC Chairman

from 1986 to 1991, Mr. Cooney explained. "Lou's commitment to Engineering and Science lives on today in these scholarships and through these students as many of them have graduated and have entered the workplace. Lou believed that giving students the financial means to pursue higher education and advanced degrees would help our nation's construction and building industries regain global competitiveness and preeminence."

Mr. Mascetta thanked the Scholarship Committee members from Organized Labor and the contracting community, including the CIC staff to create, organize and publicize the scholarship opportunities.

The committee also includes: Anthony Ascencao of Laborers Local Union 60; Philip Benza of The Arben Group, LLC; Mr. Cooney of CIC; Dean DiNatale of Yonkers Contracting Co., Inc.; Jeffrey Loughlin of the Building & Construction Trades Council of Westchester & Putnam, Inc.; Ross Pepe, Matthew Pepe and Karen Zedda of CIC; Louis Picani of Teamster Local Union 456; and Thomas Welby, Esq., P.E., of Welby, Brady & Greenblatt, LLP. Committee members also recognized were Edward Doyle, Sr., ex officio, of the Building & Construction Trades Council of Westchester & Putnam, Inc., and Jerry Keahon, *In Memoriam*.

Mr. Mascetta also thanked "the students and parents over the years for their dedication

and efforts in reaching this successful milestone that epitomizes the goal of our founder, Louis G. Nappi, for our entire industry." He also acknowledged a member of the Nappi family present, Dean DiNatale, who is the grandson of Mr. Nappi and a member of the scholarship committee.

Marking its 16th anniversary, the Louis G. Nappi Scholarship Fund has now awarded more than \$1,020,000 in the form of 237 grants to some 110 students attending more than 75 colleges and universities throughout the U.S. Scholarship recipients reside mainly in the Lower and Mid-Hudson Valley and are related to employees of CIC-member companies or affiliated unions. The participating labor unions are Laborers International Union of N.A. Local 60, International Union of Operating Engineers Local 137, and the International Brotherhood of Teamsters Local 456.

For information on the program and application, visit the association's website, www.cicnys.org.

Winners:

James Apostolou, 21, of Yorktown Heights, NY, is a Senior studying Allied Health at the University of Tampa. He is the son of a member of Teamsters L.U. 456 of Elmsford, NY.

Kyle Burdick, 21, of Patterson, NY, is a Senior studying Computer Engineering at Manhattan College. His father is a member of Teamsters L.U. 456

of Elmsford, NY.

Andrew Fortunato, 20, of Fairfield, CT, is a Junior studying Economics and Mathematics at Bates College. He is the grandson of a member of Operating Engineers, L.U. 137.

Diego Gonzalez, 18, of Brookfield, CT is a Freshman studying Civil Engineering at Central Connecticut State University. His father and uncles are members of Laborers L.U. 60 of Hawthorne, NY.

Sophia Mangone, 21, of Hartsdale, NY, is a Junior studying Science at SUNY Oneonta. Her grandfather was an employee of Bay Crane, a CIC-member company.

Luke Marotta, 18, of New Fairfield, CT, is a Freshman studying Construction Management at Verto Education (study abroad program) and at University of New Hampshire. His grandfather was a member of an association-affiliated company.

Carter Mistishin, 18, of Lake Ariel, PA, is a Sophomore studying HVAC and Electrical Construction at Johnson College. His father is an employee of Byram Concrete & Supply, LLC, a CIC-member company.

Cooper Mistishin, 22, of Lake Ariel, PA, is a Senior studying Software Engineering at the Rochester Institute of Technology. His father is an employee of Byram Concrete & Supply, LLC, a CIC-member company.

Nicholas Mulvey, 21, of Valhalla, NY, is a Senior studying

Civil Engineering at Bucknell University. He is the son of an employee of Stratis Contracting Corp., a CIC-member company.

Alexandra Pfeiffer, 18, of Eastchester, NY, is a Freshman studying Biochemistry at Providence College. Her family has a long association with the CIC.

Marie Sprong, 18, of Roxbury, CT, is a freshman studying Mechanical Engineering at Northeastern University. Her mother is an employee of Palumbo Block, a CIC-member company.

Kirsten Stepien, 20, of Wayne, NJ, is a Junior studying Engineering Management at Stevens Institute of Technology. Her father is an employee of Halmar International LLC, a CIC-member company.

Jonatan Vargas, 19, of New Rochelle, NY, is a Freshman studying Computer Science at Manhattan College. Her father is a member of Laborers Local 60 and an employee of ELQ Industries, Inc., a CIC-member company.

Hailey Weber, 19, of Southbury, CT, is a Sophomore studying Environmental Engineering at the University of Connecticut. Her father is a member of Operating Engineers L.U. 137 of Briarcliff Manor, NY.

Genevieve Zorilo, 20, of Wappingers Falls, NY, is a Junior studying Health Sciences at Pace University. Her father is a member of Operating Engineers L.U. 137 of Briarcliff Manor, NY.



Luke Marotta



Carter Mistishin



Cooper Mistishin



Nicholas Mulvey



Alexandra Pfeiffer



Marie Sprong



Kirsten Stepien



Jonatan Vargas



Hailey Weber



Genevieve Zorilo

Financial Management

The Financial Impact of Project Delays: Prevention and Mitigation Strategies

By PHILLIP ROSS, CPA, CGMA, PARTNER



In this post-COVID era, the construction industry grapples with unpredictable project delays that can severely affect the profitability of a job and the company. Despite advancements in project management and planning tools, delays remain a significant challenge, often leading to increased costs, strained client relationships, and disrupted cash flow.

Let's explore the financial impact of project delays and consider strategies to help mitigate these disruptions—with the goals to reduce risks and complete projects on time for financial stability.

Timely project completion is critical in the construction industry to meet client expectations and maintain financial health. Project delays, whether caused by supply chain disruptions, design changes, funding delays, or unforeseen site condi-

tions, can result in substantial costs that jeopardize a project's profitability. Here are some of the direct costs resulting from project delays:

Increased Labor Costs: Project delays can quickly escalate labor costs. Extended work hours, overtime pay, idle time and hiring additional workers to meet revised deadlines all contribute to these increased costs. These unplanned expenses can significantly erode profit margins.

Additional Material Costs Due to Price Changes: Construction projects are vulnerable to fluctuations in material costs. Delays can expose projects to price increases not accounted for in the original budget, leading to higher costs for essential materials and directly impacting the overall project budget.

Extended Equipment Rental Fees: Equipment rental

their original timelines, overhead costs rise. Longer durations mean more time managing the project, including additional administrative work and prolonged site management. These increased overhead costs further reduce overall profitability.

To better manage project delays, it's essential to understand some of their common causes:

Planning and Design Challenges: Incomplete or less-detailed designs may contribute to delays during construction.

Unforeseen Site Conditions: Unexpected site conditions, such as logistical challenges or on-site manage-

ment inefficiencies, such as poor coordination between

team, can disrupt progress and cause delays.

In this post-COVID era, large projects are experiencing longer lead times from announcement to bidding to award to start date and increased complexity in scheduling and planning. This reality demands a more strategic approach to project management.

Delays in Material Delivery and Supply Chain Issues: Disruptions in the supply chain can delay material delivery and throw off project schedules.

Changes in Project Scope or Client Requirements: Changes from clients can disrupt the planned workflow and extend timelines.

Weather-Related Delays: Inclement weather remains an unpredictable factor that can delay outdoor work.

Regulatory and Compliance Issues: Navigating complex regulatory requirements can cause delays. Please turn to page 22

While it may not be possible to completely prevent delays, implementing strategies that focus on better planning, clear communication and proactive risk management can reduce the likelihood and severity of disruptions.



TRANSPORTATION

Light at the End of the Tunnel

The long wait for Gateway Tunnel construction is over. The \$16.1 billion program is the largest infrastructure project in the country and will provide steady work for Local 825 members for years to come.

Reconstruction of the Portal North Bridge is nearing completion. Groundbreaking on the Tonnelle Ave. bridge and utility relocation has begun and preparation for a new tunnel under the Hudson River is taking place.

And who better than Local 825 of the International Union of Operating Engineers, who recently bored the 3.5-mile Delaware Aqueduct water tunnel beneath the Hudson 70 miles up river, to handle the challenging work ahead.



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IUOE Local 825

Safety Watch

Risk of Cave-Ins, Trench Collapses Pose Significant Perils and Fines for Contractor

By COSTAS CYPRUS, ESQ.

Over the past decade, at least 250 workers have died from cave-in or trench collapses. Because of the significant peril that can result from these activities, safety precautions must be taken. Beyond the use of trench boxes or proper shoring and hard hats, spoil piles must be placed at a safe distance to avoid collapsing into the trench and imperiling workers.

The decision in *Secretary of Labor v. Arrow Plumbing, LLC* is instructive, and should again remind construction companies engaged in excavation of the necessary steps they must take to properly protect their workers during trenching activities.

Arrow Plumbing, LLC provided plumbing work for municipalities in Missouri. Arrow had been previously cited by OSHA on two separate occasions (and had settled). In the first occasion, in December 2016, they were cited for improper trenching as the trench walls were not benched or sloped, no trench box was used, and spoil piles were adjacent to the edge of the trench and not held back. During excavations in that instance, a sewer main was struck, causing a rupture. As the excavator operator entered the trench, the wall collapsed from the weight of the spoil piles and tragically killed him.

On the second occasion, in January 2017, OSHA inspected another site and cited Arrow for again failing to provide cave-in protection, having utilities unsupported, and failing to keep spoil piles at least two feet from the edge of the excavation. Given this history, Arrow was on the Severe Violator Enforcement Program, a publicly available list maintained by OSHA of employers issued a willful violation directly related to a fatality and on OSHA's radar.

On Aug. 20, 2020, Arrow was replacing a sewer line and conducting excavation operations pursuant to a contract with the City of Grain Valley, MO when it was cited by OSHA. Arrow was excavating the front yard of a residential property when an OSHA officer appeared upon receiving a complaint about an unsafe worksite. The OSHA officer observed the Arrow's owner, Rick Smith, and its site supervisor, Joshua Brackenberry, working inside an excavation without wearing a hardhat. No trench box was used for the excavation.

The OSHA officer took measurements of the excavation, which ran from an east-west direction and recorded the width at its opening to be 12'10," the depth to be 9'3" and the length to be more than 22'2."

Mr. Smith later testified that after the OSHA officer left, he



took his own measurements of the width of the excavation's opening, and recorded it as 14'6" and the excavation floor was 2 S or 3 feet wide. The OSHA officer observed spoil piles along the south wall and to east of the worksite, and although she took soil samples, she did not measure the spoil piles or their distance from the edge of the excavation.

She also observed utility

encountered at the site as well as the challenges of excavating in the front yard of a residential property in close proximity to a neighbor's property line.

On Aug. 19, 2020, Mr. Brackenberry had excavated at the site and bore a hole under the road so that a four-inch pipe could run underground and tie into the home. He also located the electrical and gas lines, and he excavated around them with a shovel and had observed that the coupling had separated from the conduit on the electrical line. He also piled the excavated soil outside the excavation while another employee moved it to the road for removal by the city.

The following day Mr. Brackenberry was not using a trench box because he believed that the excavation was properly sloped

by the walls of the excavation and not at risk of breaking.

At the time, the two men

The ALJ agreed with the Secretary that Arrow also violated the safety standard providing that "open, underground installations shall be protected, supported, or removed as necessary" to protect employees.

had installed 10 feet to 12 feet of pipe when the OSHA officer arrived; there was conflicting testimony about how close they were standing near the utility lines while working in the excavation. Mr. Brackenberry

Mr. Brackenbury was working alongside excavation walls that exceeded his height and there were tools and spoil piles near the edge of the excavation, and it was reasonably foreseeable that they could fall or get kicked into the excavation, striking an employee and causing serious head injuries.

lines in the excavation, including a white pipe fitted with a coupling as well as an electrical line and a gas line.

Prior to beginning work, Mr. Brackenberry, as the competent person, held a safety meeting with Mr. Smith to discuss dangerous situations that could be

to prevent a cave-in. Even Mr. Smith who observed that the southern wall of the excavation was nearly vertical, did not have safety concerns and proceeded to enter the excavation with Mr. Brackenberry.

Mr. Smith also believed the utility lines were safely secured

indicated they were 10 feet away while Mr. Smith indicating they were 15 feet to 20 feet away; the OSHA officer testified they were three feet to four feet away.

Arrow was cited by OSHA for:

- Failure to have its employees wear helmets while working in the excavation;

- Failure to support or protect utility lines;

- Repeat offenses for failure to keep excavated materials at least two feet from the edge of the excavation;

- Failure to protect employees from cave-ins.

Significant monetary penalties were imposed. After a hearing and review of all the evidence, the Administrative Law Judge found that the Secretary of Labor had met its burden against Arrow for most of the citation items.

The relevant safety standard provides that employees working in areas with possible dangers of head injuries from falling or flying objects be protected by proper helmets. Here, neither Mr. Smith or Mr. Brackenberry were wearing hard hats—which they saw as a nuisance—limiting their field of vision. Mr. Brackenbury was working alongside excavation walls that exceeded his height and there were tools and spoil piles near the edge of the excavation. It was reasonably foreseeable that they could fall or get kicked into the excavation, striking an employee and causing serious head injuries.

The ALJ agreed with the Secretary that Arrow also violated the safety standard providing that when an excavation is "open, underground installations shall be protected, supported, or removed as necessary" to protect employees. Here, neither the gas lines or electrical lines

Please turn to page 22

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Regional Bid Alert

NYS DOT - Region 8

Bid Letting Date: Aug. 22, 2024

New York State Department of Transportation
Contract Management
50 Wolf Road, 1st Floor, Suite 1CM
Albany, NY 12232

Contract: D265301
PIN# 806258

Project Description: Dutchess, Orange, Putnam Cos., bridge rehabilitation - I-84, various locations.

Bid Deposit: 5% of Bid (~ \$200,000.00)

Goals: DBE: 9.00%

Bid Letting Date: Sept. 12, 2024

New York State Department of Transportation
Contract Management
50 Wolf Road, 1st Floor, Suite 1CM
Albany, NY 12232

Contract: D265295
PIN# 881502

Project Description: Columbia, Dutchess, Orange, Putnam, Rockland, Ulster, Westchester Cos., highway - where & when - various locations.

Bid Deposit: 5% of Bid (~ \$375,000.00)

Goals: MBE: 5.00%, WBE: 10.00%, SDVOB: 0.00%

Bid Letting Date: Sept. 12, 2024

New York State Department of Transportation
Contract Management
50 Wolf Road, 1st Floor, Suite 1CM
Albany, NY 12232

Contract: D265306
PIN# 881624

Project Description: Putnam, Rockland, Westchester Cos., air quality improvements - signal optimization - various locations.

Bid Deposit: 5% of Bid (~ \$75,000.00)

Goals: DBE: 10.00%

Bid Letting Date: Sept. 12, 2024

New York State Department of Transportation
Contract Management
50 Wolf Road, 1st Floor, Suite 1CM
Albany, NY 12232

Contract: D265312
PIN# 802308

Project Description: Westchester Co., resurfacing - NY Rt 100A, Town of Greenburgh & Village of Elmsford.

Bid Deposit: 5% of Bid (~ \$200,000.00)

Goals: MBE: 10.00%, WBE: 15.00%, SDVOB: 6.00%

NYS DOT - Region 10

Bid Letting Date: Sept. 12, 2024

New York State Department of Transportation
Contract Management
50 Wolf Road, 1st Floor, Suite 1CM
Albany, NY 12232

Contract: D265270
PIN# 081055

Project Description: Nassau, Suffolk Cos., guide rail - rustic rail replacement - various locations.

Bid Deposit: 5% of Bid (~ \$750,000.00)

Goals: DBE: 10.00%

Bid Letting Date: Sept. 12, 2024

New York State Department of Transportation
Contract Management
50 Wolf Road, 1st Floor, Suite 1CM
Albany, NY 12232

Contract: D265272
PIN# 0PRB24

Project Description: Nassau, Suffolk Cos., maintenance - park & ride/ bikeway/ graffiti/ tree trimming - various locations., incentive/disincentive provisions.

Bid Deposit: 5% of Bid (~ \$200,000.00)

Goals: MBE: 5.00%, WBE: 10.00%, SDVOB: 6.00%

Bid Letting Date: Sept. 26, 2024

New York State Department of Transportation
Contract Management
50 Wolf Road, 1st Floor, Suite 1CM
Albany, NY 12232

Contract: D265214
PIN# 081038

Project Description: Nassau Co., drainage - enhancement project, Village of Freeport and Town of Hempstead.

Bid Deposit: 5% of Bid (~ \$375,000.00)

Goals: DBE: 10.00%

Bid Letting Date: Sept. 26, 2024

New York State Department of Transportation
Contract Management
50 Wolf Road, 1st Floor, Suite 1CM
Albany, NY 12232

Contract: D265280
PIN# OLC101

Project Description: Suffolk Co., culvert replacement - Town of Babylon, Village of Amityville.

Bid Deposit: 5% of Bid (~ \$375,000.00)

Goals: DBE: 10.00%

NYS DOT - Region 11

Bid Letting Date: Aug. 22, 2024

New York State Department of Transportation
Contract Management
50 Wolf Road, 1st Floor, Suite 1CM
Albany, NY 12232

Contract: D265283
PIN# XM2431

Project Description: Bronx, Kings, New York, Queens, Richmond Cos., highway - maintenance cleaning - various locations.

Bid Deposit: 5% of Bid (~ \$200,000.00)

Goals: MBE: 4.00%, WBE: 8.00%, SDVOB: 0.00%

New York State Thruway Authority

Bid Due Date: Aug. 21, 2024

Contract: TAS 24-19/D214945 Amendment #1

Project Description: Resurfacing a Portion of the New England Thruway (I-95) from Milepost NE 4.0 to Milepost NE 8.8 NB and SB including the Rehabilitation of Twelve Bridges in Westchester County in accordance with the Plans and Specifications.

Goals: MBE - 0% WBE - 0% SDVOB - 0%

Bid Deposit: \$4,250,000.00

Westchester County DPW

Bid Due Date: Aug. 21, 2024

(Date Change)

Contract: 21-501 (\$100.)

Title: Reconstruction of Parking Lots, Driveways and Sidewalks, and New Electric Vehicle Charging Stations, 100 East First Street and 450 Saw

Mill River Road, City of Mount Vernon and Village of Ardsley, NY.

Description: The work under this contract consists of all labor, material and equipment required for the parking facility rehabilitation at five (5) District Office building lots along East 1st Avenue and South 1st Avenue in Mount Vernon. The project also includes the parking facility rehabilitation at District Office building lot at 450 Saw Mill River Road in Ardsley. The scope of work includes pavement restorations, sidewalk and curbing repairs, drainage, lighting improvements, site work for electrical vehicle charging infrastructure, fencing, pavement markings, and all associated work. Also included is reconstruction of public sidewalks at the Mount Vernon site along all parking lot and building frontages.

Bid Estimate Range: \$2.4 million to \$2.6 million.

Pre-Bid Inspection: None scheduled.

Contact: Craig Ryen, 914-995-2581.

Bid Due Date: Sept. 4, 2024

Contract: 24-518 (\$100.)

Title: New Mental Health Clinic, 112 East Post Road, White Plains, NY.

Description: The work under this contract consists of all necessary labor, material and equipment for the New Mental Health Clinic: construction of new offices, reception and waiting room, new finishes, upgrades to electrical, plumbing and mechanical.

Bid Estimate Range: \$500,000 to \$550,000.

Mandatory Pre-Bid Inspection: Scheduled at 10:00 AM, August 20, 2024; meeting in front of 112 East Post Road, White Plains. MANDATORY attendance is required. Bids will be rejected from contractors not in attendance at this meeting, or those who fail to sign the attendance sheet.

Contact: Adam Kaplinski, 914-995-3991.

Bid Due Date: Sept. 18, 2024

Contract: 18-525 (\$100.)

Title: Aeration and Heating System Upgrade, Peekskill Wastewater Treatment Plant, Peekskill, NY.

Description: The work under this contract consists of providing all necessary labor, material and equipment required to rehabilitate systems and process components associated with the aeration and heating areas of the plant. The required work will include replacement of buried air piping and existing slide gate and stop logs for the aeration tanks, as well as replacement of heat exchangers along with sludge/water temperature gauges and replacement of the multi-zone air handler in the Administration Building. Also included will be the replacement of above ground fuel oil storage tanks, and three (3) boilers along with all associated controls, valves, piping and related appurtenances. All controls will be connected to the existing plant SCADA system. NOTE: The contractor is directed to the Special Notice regarding Project Labor Agreement (PLA).

Bid Estimate Range: \$14 million to \$14.5 million.

Mandatory Pre-Bid Inspection: Scheduled at 10:00 AM, August 27, 2024; meeting at Peekskill Wastewater Treatment Plant – Administration Building Lobby, 700 Highland Avenue, Peekskill, NY. MANDATORY attendance is required. Bids will be rejected from contractors not in attendance at this meeting, or those who fail to sign the attendance sheet.

Contact: John Coelho, 914-995-5144.

Agency contact information may change without notice. Please check with the appropriate contracting agency for the most up-to-date contact information.

WHAT'S NEW & WHO'S NEWS

AECOM Selected Lead Designer for Bronx River Parkway Bridge Replacement Project

DALLAS — Locally-based AECOM announced on Aug. 12 that it had been selected as Lead Designer, as part of the Yonkers Contracting Company, Inc.-AECOM design-build team, for the replacement of two bridges along the Bronx River Parkway by the New York State Department of Transportation.

The project aims to replace both bridges, built in 1951 and nearing the end of their service lives, with modern structures to enhance safety and improve resiliency and traffic flow between East Tremont Avenue and Bronx Park, a vital roadway serving tens of thousands of daily commuters. This contract is supported in part by more than \$200 million in funding provided through the Infrastructure Investment and Jobs Act.

"The Bronx River Parkway bridge replacement project will serve a crucial role in meeting 21st century infrastructure demands and improving connections across boroughs," said Mark Southwell, chief



New York State announced in late June that Yonkers Contracting Co. Inc. had begun work on the \$517.5-million Bronx River Parkway Replacement project.

executive of AECOM's global transportation business. "Our leading expertise in high performance, urban bridge projects across the globe position us well to support NYSDOT's ongoing commitment to create a more resilient transportation network that connects communities, protects the environment and supports the economic well-being of New York State."

As the Lead Designer, AECOM will provide comprehensive design and engineer-

ing services to support the replacement and widening of the Bronx River Parkway South and Northbound bridges over East Tremont Avenue, East 180th Street, Morris Park Avenue and the NYC Transit Authority's 180th Street Rail Yard. The project will also incorporate a new shared-use path connecting cyclists and pedestrians to the Bronx River Greenway, along with a dedicated southbound exit ramp to East 177th Street aimed

at alleviating traffic congestion. These new bridges will feature redundant steel girders, stainless-steel reinforced concrete decks, concrete piers, fewer bridge joints, and other enhancements designed to reduce long-term maintenance costs and strengthen resilience against the effects of climate change and severe weather.

"As NYSDOT modernizes critical roadway infrastructure, we're proud to support them with deep expertise in resilient design and state-of-the-art BIM modeling technologies to help ensure a timely delivery and lasting local benefits," said Bane Gaiser, chief executive of AECOM's U.S. East and Latin America region. "Our multi-decade track record of success with NYSDOT includes key highway improvements across New York City and encompasses some of the nation's most impressive design-build projects, such as the Gov. Mario M. Cuomo Bridge—one of the largest bridge projects in New York state history."

"We look forward to utilizing our vast transportation resources in New York including our award-winning bridge design expertise to help deliver these complex new structures," said Wahid Albert, AECOM's New York Metro Highway-Bridge market sector leader. "To address highly difficult construction and traffic maintenance requirements, our team has developed innovative design solutions that will result in providing safe, efficient, and durable structures for the 21st century."

The project will also include the installation of new stormwater drainage facilities and updated curbs, ramps, and sidewalks to ensure compliance with the Americans with Disabilities Act standards. Additionally, Morris Park Avenue from East 180th Street to Melville Street will be resurfaced, along with sections of the Bronx River Parkway adjacent to and between the bridges undergoing replacement.

LeChase Promotes Corletta to Regional Operations Manager for NY Metro Office



Steve Corletta

ARMONK, NY—LeChase Construction Services, LLC, has promoted Steve Corletta to the role of regional operations manager in its NY Metro office.

In this role, Corletta will work to expand LeChase's business in the greater New York metropolitan area, with responsibility for managing client, employee and subcontractor relationships, as well as overseeing daily operations and ensuring projects meet or exceed client expectations for safety, quality and value.

"Steve's knowledge and

expertise across a range of project types—especially in healthcare and life science construction—are invaluable for our clients in the region," said Vice President David Campbell, who leads the company's NY Metro operations.

Mr. Corletta began his construction career in 2001 after graduating with a B.S. in mechanical engineering from Binghamton University. He joined LeChase as a project manager in 2010, and was promoted to project executive in 2018—transferring to the NY Metro area in 2022.

His healthcare and life science construction expertise includes work with clients such as the University of Rochester Medical Center, Regeneron Pharmaceuticals and New York-Presbyterian. In addition, Mr. Corletta holds a LEED AP (Leadership in Energy & Environmental Design) certification from the US Green Building Council.

Recently, LeChase received some special recognition. *ENR New York*, a publication covering the state's engineering and construction industry, recently named LeChase

Construction Services as its "2024 New York Contractor of the Year."

Each year, the publication selects one firm to spotlight based on criteria that include business success, key projects and community engagement across the state. LeChase, which eclipsed \$1 billion in revenue in 2023, is celebrating its 80th anniversary this year. The firm consistently ranks as upstate New York's largest contractor and has seven offices across the state, as well as operations in New Jersey, North Carolina and Maryland.

WASHINGTON UPDATE

ARTBA Chair Testifies that a Maze of Policy Changes May Complicate IIJA Implementation

WASHINGTON—While more than 75,000 transportation improvement projects have been initiated, including one in nearly every congressional district, and 43,000 construction jobs have been created by 2021's Infrastructure Investment and Jobs Act, regulatory proposals threaten to hamper the law's progress, American Road & Transportation Builders Association Chair Tim Duit told a congressional panel July 24.

In testimony before the U.S. House Highways & Transit Subcommittee, Mr. Duit, president of Edmond, OK-based Duit Construction, said regulatory proposals that are clear and well-defined can achieve their



Tim Duit
Chairman American Road & Transportation Builders Association

intended purpose. He cited a recent Federal Highway Admin-

istration proposal that placed greater emphasis on positive separation between roadway workers on construction sites and motorists. He said such a measure would improve safety for everyone.

"In other instances, however, while the road to regulation is paved with good intentions, the outcomes can cause uncertainty and a lack of clarity for the companies working on transportation projects," Mr. Duit said, referring to a variety of proposals being implemented by federal agencies.

He outlined several major policies making it harder to initiate transportation system improvements:

- The Environmental Protection Agency's non-compliance with the U.S. Supreme Court's 2023 decision on EPA's "Waters of the United States" rule, which treats roadside ditches as protected waterways. Despite the court's definitive clarification, federal agencies have not fully complied, resulting in continued confusion.

- Inconsistent implementation of the IIJA's "Buy America" provisions, especially FHWA's proposed rollback of its waiver for manufactured products.

- FHWA's attempt to impose greenhouse gas performance measures on state transporta-

tion departments—a provision that members of Congress debated in a bipartisan manner and deliberately left out of the IIJA.

- A Fish and Wildlife Service proposal against accidental harming of migratory birds, which could cause work stoppages on transportation construction sites.

Mr. Duit closed by saying, "Historic levels of infrastructure investment, when accompanied by the harmonious regulatory environment intended by Congress, can result in timely completion of transportation projects that move people and products safely and efficiently."

NYC Office Building Market Sees Values Rise Amid Shift in Demand for Space

NEW YORK—Office buildings in New York City remain a critical contributor to its economy and tax base, as market values reached nearly \$205 billion in fiscal year (FY) 2025, surpassing pre-pandemic levels, according to a report released on Aug. 7 by New York State Comptroller Thomas P. DiNapoli. These higher market values are being fueled by growth outside of traditional Midtown office districts, including Hudson Yards, Chelsea, Union Square, Soho, Downtown Brooklyn and Long Island City.

“The value of office buildings in New York City is tied to demand for space that comes from new and expanding businesses hiring workers,” Mr. DiNapoli said. “Demand for space in new, amenity-rich buildings in and around Hudson Yards, along with the firm growth around Union Square, the Village and business districts in the outer boroughs have helped increase market values, which ultimately will remain a key contributor to the city’s tax rolls.”

Total office market values grew more than 4% (\$8.7 billion) since FY 2020, driven by newer office buildings built after 2010. Based on how the city assesses buildings, increased market values do not necessarily result in higher taxable income for the city. However, the portion of the assessed value on which property tax bills are based went from \$66.9 billion in FY 2020 to \$71.6 billion in FY 2025, faster than the rate (7%) for market values. If the pandemic had not interrupted market value growth, OSC estimated that the total taxable value for city office buildings could have reached \$90.6 billion for FY 2025, meaning the property tax levy would have provided \$6.2 billion in additional tax revenue since FY 2022.

New York City’s office buildings are concentrated in Manhattan below 59th street, which still makes up nearly 90% of office market values. However, major office districts in this area, including parts of Midtown East, are still more than 10% below their pre-pandemic market values. The area including Hudson Yards, Chelsea and Koreatown saw the largest growth in market

value (56%) among the top 20 office zip codes in the city fueled by Hudson Yards and neighboring buildings. By FY 2025, development of newer office buildings in these areas drove market values up as they generally have more amenities.

Other areas in Manhattan that experienced relatively strong market value growth tended not to be in the city’s major office districts of Midtown East, Midtown West or the Financial District. Instead, areas in and around Union Square and Soho saw double-digit market growth in FY 2025 compared to FY 2020. Market value growth in the outer boroughs reached double digits in Downtown Brooklyn and Long Island City, which have also experienced substantial growth in the number of office-sector businesses. Office buildings in the South and Central Bronx, Northern and Southwestern Brooklyn and along the 7 subway and LIRR train lines in Queens also saw values rise. Office space use by businesses in the information, financial activities, and professional and business services sectors increased in many of these areas.

The city’s historic business districts will face a longer road to recovery if office occupancy rates do not improve. The citywide peak-day occupancy rate was 64.2% as of July, according to Kastle Systems, which remains well below pre-pandemic levels. In addition, the age and quality of buildings in these districts pose challenges for their market value growth, which may make them more amenable for conversion to housing.

Despite some buildings facing declines in value, the city’s overall property tax base from office properties is likely to remain resilient. Ultimately, the city’s office real estate market will continue to evolve, with the fate of the market remaining closely tied to the business environment and talent pool in the city. The city’s budget will continue to benefit from an outsized contribution from office property taxes. Additionally, future anticipated interest rate cuts should enable investors to pursue new investment opportunities.



30 Hudson Yards

Attorney’s Column

Continued from page 6

ambiguities such as these, and in order to ensure that the words of the contract truly express the terms agreed to by the parties in the clearest fashion, contracting parties would be advised to consult with experienced construction counsel.

About the authors: Thomas H. Welby, an attorney and licensed professional engineer, is General Counsel to the Construction

Industry Council of Westchester and the Hudson Valley and the Building Contractors Association, and is the Founder of, and Senior Counsel to the law firm of Welby, Brady & Greenblatt, LLP, with offices located throughout the Tri-State/Greater Metropolitan Region. Gregory J. Spaun, General Counsel to the Queens and Bronx Building Association, and an attorney and a partner with the firm, co-authors this series with Mr. Welby.

Turner Begins Work On \$220M Expansion

Continued from page 1

Westchester Medical Center’s women’s health services will benefit from this development, WMC officials stated.

Westchester County Executive George Latimer said, “We all saw what happened in the aftermath of the COVID-19 pandemic, and realized that having the ability to surge in

capacity at a moment’s notice was critical. The county was able to assist in the financing of WMC Health’s Critical Care Tower with tax-exempt bonds through our Local Development Corporation, and it is our hope that this new facility will provide the highest quality critical care to the patients that need it.”

Port Authority Sees \$24M Funding For Stewart Runway Project in 2017

NEW YORK—The Port Authority of New York and New Jersey announced on Aug. 12 that New York Stewart International Airport had received a \$24.2-million grant from the Biden-Harris administration for a rehabilitation project completed six years ago that restored two airport runways to a state of good repair and installed new environmentally friendly LED lights into the runway pavement, ensuring safe aircraft operations at the airport.

The project funding for New York Stewart was included in the latest round of the U.S. Department of Transportation’s Airport Improvement Program (AIP) grants toward a variety of projects such as planning, airport safety improvements, airport development and airport noise compatibility grants. The Port Authority completed the lighting replacement project and the rehabilitation of 11,817 feet of pavement at New York Stewart’s runway 9-27 and 6,004 feet of runway 16-34 in 2017.

“From passenger travel to cargo operations, the Biden-Harris administration continues to make our aviation



Earlier this summer, the Port Authority’s Board of Commissioners voted to award two new leases to support general aviation services at the airport. The lease deals were estimated to bring \$119 million in new construction activity at the airport.

system safer, more accessible, and more resilient through initiatives like the Airport Improvement Program,” said U.S. Transportation Secretary Pete Buttigieg. “Thanks to this latest round of funding, passengers across the country will benefit as we make airports from Rhode Island to American Samoa more modern and efficient.”

“We thank the congressional delegation on both sides of the Hudson River for their continued support and recognition of the vital importance of New York Stewart to this region and

within the larger Port Authority airport network through this important grant award,” said Port Authority Chairman Kevin O’Toole.

Earlier this summer, the Port Authority’s Board of Commissioners voted to award two new leases to support general aviation services at the airport in light of its development capacity and the region’s growing demand for access to general aviation facilities. The two lease deals were estimated to bring \$119 million in new construction activity at the airport.

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LOW BIDS

ECCO III, ING Civil, Westmoreland, Power Line Win NYSDOT Projects

ALBANY—The New York State Department of Transportation recently announced the selection of four apparent low bidders for project work in the Hudson Valley region.

ECCO III Enterprises Inc. of Yonkers, NY was the lowest of three bidders at \$6,110,251.00 for structures - where & when - at various locations in Columbia, Dutchess, Orange, Putnam, Rockland, Ulster and Westchester counties.

Westmoreland Construction Inc. of the Bronx, NY was the lowest of four bidders at \$2,882,022.00 for drainage rehabilitation -SH

9489, at various locations in Westchester.

ING Civil Inc. of Watervliet NY was the lowest of four bidders at \$9,314,400.00 for bridge superstructure and deck replacement - NY 52 and 42 over the Neversink River in the Town of Fallsburg in Sullivan County.

Power Line Constructors Inc. of Clinton, NY was the lower of two bidders at \$868,685.90 for highway safety improvements/traffic signals at various locations in Columbia, Dutchess, Orange, Putnam, Rockland, Ulster and Westchester.

Tuccimar Nabs County Demolition Job

WHITE PLAINS, NY—The Westchester County Department of Public Works reported recently that **Tuccimar Inc.** of Larchmont, NY

was the lowest of nine bidders at \$370,590.00 for the Stokes Greene Building Demolition at Croton Gorge Park in Croton-on-Hudson, NY.

Safety Watch Continued from page 18

were properly supported and expert testimony noted that industry standards require some type of structural support, such as lumber supports, which were not present herein.

Mr. Smith's testimony that "live" lines were light and sufficiently supported by the walls of the excavation was unavailing. Furthermore, the OSHA officer testified that she did not observe anything supporting or protecting these lines during her inspections.

Lastly, the ALJ affirmed the citation against Arrow for failure to provide an adequate

protective system such as the trench box, which actually was present at another location at the site but not used. Arrow's explanation that such protection was unnecessary since the trench was wider than it was deep was insufficient and actually wrong based on either set of measurements. Furthermore, the almost vertical wall on its southern side should have required some protective system and even if there was an issue with the neighboring property line, a trench box could have been used, but was not.

In light of its repeat offenses, Arrow was assessed monetary penalties in the amount of \$163,058 so as to inflict "pocket-book deterrence."

About the author: Costas Cyprus is an attorney practicing construction law and commercial litigation with Welby, Brady & Greenblatt, LLP, in White Plains, NY. He can be reached at 914-428-2100 and at ccyprus@wbglp.com. The articles in this series do not constitute legal advice and are intended for general guidance only.



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Financial Management

Continued from page 17
delays, mainly if compliance issues arise.

Inefficient Project Management and Coordination: Poor coordination and communication among project teams can lead to inefficiencies and delays.

Post-COVID, large projects are experiencing longer lead times from announcement to bidding to award to start date and increased complexity in scheduling and planning. This reality demands a more strategic approach to project management.

Preventing and mitigating project delays requires a multifaceted approach that addresses the root causes and anticipates potential disruptions. Here are some tools to consider:

Comprehensive Project Planning and Scheduling

Detailed Project Timelines: Developing a detailed project timeline is crucial for keeping the project on track. This should include buffer periods to account for potential delays.

Advanced Project Management Software: Software tools can help streamline planning, scheduling, and communication, ensuring alignment among all stakeholders.

Effective Communication And Collaboration

Regular Meetings and Updates: Consistent communication with all stakeholders is essential for addressing issues as they arise and keeping the project on schedule.

Clear Communication Channels: Clear communication protocols help prevent misunderstandings and inform everyone of progress and potential issues.

Thorough Risk Assessment And Management

Early Identification of Risks: Proactively identifying potential risks can help develop mitigation strategies before issues arise.

Developing Risk Mitigation Plans: Having a plan to address potential delays can significantly reduce their impact on the project.

Investing in Training And Development

Well-Trained Project Teams: Ensuring that project teams are well-trained in the latest industry practices and technologies can prevent many of the common causes of delays.

Clear Contract Language and Professional Guidance:

It is crucial to ensure that contract language explicitly outlines responsibilities, procedures for managing change orders, and how to handle delays and additional costs. A legal review of the contracts enables you to understand what

you need to do should there be a delay and also what your options are. Job cost accounting systems should be structured to track and document these additional costs, ensuring they are well-supported. Moreover, contracts should address materials cost escalations, detailing how these should be tracked and who is responsible for the additional cost.

Leveraging Technology

Building Information Modeling: Utilizing BIM can improve project visualization, helping to identify potential issues before they become delayed.

Real-Time Monitoring Tools: Implementing real-time monitoring tools allows for better oversight and quicker responses to issues.

Adapting to Post-COVID Realities

Planning for Longer Lead Times and Supply Chain Disruptions: Understanding that post-COVID projects face longer lead times and potential supply chain disruptions is vital to building flexibility into project timelines.

Building Flexibility into Project Timelines: Incorporating buffer periods and being prepared to adapt to changing circumstances can help manage delays effectively.

Conclusion

The financial impact of project delays in the post-COVID construction industry remains a significant challenge. Understanding the costs associated with delays is essential for protecting a project's profitability. While it may not be possible to completely prevent delays, implementing strategies that focus on better planning, clear communication, and proactive risk management can reduce the likelihood and severity of disruptions.

To navigate these challenges effectively, industry professionals must continuously adapt to new tools, methods, and changing industry realities. Consulting with legal and accounting experts, ensuring clear contract language, and maintaining thorough documentation are critical to mitigating financial risks. By building flexibility into project timelines and staying ahead of potential issues, professionals can better manage the complexities of today's construction environment and work toward achieving successful project outcomes.

About the author: Phillip Ross, CPA, CGMA is an Accounting and Audit Partner and Chair of the Construction Industry Group at Anchin, Block & Anchin, LLP. For more construction industry thought leadership and content, log on to www.anchin.com.

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