

Introduced by Presiding Officer, on request of the County Executive

RESOLUTION NO. 746 -2011, AUTHORIZING EXECUTION OF AN ENVIRONMENTAL EASEMENT AND OTHER DOCUMENTS WITH RESPECT TO THE STATE ASSISTANCE CONTRACTS FOR THE FORMER BELLPORT GAS STATION - (SCTM NO. 0200-975.80-04.00-020.000 p/o)

WHEREAS, the County of Suffolk is the owner of certain property located at 1401 Montauk Highway, East Patchogue, NY, also known as the Former Bellport Gas Station (also designated as Suffolk County Tax Map Number 0200-975.80-04.00-020.000; and

WHEREAS, the County of Suffolk has entered into two (2) State Assistance Contracts with the New York State Department of Environmental Conservation (NYSDEC), captioned as, "New York State Department of Environmental Conservation, 1996 Clean Water/Clean Air Bond Act, Environmental Restoration Program, State Assistance Contract, In re: Municipality Name: Suffolk County, Site Name: Former Bellport Gas Station, Site Address: 1401 Montauk Highway, Site Number E152194," State Contract No. T303811 and No. C304320, attached hereto as Exhibits "A" and "B", respectively, and made a part hereof; and

WHEREAS, both State Assistance Contracts require the County of Suffolk to enter into an Environmental Easement covering a portion of the property to run with the land in favor of New York State, which Environmental Easement shall comply with the requirements of New York Environmental Conservation Law (ECL) Article 71, Title 36; and

WHEREAS, the Environmental Easement shall include the following types of restrictions and requirements:

- The property shall be used only for Restricted Residential, Commercial or Industrial Uses, as described in 6 NYCRR Part 375-1.8(g)(2); and
- Restrict use of groundwater; and
- Prohibit vegetable gardens on the site, though community vegetable gardens may be considered with approval by the New York State Department of Environmental Conservation; and
- Continued monitoring of groundwater; and
- Restrict disturbance of soils deeper than 15' below grade without notification of the NYSDEC; and
- Excavation of soil must be done in accordance with the Excavation Plan contained in the Soil Management Plan; and
- Monitoring and Inspection; and
- Periodic reporting to the New York State Department of Environmental Conservation; and

- Annual Certification; and
- Any restrictions established by the Site Management Plan, as approved by the New York State Department of Environmental Conservation; and
- Any other restrictions or requirements by the New York State Department of Environmental Conservation; and

WHEREAS, a Draft Environmental Easement is attached hereto as Exhibit “C”;
and

WHEREAS, after compliance with and completion of the requirements of the State Assistance Contract, the County of Suffolk shall be entitled to partial reimbursement of its eligible expenses in connection with the subject property and liability protection under New York Environmental Conservation Law § 56-0509; now, therefore be it

1st **RESOLVED**, that the Suffolk County Legislature hereby authorizes, directs and empowers the Suffolk County Executive or his designee to act as the representative on behalf of the County of Suffolk in all matters related to, required by or necessary to fulfill the State Assistance Contracts with the New York State Department of Environmental Conservation (NYSDEC) (attached hereto as Exhibits “A” and “B” and made a part hereof); and be it further

2nd **RESOLVED**, that the Suffolk County Executive or his designee is hereby authorized, empowered and directed to execute all documents and take all actions necessary to comply with the State Assistance Contracts (Exhibits “A” and “B”), including, but not limited to, execution and recording of an Environmental Easement covering a portion of the Former Bellport Gas Station Site in favor of NYSDEC (Draft Environmental Easement attached hereto as Exhibit “C” and incorporated by reference) and execution of such other documents as are necessary to convey the Environmental Easement to NYSDEC, and to otherwise act for the County of Suffolk in all matters related to the State Assistance Contracts and the Environmental Easement; and be it further

3rd **RESOLVED**, that the Environmental Easement shall include the following types of restrictions and requirements:

- The property shall be used only for Restricted Residential, Commercial or Industrial Uses, as described in 6 NYCRR Part 375-1.8(g)(2); and
- Restrict use of groundwater; and
- Prohibit vegetable gardens on the site, though community vegetable gardens may be considered with approval by the New York State Department of Environmental Conservation; and
- Continued monitoring of groundwater; and
- Restrict disturbance of soils deeper than 15’ below grade without notification of the New York State Department of Environmental Conservation; and
- Excavation of soil must be done in accordance with the Excavation Plan contained in

the Soil Management Plan; and

- Monitoring and Inspection; and
- Periodic reporting to the New York State Department of Environmental Conservation; and
- Annual Certification; and
- Any restrictions established by the Site Management Plan, as approved by the New York State Department of Environmental Conservation; and
- Any other restrictions or requirements by the New York State Department of Environmental Conservation;

and be it further

4th **RESOLVED**, that the execution and delivery on behalf of and in the name of the County by the Suffolk County Executive or his designee of the State Assistance Contracts and the Environmental Easement presented to the members of the Legislature at this meeting in this Resolution is hereby authorized and directed, with such changes therein as the NYSDEC may require, the Suffolk County Executive or his designee may accept, and the County Attorney may approve; and be it further

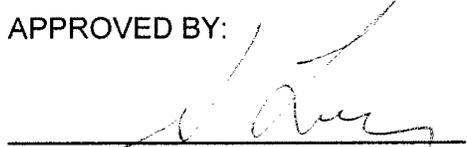
5th **RESOLVED**, that the execution and delivery of such State Assistance Contracts and Environmental Easement shall be conclusive evidence of approval of any such changes and of the authorization and direction thereof by this Legislature; and be it further

6th **RESOLVED**, that one (1) certified copy of this resolution shall be prepared and sent to the NYSDEC; and be it further

7th **RESOLVED**, that this Legislature, being the State Environmental Quality Review Act (SEQRA) Lead Agency, hereby finds and determines that the adoption of this law is a Type II action pursuant to Title 6 NYCRR Section 617.5(c)(20) and (27) since it constitutes a local legislative decision in connection with routine or continuing agency administration and management, not including new programs or major reordering of priorities that may affect the environment. As a Type II action, the Legislature has no further responsibilities under SEQRA.

DATED: September 15, 2011

APPROVED BY:



County Executive of Suffolk County

Date: **SEP 20 2011**

SUFFOLK COUNTY
County Legislature
RIVERHEAD, NY



This is to Certify That I, TIM LAUBE, Clerk of the County Legislature of the County of Suffolk, have compared the foregoing copy of resolution with the original resolution now on file in this office, and which was duly adopted by the County Legislature of said County on September 15, 2011 and that the same is a true and correct transcript of said resolution and of the whole thereof.

In Witness Whereof, I have hereunto set my hand and the official seal of the County Legislature of the County of Suffolk.

Tim Laube

Clerk of the Legislature

Intro. Res.

1767

Res. No.

744

September 15, 2011

Motion:

Romaine, Schneiderman, Browning, Muratore, Anker
Eddington, Montano, Cilmi, Lindsay, Vilorio-Fisher, Barraga,
Kennedy, Nowick, Horsley, Gregory, Stern, D'Amaro, Cooper

Co-Sponsors:

Romaine, Schneiderman, Browning, Muratore, Anker
Eddington, Montano, Cilmi, Lindsay, Vilorio-Fisher, Barraga,
Kennedy, Nowick, Horsley, Gregory, Stern, D'Amaro, Cooper

Second:

Romaine, Schneiderman, Browning, Muratore, Anker
Eddington, Montano, Cilmi, Lindsay, Vilorio-Fisher, Barraga,
Kennedy, Nowick, Horsley, Gregory, Stern, D'Amaro, Cooper

LD	Legislator	Yes	No	Abs	NP	R
1	Edward P. ROMAINE					
2	Jay H. SCHNEIDERMAN					
3	Kate M. BROWNING					
4	Thomas MURATORE					
6	Sarah S. ANKER					
7	Jack EDDINGTON					
9	Ricardo MONTANO					
10	Thomas CILMI					
11	Thomas F. BARRAGA					
12	John M. KENNEDY, JR.					
13	Lynne C. NOWICK					
14	Wayne R. HORSLEY					
15	DuWayne GREGORY					
16	Steven H. STERN					
17	Lou D'AMARO					
18	Jon COOPER					
5	Vivian VILORIA-FISHER, D.P.O.					
8	William J. LINDSAY, P.O.					
	Totals	18				

MOTION
<input checked="" type="checkbox"/> Approve
___ Table: _____
___ Send To Committee
___ Table Subject To Call
___ Lay On The Table
___ Discharge
___ Take Out of Order
___ Reconsider
___ Waive Rule ___
___ Override Veto
___ Close
___ Recess
APPROVED <input checked="" type="checkbox"/> FAILED ___
No Motion ___ No Second ___

RESOLUTION DECLARED
<input checked="" type="checkbox"/> ADOPTED
___ NOT ADOPTED

Tim Laube

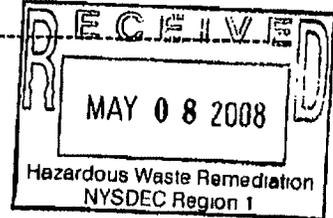
Tim Laube, Clerk of the Legislature

Roll Call ___ Voice Vote

NEW YORK STATE DEPARTMENT OF ENVIRONMENTAL CONSERVATION
1996 CLEAN WATER/CLEAN AIR BOND ACT
ENVIRONMENTAL RESTORATION PROGRAM
STATE ASSISTANCE CONTRACT

IN RE:

Suffolk County
Former Bellport Gas Station
1401 Montauk Highway
Site Number: E152194



Contract Number: 7303811

This CONTRACT is made between the New York State Department of Environmental Conservation (Department), acting for and on behalf of the State, and Suffolk County, with offices located at the Office of County Executive, P.O. Box 6500, H. Lee Dennison Building, Hauppauge, New York.

WHEREAS, the Department is authorized by Article 56 of the New York State Environmental Conservation Law (hereinafter the "ECL") to enter into contracts on behalf of the State to provide State Assistance; and

WHEREAS, the Legislature has determined that the preservation, enhancement, restoration and improvement of the quality of the State's environment is one of government's most fundamental obligations; and

WHEREAS, the Legislature authorized the Department to enter into contracts with municipalities to provide State Assistance to them to develop and implement Environmental Restoration Program projects approved by the Department for eligible properties held in title by them; and

WHEREAS, Municipality has applied for State Assistance to develop and implement an Environmental Restoration Program project (Project), the purpose and scope of which is set forth in Schedule A (Scope of Work) of this Contract, on Site that is described in Appendix C by metes and bounds and by reference to a recorded map showing its boundaries and bearing the seal and signature of a licensed land surveyor; and

WHEREAS, Municipality agrees to undertake all work and to comply with all terms and conditions of this Contract; and

WHEREAS, Municipality submitted an approvable application for State Assistance, including submission of its documentation of its authorization to enter into this Contract, and of its authorization of the person signing the same to do so; and

WHEREAS, Municipality agrees that it will fund its portion of the cost of said Project in accordance with the cost-sharing provisions of Title 5 of ECL Article 56 and its regulations; and

WHEREAS, the Department's execution of this Contract is made in reliance upon the information provided by, and representations of, Municipality in its application papers and in this Contract; and

WHEREAS, Municipality has complied and commits to continue to comply with the requirements for State Assistance to municipalities established under Article 56 of the ECL.

NOW, THEREFORE, IN CONSIDERATION OF AND IN EXCHANGE FOR THE MUTUAL COVENANTS AND PROMISES, THE PARTIES AGREE TO THE FOLLOWING:

I. Public Participation Plan

Municipality agrees to implement the Department-approved Public Participation Plan (Plan) for this Project in accordance with its terms, a copy of which plan is set forth in the work plan and incorporated into this Contract. The Plan must provide that if the Municipality elects not to proceed with remediation of the Site, the Municipality shall provide timely and accessible disclosure of the Municipality's decision and the results of the investigation to the interested public. The plan shall provide for adequate public notice of the Municipality's decision and availability of the investigation results for a period of no more than 45 days from the date of the notice. The plan shall provide an opportunity for submission of written comments to Municipality and the Department; and the Municipality shall file the notice of the results of the investigation in the office of the Recording Officer for the county or counties where the land is situated, as authorized by subdivision three of section three hundred sixteen-b of the Real Property Law.

II. Development, Performance and Reporting of Work Plans

A. Work Plan Requirements

Municipality shall prepare and implement the work plans ("Work Plan" or "Work Plans") under this Contract in accordance with the requirements of ECL Article 56 Title 5 and all applicable laws, rules, regulations, and guidance documents. The Work Plans shall be captioned as follows:

1. "Remedial Investigation Work Plan" if the Work Plan provides for the investigation of the nature and extent of contamination at and emanating from the Site.
2. "Remedial Work Plan" if the Work Plan provides for the development and implementation of a Remedial Program for the Site.
3. "IRM Work Plan" if the Work Plan provides for an interim remedial measure; or
4. "Site Management Plan"

B. Submission/Implementation of Work Plans

1. The first proposed Work Plan to be submitted under this Contract shall be submitted within forty (40) days after the effective date of this Contract or such reasonable time as the Department may approve. Thereafter, Municipality can submit such other and additional work plans as it deems appropriate.

2. A proposed Work Plan shall be submitted for the Department's review and approval and shall include, at a minimum, a chronological description of the anticipated activities, a schedule for performance of those activities, and sufficient detail to allow the Department to evaluate that Work Plan. The Department shall use best efforts to approve, modify, or reject a proposed Work Plan within forty-five (45) Days from its receipt or within fifteen (15) days from the close of any public comment period, if applicable, whichever is later, or such reasonable time as the Department may approve. Upon the Department's written approval of a Work Plan, such Department-approved Work Plan shall be incorporated into and become an enforceable part of this Contract and shall be implemented in accordance with the schedule contained therein. If the Department disapproves a Work Plan, the reasons for such disapproval shall be provided in writing. In the event the Department disapproves a Work Plan, within twenty (20) days after receiving written notice of such disapproval, Municipality shall elect in writing to modify or expand it within 30 days of such disapproval notice, or complete any other Department-approved Work Plan(s).

3. A Site Management Plan, if necessary, shall be submitted in accordance with the schedule set forth in the IRM Work Plan or the Remedial Work Plan.

4. During all field activities, Municipality shall have on-Site a representative who is qualified to supervise the activities undertaken. Such representative may be an employee or a consultant retained by Municipality to perform such supervision.

C. Revisions to Work Plans

If revisions to a Work Plan are required to satisfy the objectives of such Work Plan, the parties will negotiate revisions which shall be attached to and incorporated into the relevant Work Plan and which shall be enforceable under this Contract.

D. Progress Reports

Municipality shall submit a written progress report of its actions under this Contract to the parties identified in Paragraph XV by the 10th Day of each month commencing with the month subsequent to the approval of the first Work Plan, unless a different frequency is set forth in a Work Plan. Such reports shall, at a minimum, include: all actions relative to the Site during the previous reporting period and those anticipated for the next reporting period; all approved activity modifications (changes of work scope and/or schedule); all results of sampling and tests and all other data received or generated by or on behalf of Municipality in connection with this Site, whether under this Contract or otherwise, in the previous reporting period, including quality assurance/quality control information, information regarding percentage of completion, unresolved delays encountered or anticipated that may affect the future schedule, efforts made to mitigate such delays, and information regarding activities undertaken in support of the Public

Participation Plan during the previous reporting period and those anticipated for the next reporting period.

E. Submission of Final Reports

1. In accordance with the schedule contained in a Work Plan, Municipality shall submit a final report that shall include but not be limited to: all data generated relative to the Site and all other information obtained as part of the implementation of the subject Work Plan; all of the assessments and evaluations required by the subject Work Plan; a statement of any additional data that must be collected; and "as-built" drawings. The final report for an Investigation Work Plan shall contain a certification by the person with primary responsibility for the day to day performance of the activities under this Contract that those activities were performed in full accordance with the Investigation Work Plan, and all other Work Plan final reports shall contain a certification made by a Professional Engineer with primary responsibility for the day to day performance of the activities under this Contract that all such activities were performed in full accordance with the Department approved Work Plan.

2. Within sixty (60) days of the Department's approval of a final report or such reasonable time as the Department may approve, Municipality shall submit such additional Work Plans as it proposes to implement.

F. Remedial Investigation/Alternatives Analysis Report

Municipality shall develop an Remedial Investigation/Alternatives Analysis Report ("RI/AAR") and submit such evaluation to the Department for review and approval as a Final Report on the Investigation of the Site.

G. Review of Submittals Other Than Work Plans

1. The Department shall timely notify Municipality in writing of its approval or disapproval of each submittal other than a Work Plan. All Department-approved submittals shall be incorporated into and become an enforceable part of this Contract.

2. If the Department disapproves a submittal covered by this Subparagraph, it shall specify the reasons for its disapproval and may request Municipality to modify or expand the submittal. Within twenty (20) days after receiving written notice that Municipality's submittal has been disapproved, Municipality shall elect in writing to: (i) modify or expand it within 30 days of such disapproval notice; (ii) complete any other Department-approved Work Plan(s); or (iii) invoke dispute resolution pursuant to Paragraph XVII. If Municipality submits a revised submittal and it is disapproved, the Department and Municipality may pursue whatever remedies may be available under this Contract or under law.

H. Department's Determination of Need for Remediation

The Department shall determine upon its approval of the Alternatives Analysis Report dealing with the investigation of the Site whether remediation, or additional remediation as the case may be, is needed for protection of public health and the environment.

1. If the Department makes a determination that remediation, or additional remediation, is not needed for protection of public health and the environment, it shall prepare for public comment a Proposed Remedial Action Plan ("PRAP") setting forth that No Further Action is an appropriate remedy for the Site. If the proposed remedy for the Site remains the same after the public comment period has passed and a Responsiveness Summary has been prepared, the Department shall issue a Record of Decision ("ROD") containing such "No Further Action" remedy. This Contract shall then terminate upon the Department's issuance of a Satisfactory Completion of Project letter.

2. If the Department determines that additional remediation is not needed and such determination is based upon use restrictions, the Department shall prepare for public comment a PRAP, setting forth that No Further Action is an appropriate remedy for the Site as long as certain institutional and engineering controls, if necessary, are implemented. If the proposed remedy for the Site remains the same after the public comment period has passed and a Responsiveness Summary has been prepared, the Department shall issue a ROD and Municipality shall implement a "Site Management Plan", if required by the Department to ensure sufficient protection of the public health and the environment. Municipality shall satisfy the requirements of Paragraph XIII of this Contract with respect to causing an Environmental Easement to be filed and furnishing proof of filing to the Department. Upon receiving proof that Municipality has complied with Paragraph XIII of this Contract, this Contract shall terminate upon the Department's issuance of a Satisfactory Completion of Project letter.

3. If the Department determines that remediation, or additional remediation, is needed, the Department shall prepare a PRAP for public comment setting forth the Department's preferred remedial alternative for the Site. Within 60 days of the Department's issuance of a ROD, Municipality may elect to submit for review and approval a proposed Remedial Work Plan to conduct an Environmental Restoration Program remediation project on the Site.

i. If Municipality elects not to submit or negotiate a proposed Remedial Work Plan under this Subparagraph, then Municipality shall comply with the Public Participation requirements under Paragraph I of this Contract; implement a "Site Management Plan", if required by the Department to ensure sufficient protection of the public health and the environment; and Municipality shall satisfy the requirements of Paragraph XIII of this Contract with respect to causing an Environmental Easement to be filed and furnishing proof of filing to the Department. Upon receiving proof that Municipality has complied with Paragraphs I and XIII of this Contract, this Contract shall terminate in accordance with the terms of Paragraph XVI.A. This Contract shall then terminate upon the Department's issuance of a Satisfactory Completion of Project letter.

ii. If Municipality elects to submit and implement an approvable Remedial Work Plan under this Subparagraph, it shall deliver to the Department an application to undertake an Environmental Restoration Program remediation project, as defined in the most recent version of the Department's Procedures Handbook for Environmental Restoration Program Projects" available at the time of the application for State Assistance. If the application is approved, the Department shall notify Municipality in writing and the Remedial Work Plan shall be incorporated into and become an enforceable part of this Contract

I. Submission of Annual Reports, If Required

In the event that the remedy for the Site, if any, or any Work Plan for the Site requires a Site Management Plan as a consequence of operation, maintenance, and monitoring requirements, including reliance upon institutional or engineering controls, Municipality shall file an annual report on the 1st day of the month following the anniversary of the start of the Site Management Plan and continuing until the Department notifies Municipality in writing that such annual report may be discontinued. Such annual report shall be signed by a Professional Engineer or by an expert approved by the Department to perform that function and certified under penalty of perjury that the institutional and/or engineering controls are unchanged from the previous certification and that nothing has occurred that would impair the ability of such controls to protect public health and the environment or constitute a violation or failure to comply with the approved Site Management Plan. Municipality shall notify the Department within twenty-four (24) hours of discovery of any breach, upset, interruption, or termination of one or more controls without the prior approval of the Department. Further, Municipality shall take all actions required by the Department to maintain conditions at the Site that achieve the objectives of the remedy and/or the Work Plan and are protective of public health and the environment. An explanation of such upset, interruption, or termination of one or more controls and the steps taken in response shall be included in the foregoing notice and in the annual report required by this Subparagraph as well as in any progress reports required by Paragraph II.D.. Municipality can petition the Department for a determination that the institutional and/or engineering controls may be terminated. Such petition must be supported by a Professional Engineer stating that such controls are no longer necessary. The Department shall not unreasonably withhold its approval of such petition.

III. Contemplated Use

The Municipality represents that the Site will be used for commercial use only, and Municipality agrees for itself and for its lessees and successors in title that any proposed change to the Contemplated Use shall be governed by the provisions of ECL 56-0511 and any implementing regulations thereto.

IV. Enforcement and Force Majeure

This Contract shall be enforceable as a contractual agreement under the laws of the State of New York. The Municipality shall not suffer any penalty or be subject to any proceeding or action if it cannot comply with any requirement of this Contract as a result of a Force Majeure Event provided it notifies the Department in writing within ten (10) days of when it obtains knowledge of any such event. The Municipality shall include in such notice the measures taken and to be taken to prevent or minimize any delays and shall request an appropriate extension or modification of this Contract. The Municipality shall have the burden of proving by a preponderance of the evidence that an event qualifies as a Force Majeure Event pursuant to this Paragraph.

V. Entry upon Site

A. The Municipality hereby agrees to provide access to the Site and to all relevant information regarding activities that may have involved contaminants at the Site in accordance with the provisions of ECL 56-0515. Such access shall be for purposes of ensuring that the Site is

investigated and remediated in accordance with Department-approved plans, that any Site Management Plan for the conditions on such Site is being implemented satisfactorily, that the engineering and/or institutional controls are continually maintained in the manner the Department may require, that no person has engaged or is engaging in any activity that is not consistent with restrictions placed upon the use of the Site or that will or that reasonably is anticipated to: prevent or interfere significantly with a proposed, ongoing or completed project; or expose the public health or the environment to a significantly increased risk of harm or damage from such Site. The Department may carry out any measures necessary to return the Site to a condition sufficiently protective of human health, in accordance with ECL 56-0509.4; and neither the Municipality nor any of successors in title, lessees or lenders shall interfere with such access.

B. The Department shall have the right to periodically inspect the Site to ensure that the use of the Site complies with the terms and conditions of this Contract; such right of inspection shall survive termination of this Contract.

VI. State Assistance Amount

The Commissioner shall pay the Municipality for its Eligible Costs in conducting the Project in an amount not to exceed forty-six thousand three hundred forty-six dollars (\$46,346.00), which amount has been determined by the Commissioner to be up to 90 percent of the estimated Eligible Costs for on-site work and up to 100 percent of the Eligible Costs of any off-site work directed by the Department to be undertaken outside the boundaries of the Site that is approved by the Department. The Department shall not pay for work that is not an Approved Activity, as defined in the "Glossary" which is attached and made a part of this Contract. The Department shall not pay for Department-approved proposed work that was not completed to the Department's satisfaction. Municipality may contribute its share of the Eligible Costs of the project from sources deemed eligible pursuant to Article 56 and its regulations thereto. If the final Eligible Costs are lower than those used to calculate the estimated Eligible Costs amount, the parties agree to either amend this State Assistance Contract to apply the same percentage shown above to the final Eligible Costs in order to determine the revised contract amount if the project is ongoing, or to reimburse the Municipality based on the final Eligible Costs and disencumber the unexpended contract amount and close out the contract, if the project is completed. Upon request by the Department, the Municipality agrees to execute and return the Contract Amendment to the Department within 90 days of receipt of a Contract Amendment that will identify the revised Contract amount.

VII. Reimbursement of Costs

A. State Assistance shall be provided to the Municipality in accordance with Schedule B - "Payment Schedule", which is attached and made a part of this Contract and the Record Keeping and Payment Guide. All claims for reimbursement shall be accompanied by documentation which substantiates the eligibility of costs claimed to date, as required by the Department and the Office of the State Comptroller. The voucher must be signed by a duly authorized person.

B. If upon final audit of the Project by the Office of the State Comptroller, the Department determines that overpayment above the amount due has occurred, the Municipality shall make full repayment to the State of New York, through the Department and for deposit into

an appropriate account within sixty (60) days of notification of the Municipality by the State of such overpayment, or at such later date agreed upon by the parties, if the parties agree to a later date, and in accordance with the payment procedures, schedules and policies of the Municipality.

VIII. Disposition of Site

A. In the event that there is a Disposition of the Site or any portion of such Site, the amount of State Assistance shall be recalculated using the value of the Disposition of the Site. The Department has the option of either reducing the amount of the Contract if the project is ongoing or requesting reimbursement of the amount owed. The amount of money owed the State is the difference between the value of the disposition of the Site less the Municipality's cost of the Site including taxes owed to the Municipality upon acquisition and the Municipality's share of the cost of this Project up to the amount reimbursed by the State to the Municipality under this Contract. For purposes of this subparagraph, the "value of the Disposition of the Site", or that portion of the Site that is disposed, consists, if the Site is disposed by transfer of title, of the higher of the Site's sale price or the Site's fair market value at time of sale; or, if the Site is disposed by lease, the higher of the present worth of the stream of rent over a 30 year period beginning the effective date of this Contract or the present worth of the fair market value of the stream of rent over the same 30 year period. However, if the Site is located in an economic development zone or in a zone equivalent area, as those terms are defined in sections 957 and 959(bb), respectively, of the general municipal law; or if the Site is located in a project area that is the subject of a redevelopment plan approved by the Municipality's legislative body under Article 18-B of the general municipal law; or if the Site will be used to maintain or expand the supply of housing for persons of low income and families of low income as section 2 of the private housing finance law defines them, then if the Site is disposed by sale, the "value of the Disposition of the Site", or that portion of the Site that is disposed, consists of the Site's sale price, and if the Site is disposed by lease, the present worth of the stream of rent over a 30 year period beginning the effective date of this Contract.

B. If the Municipality disposes of the Site by sale to a responsible party, the Municipality shall collect from such responsible party, in addition to such other consideration, an amount of money constituting the amount of State Assistance provided to the Municipality under this Contract plus accrued interest and transaction costs and the Municipality shall pay such funds immediately to the Department for deposit into an appropriate account.

IX. Force Account

The Municipality shall seek prior Department approval of any proposal to use the Municipality's employees to perform Project related activities. Municipal administrative costs associated with the Project are not eligible for reimbursement. The Department will not approve such proposals unless the Municipality can demonstrate that the Municipality's employees possess the necessary competence to perform the work in question and that the work can be more economically performed and done on a timely basis by the use of the Municipality's employees. The cost of any work performed by the Municipality's employees which has not received prior written Department approval shall be excluded from the Project's Eligible Cost used to calculate the State Assistance for the Project until such time, if ever, that the Department approves the use of such Municipality's employees. If written Department approval is given to use the

Municipality's employees for a specified task or activity, the Municipality shall maintain such records as the Department may require to document the costs of such use.

X. Cost Recovery

A. The State hereby reserves the right to seek to recover the full amount of any State Assistance provided under this Contract through litigation brought under Article 56 of the ECL or other statute or under the common law, or through cooperative agreements, with responsible parties, other than the following:

1. Municipality; and
2. any successor in title to the Site, any lessee of the Site, and any person that provides financing to the Municipality, such successor in title, or such lessee relative to the remediation, restoration, or redevelopment of the Site, that did not generate, arrange for, transport, or dispose, and did not cause the generation, arrangement for, transportation, or disposal of any contaminants located at the Site and did not own the Site before the Municipality acquired title to the Site.

B. The Municipality shall assist the Department and/or the State in compelling responsible parties to bear the cost of the Project by providing upon request by the Department all information that exists as of the start of the term of this Contract that identifies the Site's responsible parties and all other information acquired during the course of the Project's implementation.

C. The Municipality may make efforts to recover response costs from responsible parties. The Municipality hereby agrees to provide the Department with timely advance written notice of any negotiations, proposed agreements, proposed settlements or legal action by which recovery is sought. The Municipality further agrees not to commence such legal action nor enter into any such proposed agreement or settlement without the approval of the Department.

D. If any responsible party payments and/or other responsible party consideration become available to the Municipality which were not included in the calculation of State Assistance pursuant to Paragraph VI of this Contract, the Municipality shall immediately notify the Department of such availability, the Department shall recalculate the amount of State Assistance. The Department has the option of either reducing the Contract amount if the project is ongoing or requesting reimbursement of the amount owed to the State, for deposit in an appropriate account. The State will calculate the amount owed by the Municipality based on the recalculated State assistance amount and the amount the State has reimbursed the Municipality as of the date the recalculation is made. If the Municipality shall fail to make such repayment within sixty (60) days of notification, the Department may take measures provided for by the law of the State of New York relating to the recovery of unrepaid State Assistance. The Municipality agrees that it will immediately notify the Department in writing of its receipt of reimbursement from other sources for any expenditure for which State Assistance may be provided under this Contract.

XI. Liability Protection

The Municipality shall be entitled to the liability protections set forth at ECL 56-0509, subject to the terms and conditions stated therein, upon receipt of a Satisfactory Completion of Project letter from the Department.

XII. Change of Use

The Municipality shall notify the Department at least sixty (60) days in advance of any change of use as defined in ECL 56-0511, which is proposed for the Site. In the event the Department determines that the proposed change of use is prohibited, the Department shall notify the Municipality of such determination within forty-five (45) days of receipt of such notice.

XIII. Environmental Easement

A. Within thirty (30) days after the Department's approval of a Work Plan which relies upon one or more institutional and/or engineering controls, or within thirty (30) days after the Department's determination pursuant to Subparagraph II.H. that additional remediation is not needed based upon use restrictions, the Municipality shall submit to the Department for approval an Environmental Easement in a form provided by regulation of the Department to run with the land in favor of the State, along with a current title report prepared by a title company licensed to do business in New York State, title insurance, an adequate legal description of the Site and a current survey bearing the seal and signature of a licensed land surveyor. The Municipality's submittal shall satisfy the statutory and regulatory requirements of law as set forth in ECL Article 71, Title 36 and 6 NYCRR Part 375. Within thirty (30) days after the Department approves the Municipality's proposed Environmental Easement, the Municipality shall cause such instrument to be recorded with the recording officer for the county in which the Site is located. The Municipality shall provide the Department with a copy of such instrument certified by the recording officer to be a true and faithful copy within thirty (30) days of such recording.

B. The Municipality or the owner of the Site may petition the Department to modify or extinguish the Environmental Easement filed pursuant to this Contract at such time as it can certify that the Site is protective of human health and the environment without reliance upon the restrictions set forth in such instrument. Such certification shall be made by a Professional Engineer. The Department will not unreasonably withhold its consent.

C. In the event that engineering and/or institutional controls are components of the remedy selected in the Department's Record of Decision pertaining to the Site, the Municipality will cause the development of a plan and submission to the Department for its review and approval to ensure that such controls are continually maintained in the manner satisfactory to the Department. The Municipality and its successors in title, lessees and lenders are prohibited from challenging the imposition or continuance of such controls, and failure to implement the Department-approved plan or to maintain such controls constitute a violation of this Contract and for the duration of such failure, ECL 56-0509.1 shall have no force and effect.

XIV. Site Lease/Transfer Conditions

The Municipality shall not enter into any lease or transfer title to, the Site or any portion of it until the Municipality binds itself and its lessees and its successors in title, to the following conditions: that

1. the Site will not be used for any purpose until it is remediated, except that the Site may continue to be used for the purpose for which it is being used as of the start of the term of this Contract if the Department determines that the existing state of contamination is such as not to prohibit such use from continuing, giving due regard for human health and environmental protection;

2. if, before the Site's remediation is completed to the Department's satisfaction,

i. The Municipality wishes to subdivide the Site into separate parcels, it may do so after having submitted a document approved by the Department in form and substance for State Assistance to remediate the Site. However, a contaminated parcel of the subdivided Site cannot be used until the Department-determined remedial objectives for that parcel are met to the Department's satisfaction within such time period as the Department may require.

ii. The Municipality's successor in title that itself is not a municipality wishes to subdivide the Site into separate parcels, that successor in title must first agree to remediate all such parcels under Department oversight in accordance with the Department's Record of Decision and any such parcel cannot be used until such successor in title meets the parcel's Department-determined remedial objectives to the Department's satisfaction within such time period as the Department may require; and

iii. the Site will not be used for any purpose requiring a level of residual contamination lower than that serving as the basis for the remediation identified in the Department's Record of Decision pertaining to the Site.

XV. Communications

A. All written communications required by this Contract shall be transmitted by United States Postal Service, by private courier service, or hand delivered.

1. Communication from Municipality shall be sent to:

John C. Sheehan, Project Manager
Division of Environmental Remediation
New York State Department of Environmental Conservation
50 Circle Road
Stony Brook, New York 11790-3409

Note: three copies (one unbound) of work plans are required to be sent.

Walter J. Parish, P. E., Regional Hazardous Waste Remediation Engineer
Division of Environmental Remediation
New York State Department of Environmental Conservation
50 Circle Road
Stony Brook, New York 11790-3409

Correspondence Only

Gary Litwin
Bureau of Environmental Exposure Investigation
New York State Department of Health
Flanigan Square
547 River Street
Troy, New York 12180-2216

Mary von Wergers
Division of Environmental Enforcement
625 Broadway, Albany, New York 12233

Correspondence only

2. Communication from the Department to Municipality shall be sent to:

Jeffrey W. Szabo
Deputy County Executive
Office of the County Executive
P.O.Box 6500
H. Lee Dennison Building
Hauppauge, New York 11788-0099

James W. Meyers, P.E.
Chief, Office of Pollution Control
Division of Environmental Quality
15 Horseblock Place
Farmingville, New York 11738

B. The Department and Municipality reserve the right to designate additional or different addressees for communication on written notice to the other.

C. Each party shall notify the other within ninety (90) days after any change in the

addresses listed in this Paragraph.

XVI. Termination of Contract

A. If the Municipality complies with the requirements of applicable State and federal laws and regulations and with the terms of this Contract, the Department shall issue a Satisfactory Completion of Project letter. This Contract shall terminate when the Department issues this letter, and the parties agree that, upon termination, the Municipality, successor in title, lessees and lender shall be entitled to the liability limitation benefits set forth at ECL 56-0509, subject to the terms and conditions stated therein.

B. Without prejudice or waiver of any other rights the State has - if the Municipality fails to comply with any of the requirements of applicable State or federal laws and regulations or with any of the requirements of this Contract or if without good cause as determined by the Department, the Municipality has:

1. failed to proceed with the Project as scheduled and/or approved, or
2. changed the Project or any portion thereof without the Department's prior written approval,

the Department shall provide written notification to the Municipality of its breach of contract, setting forth in writing the basis for termination of the Contract and allowing the Municipality a reasonable and specific amount of time within which to cure its breach. Payments under this Contract shall be suspended until the Municipality has cured its breach. If the Municipality does not cure its breach of contract within the period of time allowed by the Department, this Contract shall terminate on the 5th day after the Municipality's receipt of another letter from the Department notifying the Municipality that the time to cure its breach of contract has passed ("Termination Letter"). The Department shall notify the Municipality of the amount of money that the Municipality owes the State for repayment of State Assistance provided under this Contract and for the Department's oversight costs and for any other costs incurred by the State in administering and terminating the Municipality's Environmental Restoration Program project ("Demand Letter"). The Municipality agrees that if this Contract is terminated by the Department under this Subparagraph B:

- i. the Municipality, a successor in title, lessee and lender are not entitled to claim any liability limitation benefits provided under ECL 56-0509 because the Municipality has failed to satisfy the requirement of ECL 56-0509 (1)(a)(I) to comply with all of the terms and conditions of the contract providing State Assistance under ECL Article 56,
- ii. the Department shall withhold all further State Assistance under this Contract, and
- iii. the Municipality shall make repayment of any State Assistance already paid under this Contract and other State costs, with interest thereon as provided by law, within 45 days of the Municipality's receipt of the Department's Demand Letter.

C. If this Contract is terminated, the following Paragraphs and Subparagraphs shall survive such termination: II(I), III, IV, V, VI, VII, VIII, X, XII, XIII, XIV, XV, and XVII(A).

XVII. Miscellaneous

A. If the information provided and any certifications made by the Municipality are not

materially accurate and complete, this Contract, except with respect to the Municipality's obligations according to the provisions of the Paragraphs that the parties have expressly agreed will survive termination of this Contract, shall be null and void *ab initio* fifteen (15) days after the Department's notification of such inaccuracy or incompleteness, unless the Municipality submits information within that fifteen (15) day time period indicating that the information provided and the certifications made were materially accurate and complete. In the event this Contract is rendered null and void, any Satisfactory Completion of Project letter that may have been issued under this Contract shall also be null and void *ab initio*, and the Department shall reserve all rights that it may have under law.

B. The Municipality shall allow the Department to attend, and shall notify the Department at least seven (7) days in advance of, any field activities to be conducted pursuant to this Contract, as well as any pre-bid meetings, job progress meetings, substantial completion meeting and inspection, and final inspection and meeting; nothing in this Contract shall be construed to require the Municipality to allow the Department to attend portions of meetings where privileged matters are discussed.

C. The Municipality shall register all known petroleum storage tanks on the Site pursuant to 6 NYCRR 612.2, register all known chemical storage tanks on the Site pursuant to 6 NYCRR 596.2, and properly close all such known tanks, if out-of-service, pursuant to 6 NYCRR 613.9 (in the case of petroleum storage tanks) or 6 NYCRR 598.10 (in the case of chemical storage tanks) within the approved FI/RAA Work Plan schedule.

D. The Municipality shall remove and properly dispose of hazardous waste found to be stored on the Site in containment vessels other than known storage tanks (such as drums, transformers, sumps, and pits), or where petroleum storage tanks or chemical storage tanks are discovered on the Site during the course of the Project and such tanks contain hazardous waste, in accordance with all applicable State and federal requirements.

E. The Department may exempt the Municipality from the requirement to obtain any State or local permit or other authorization for any activity conducted pursuant to this Contract that (i) is conducted on the Site or on different premises that are under common control or contiguous to or physically connected with the Site and such activity manages exclusively contaminants from such Site, and (ii) satisfies all substantive technical requirements applicable to like activity conducted pursuant to a permit, as determined by the Department.

F. The Municipality shall use "best efforts" to obtain all Site access, permits, easements, rights-of-way, rights-of-entry, approvals, institutional controls, or authorizations necessary to perform Municipality's obligations under this Contract. If, despite the Municipality's best efforts, any access, permits, easements, rights-of-way, rights-of-entry, approvals, institutional controls, or authorizations required to perform this Contract are not obtained, the Municipality shall promptly notify the Department, and include a summary of the steps taken to obtain access. The Department may, as it deems appropriate and within its authority, assist the Municipality in obtaining access. If an interest in Site is needed to implement an institutional control required by a Work Plan and such interest cannot be obtained, the Department may require the Municipality to modify the Work Plan pursuant to Subparagraph II.C of this Contract to reflect changes necessitated by the lack of access and/or approvals.

G. The Municipality shall not be considered an operator of the Site solely by virtue of having executed and/or implemented this Contract.

H. The Municipality shall provide a copy of this Contract to each subcontractor hired to perform work required by this Contract and shall condition all contracts entered into to carry out the obligations identified in this Contract upon performance in conformity with the terms of this Contract. The Municipality shall provide written notice of this Contract to all subcontractors hired to perform any portion of the work required by this Contract. Municipality shall nonetheless be responsible for ensuring that the Municipality's subcontractors perform the work in satisfaction of the requirements of this Contract. The Municipality shall also insert in its contract with its consultant for the Project the clause for conflict of interest found in Appendix B.

I. The Municipality shall, before the start of any Approved Activity, require each consultant and subcontractor to secure and deliver to the Municipality a policy (or policies) of insurance issued by an insurance company licensed to do business in the State and acceptable to the State that shall name the Municipality and the State as additional insured. See Division of Environmental Remediation guidance, as may be amended, for descriptions of types of insurance required and their minimum limits. The Municipality shall provide the Department with a copy of the applicable certificate(s) of insurance for its review prior to the commencement of the Project. The Municipality shall provide copies of the applicable insurance policies to the Department upon request.

J. The paragraph headings set forth in this Contract are included for convenience of reference only and shall be disregarded in the construction and interpretation of any provisions of this Contract.

K. 1. The terms of this Contract shall constitute the complete and entire Contract between the Department and the Municipality concerning the implementation of the activities required by this Contract. No term, condition, understanding, or agreement purporting to modify or vary any term of this Contract shall be binding unless made in writing and subscribed by both parties and approved by the State Comptroller. No informal advice, guidance, suggestion, or comment by the Department shall be construed as relieving the Municipality of the Municipality's obligation to obtain such formal approvals as may be required by this Contract. In the event of a conflict between the terms of this Contract and any Work Plan submitted pursuant to this Contract, the terms of this Contract shall control over the terms of the Work Plan(s). The Municipality consents to and agrees not to contest the authority and jurisdiction of the Department to enter into or enforce this Contract.

2. i. Except as set forth herein, if the Municipality desires that any provision of this Contract be changed, other than a provision of a Work Plan, the Municipality shall make timely written application to the parties listed in Subparagraph XV.A.1.

ii. Changes to the Work Plan shall be accomplished as set forth in Subparagraph II.C of this Contract.

L. Unless otherwise expressly provided herein, terms used in this Contract which are

defined in ECL Article 56 or in regulations promulgated thereunder shall have the meaning assigned to them under said statute or regulations.

M. The Municipality's obligations under this Contract represent payment for or reimbursement of response costs, and shall not be deemed to constitute any type of fine or penalty.

N. All work performed in relation to the Project by the Municipality or its agents, representatives, or contractors shall conform to all applicable federal, State and local laws, ordinances, rules and regulations, and standards, including permit requirements. This Contract does not constitute a permit and does not confer upon the applicant the right to engage in the Contemplated Use or any other use of the Site for any particular purpose.

O. The Municipality shall ensure that any identifying signs will note that portions of the Project were assisted by the State under the Clean Water / Clean Air Bond Act of 1996.

P. All approved work plans, final reports shall be submitted to the Department in an electronic format acceptable to the Department within thirty (30) days of approval of such final report. In addition, the Department may require other site related documents to be submitted electronically. If any document cannot be converted into electronic format, the Municipality shall so advise the Department and, if the Department concurs, submit such document in an alternative format acceptable to the Department.

Q. No delay or omission on the part of either party in exercising any right under this Contract shall operate as a waiver of such right or of any other right under this Contract. A waiver on any occasion shall not be construed as a bar to or a waiver of any right and/or remedy on any other occasion. No waiver or consent shall be binding unless it is in writing and executed by the Department and the Municipality.

R. Appendix A - "Standard Clauses for All New York State Contracts"; Appendix B - "Standard Clauses for All New York State Department of Environmental Conservation Contracts"; Appendix C - "Legal Description of Site"; Schedule A - Scope of Work; Schedule B - "Payment Schedules"; and the "Glossary" are attached to and hereby made a part of this Contract as if set forth fully herein.

S. In the case of an application for State Assistance for an Environmental Restoration Program remediation project, the Municipality shall submit evidence of its compliance with the requirements of the State Environmental Quality Review Act ("SEQR").

T. This Contract may be executed for the convenience of the parties hereto, individually or in combination, in one or more counterparts, each of which shall be deemed to have the status of an executed original and all of which shall together constitute one and the same.

U. The term of this Contract shall start June 26, 2007. This Contract shall end on June 25, 2009. This Contract will be effective upon approval and filing by the State Comptroller in accordance with Section 112 of the State Finance Law. The Municipality agrees to proceed expeditiously with and to complete the Project in accordance with Work Plans approved by the Department, and any revisions thereto, and to carry out its other obligations under this Contract.

CONTRACT NUMBER T303811

In witness whereof, the parties have signed this Contract on the date indicated opposite each signature. The signatory for the Department provides the following Agency Certification: "In addition to the acceptance of this Contract, I also certify that original copies of this signature page will be attached to all other exact copies of this Contract."

FOR MUNICIPALITY

See additional signature page.

State of New York)
County of Suffolk) ss:

By: James Morgo
Title: JAMES MORGO
Title: Chief Deputy County Executive
Date: 5-7-08

On this 7th day of May, 2008, before me, the undersigned, personally appeared JAMES MORGO (name) or (~~names~~) personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is (~~are~~) subscribed to the within instrument and acknowledged to me that he/~~she/they~~ executed the same in his/~~her/their~~ capacity(~~ties~~), and that by his/~~her/their~~ signature(~~s~~) on the instrument, the individual(~~s~~), or the person on behalf of which the individual(~~s~~) acted, executed the instrument.

By: Jeanette Perra
Signature and office of the individual taking acknowledgment
JEANNETTE PERRA
Notary Public, State of New York
No. 4947609
Qualified in Suffolk County
Commission Expires February 27, 2011
Date: 5-7-08

FOR DEPARTMENT

By: Thomas P. DiNapoli
Title: Director of Mgmt & Budget
Date: July 1, 2008

Approved as to form:
NYS Department of Law

Approved:
Thomas P. DiNapoli
State Comptroller

By: _____

By: _____

Date: _____

Date: _____

The contract is not effective until it is approved by the NYS Office of the State Comptroller and filed in his office (Section 112, State Finance Law).

STANDARD CLAUSES FOR NYS CONTRACTS

The parties to the attached contract, license, lease, amendment or other agreement of any kind (hereinafter, "the contract" or "this contract") agree to be bound by the following clauses which are hereby made a part of the contract (the word "Contractor" herein refers to any party other than the State, whether a contractor, licensor, licensee, lessor, lessee or any other party):

1. **EXECUTORY CLAUSE.** In accordance with Section 41 of the State Finance Law, the State shall have no liability under this contract to the Contractor or to anyone else beyond funds appropriated and available for this contract.
2. **NON-ASSIGNMENT CLAUSE.** In accordance with Section 138 of the State Finance Law, this contract may not be assigned by the Contractor or its right, title or interest therein assigned, transferred, conveyed, sublet or otherwise disposed of without the previous consent, in writing, of the State and any attempts to assign the contract without the State's written consent are null and void. The Contractor may, however, assign its right to receive payment without the State's prior written consent unless this contract concerns Certificates of Participation pursuant to Article 5-A of the State Finance Law.
3. **COMPTROLLER'S APPROVAL.** In accordance with Section 112 of the State Finance Law (or, if this contract is with the State University or City University of New York, Section 355 or Section 6218 of the Education Law), if this contract exceeds \$50,000 (or the minimum thresholds agreed to by the Office of the State Comptroller for certain S.U.N.Y. and C.U.N.Y. contracts), or if this is an amendment for any amount to a contract which, as so amended, exceeds said statutory amount, or if, by this contract, the State agrees to give something other than money when the value or reasonably estimated value of such consideration exceeds \$10,000, it shall not be valid, effective or binding upon the State until it has been approved by the State Comptroller and filed in his office. Comptroller's approval of contracts let by the Office of General Services is required when such contracts exceed \$85,000 (State Finance Law Section 163.6.a).
4. **WORKERS' COMPENSATION BENEFITS.** In accordance with Section 142 of the State Finance Law, this contract shall be void and of no force and effect unless the Contractor shall provide and maintain coverage during the life of this contract for the benefit of such employees as are required to be covered by the provisions of the Workers' Compensation Law.
5. **NON-DISCRIMINATION REQUIREMENTS.** To the extent required by Article 15 of the Executive Law (also known as the Human Rights Law) and all other State and Federal statutory and constitutional non-discrimination provisions, the Contractor will not discriminate against any employee or applicant for employment because of race, creed, color, sex, national origin, sexual orientation, age, disability, genetic predisposition or carrier status, or marital status. Furthermore, in accordance with Section 220-e of the Labor Law, if this is a contract for the construction, alteration or repair of any public building or public work or for the manufacture, sale or distribution of materials, equipment or supplies, and to the extent that this contract shall be performed within the State of New York, Contractor agrees that neither it nor its subcontractors shall, by reason of race, creed, color, disability, sex, or national origin: (a) discriminate in hiring against any New York State citizen who is qualified and available to perform the work; or (b) discriminate against or intimidate any employee hired for the performance of work under this contract. If this is a building service contract as defined in Section 230 of the Labor Law, then, in accordance with Section 239 thereof, Contractor agrees that neither it nor its subcontractors shall by reason of race, creed, color, national origin, age, sex or disability: (a) discriminate in hiring against any New York State citizen who is qualified and available to perform the work; or (b) discriminate against or intimidate any employee hired for the

performance of work under this contract. Contractor is subject to fines of \$50.00 per person per day for any violation of Section 220-e or Section 239 as well as possible termination of this contract and forfeiture of all moneys due hereunder for a second or subsequent violation.

6. **WAGE AND HOURS PROVISIONS.** If this is a public work contract covered by Article 8 of the Labor Law or a building service contract covered by Article 9 thereof, neither Contractor's employees nor the employees of its subcontractors may be required or permitted to work more than the number of hours or days stated in said statutes, except as otherwise provided in the Labor Law and as set forth in prevailing wage and supplement schedules issued by the State Labor Department. Furthermore, Contractor and its subcontractors must pay at least the prevailing wage rate and pay or provide the prevailing supplements, including the premium rates for overtime pay, as determined by the State Labor Department in accordance with the Labor Law.
7. **NON-COLLUSIVE BIDDING CERTIFICATION.** In accordance with Section 139-d of the State Finance Law, if this contract was awarded based upon the submission of bids, Contractor affirms, under penalty of perjury, that its bid was arrived at independently and without collusion aimed at restricting competition. Contractor further affirms that, at the time Contractor submitted its bid, an authorized and responsible person executed and delivered to the State a non-collusive bidding certification on Contractor's behalf.
8. **INTERNATIONAL BOYCOTT PROHIBITION.** In accordance with Section 220-f of the Labor Law and Section 139-h of the State Finance Law, if this contract exceeds \$5,000, the Contractor agrees, as a material condition of the contract, that neither the Contractor nor any substantially owned or affiliated person, firm, partnership or corporation has participated, is participating, or shall participate in an international boycott in violation of the federal Export Administration Act of 1979 (50 USC App. Sections 2401 et seq.) or regulations thereunder. If such Contractor, or any of the aforesaid affiliates of Contractor, is convicted or is otherwise found to have violated said laws or regulations upon the final determination of the United States Commerce Department or any other appropriate agency of the United States subsequent to the contract's execution, such contract, amendment or modification thereto shall be rendered forfeit and void. The Contractor shall so notify the State Comptroller within five (5) business days of such conviction, determination or disposition of appeal (2NYCRR 105.4).
9. **SET-OFF RIGHTS.** The State shall have all of its common law, equitable and statutory rights of set-off. These rights shall include, but not be limited to, the State's option to withhold for the purpose of set-off any moneys due to the Contractor under this contract up to any amounts due and owing to the State with regard to this contract, any other contract with any State department or agency, including any contract for a term commencing prior to the term of this contract, plus any amounts due and owing to the State for any other reason including, without limitation, tax delinquencies, fee delinquencies or monetary penalties relative thereto. The State shall exercise its set-off rights in accordance with normal State practices including, in cases of set-off pursuant to an audit, the finalization of such audit by the State agency, its representatives, or the State Comptroller.
10. **RECORDS.** The Contractor shall establish and maintain complete and accurate books, records, documents, accounts and other evidence directly pertinent to performance under this contract (hereinafter, collectively, "the Records"). The Records must be kept for the balance of the calendar year in which they were made and for six (6) additional years thereafter. The State Comptroller, the Attorney General and any other person or entity authorized to conduct an examination, as well as the agency or agencies involved in this contract, shall have access to the Records during normal business hours at an office of the Contractor

within the State of New York or, if no such office is available, at a mutually agreeable and reasonable venue within the State, for the term specified above for the purposes of inspection, auditing and copying. The State shall take reasonable steps to protect from public disclosure any of the Records which are exempt from disclosure under Section 87 of the Public Officers Law (the "Statute") provided that: (i) the Contractor shall timely inform an appropriate State official, in writing, that said records should not be disclosed; and (ii) said records shall be sufficiently identified; and (iii) designation of said records as exempt under the Statute is reasonable. Nothing contained herein shall diminish, or in any way adversely affect, the State's right to discovery in any pending or future litigation.

11. IDENTIFYING INFORMATION AND PRIVACY NOTIFICATION. (a) FEDERAL EMPLOYER IDENTIFICATION NUMBER and/or FEDERAL SOCIAL SECURITY NUMBER. All invoices or New York State standard vouchers submitted for payment for the sale of goods or services or the lease of real or personal property to a New York State agency must include the payee's identification number, i.e., the seller's or lessor's identification number. The number is either the payee's Federal employer identification number or Federal social security number, or both such numbers when the payee has both such numbers. Failure to include this number or numbers may delay payment. Where the payee does not have such number or numbers, the payee, on its invoice or New York State standard voucher, must give the reason or reasons why the payee does not have such number or numbers.

(b) PRIVACY NOTIFICATION. (1) The authority to request the above personal information from a seller of goods or services or a lessor of real or personal property, and the authority to maintain such information, is found in Section 5 of the State Tax Law. Disclosure of this information by the seller or lessor to the State is mandatory. The principal purpose for which the information is collected is to enable the State to identify individuals, businesses and others who have been delinquent in filing tax returns or may have understated their tax liabilities and to generally identify persons affected by the taxes administered by the Commissioner of Taxation and Finance. The information will be used for tax administration purposes and for any other purpose authorized by law.

(2) The personal information is requested by the purchasing unit of the agency contracting to purchase the goods or services or lease the real or personal property covered by this contract or lease. The information is maintained in New York State's Central Accounting System by the Director of Accounting Operations, Office of the State Comptroller, 110 State Street, Albany, New York 12236.

12. EQUAL EMPLOYMENT OPPORTUNITIES FOR MINORITIES AND WOMEN. In accordance with Section 312 of the Executive Law, if this contract is: (i) a written agreement or purchase order instrument, providing for a total expenditure in excess of \$25,000.00, whereby a contracting agency is committed to expend or does expend funds in return for labor, services, supplies, equipment, materials or any combination of the foregoing, to be performed for, or rendered or furnished to the contracting agency; or (ii) a written agreement in excess of \$100,000.00 whereby a contracting agency is committed to expend or does expend funds for the acquisition, construction, demolition, replacement, major repair or renovation of real property and improvements thereon; or (iii) a written agreement in excess of \$100,000.00 whereby the owner of a State assisted housing project is committed to expend or does expend funds for the acquisition, construction, demolition, replacement, major repair or renovation of real property and improvements thereon for such project, then:

(a) The Contractor will not discriminate against employees or applicants for employment because of race, creed, color, national origin, sex, age, disability or marital status, and will undertake or continue existing programs of affirmative action to ensure that minority group members and women are afforded equal employment opportunities without discrimination. Affirmative action shall mean recruitment,

employment, job assignment, promotion, upgradings, demotion, transfer, layoff, or termination and rates of pay or other forms of compensation;

(b) at the request of the contracting agency, the Contractor shall request each employment agency, labor union, or authorized representative of workers with which it has a collective bargaining or other agreement or understanding, to furnish a written statement that such employment agency, labor union or representative will not discriminate on the basis of race, creed, color, national origin, sex, age, disability or marital status and that such union or representative will affirmatively cooperate in the implementation of the contractor's obligations herein; and

(c) the Contractor shall state, in all solicitations or advertisements for employees, that, in the performance of the State contract, all qualified applicants will be afforded equal employment opportunities without discrimination because of race, creed, color, national origin, sex, age, disability or marital status.

Contractor will include the provisions of "a", "b", and "c" above, in every subcontract over \$25,000.00 for the construction, demolition, replacement, major repair, renovation, planning or design of real property and improvements thereon (the "Work") except where the Work is for the beneficial use of the Contractor. Section 312 does not apply to: (i) work, goods or services unrelated to this contract; or (ii) employment outside New York State; or (iii) banking services, insurance policies or the sale of securities. The State shall consider compliance by a contractor or subcontractor with the requirements of any federal law concerning equal employment opportunity which effectuates the purpose of this section. The contracting agency shall determine whether the imposition of the requirements of the provisions hereof duplicate or conflict with any such federal law and if such duplication or conflict exists, the contracting agency shall waive the applicability of Section 312 to the extent of such duplication or conflict. Contractor will comply with all duly promulgated and lawful rules and regulations of the Governor's Office of Minority and Women's Business Development pertaining hereto.

13. CONFLICTING TERMS. In the event of a conflict between the terms of the contract (including any and all attachments thereto and amendments thereof) and the terms of this Appendix A, the terms of this Appendix A shall control.

14. GOVERNING LAW. This contract shall be governed by the laws of the State of New York except where the Federal supremacy clause requires otherwise.

15. LATE PAYMENT. Timeliness of payment and any interest to be paid to Contractor for late payment shall be governed by Article 11-A of the State Finance Law to the extent required by law.

16. NO ARBITRATION. Disputes involving this contract, including the breach or alleged breach thereof, may not be submitted to binding arbitration (except where statutorily authorized), but must, instead, be heard in a court of competent jurisdiction of the State of New York.

17. SERVICE OF PROCESS. In addition to the methods of service allowed by the State Civil Practice Law & Rules ("CPLR"), Contractor hereby consents to service of process upon it by registered or certified mail, return receipt requested. Service hereunder shall be complete upon Contractor's actual receipt of process or upon the State's receipt of the return thereof by the United States Postal Service as refused or undeliverable. Contractor must promptly notify the State, in writing, of each and every change of address to which service of process can be made. Service by the State to the last known address shall be sufficient. Contractor will have thirty (30) calendar days after service hereunder is complete in which to respond.

18. PROHIBITION ON PURCHASE OF TROPICAL HARDWOODS. The Contractor certifies and warrants that all wood products to be used under this contract award will be in accordance with, but not limited to, the specifications and provisions of State Finance Law §165. (Use of Tropical Hardwoods) which prohibits purchase and use of tropical hardwoods, unless specifically exempted, by the State or any governmental agency or political subdivision or public benefit corporation. Qualification for an exemption under this law will be the responsibility of the contractor to establish to meet with the approval of the State.

In addition, when any portion of this contract involving the use of woods, whether supply or installation, is to be performed by any subcontractor, the prime Contractor will indicate and certify in the submitted bid proposal that the subcontractor has been informed and is in compliance with specifications and provisions regarding use of tropical hardwoods as detailed in §165 State Finance Law. Any such use must meet with the approval of the State; otherwise, the bid may not be considered responsive. Under bidder certifications, proof of qualification for exemption will be the responsibility of the Contractor to meet with the approval of the State.

19. MACBRIDE FAIR EMPLOYMENT PRINCIPLES. In accordance with the MacBride Fair Employment Principles (Chapter 807 of the Laws of 1992), the Contractor hereby stipulates that the Contractor either (a) has no business operations in Northern Ireland, or (b) shall take lawful steps in good faith to conduct any business operations in Northern Ireland in accordance with the MacBride Fair Employment Principles (as described in Section 165 of the New York State Finance Law), and shall permit independent monitoring of compliance with such principles.

20. OMNIBUS PROCUREMENT ACT OF 1992. It is the policy of New York State to maximize opportunities for the participation of New York State business enterprises, including minority and women-owned business enterprises as bidders, subcontractors and suppliers on its procurement contracts.

Information on the availability of New York State subcontractors and suppliers is available from:

NYS Department of Economic Development
Division for Small Business
30 South Pearl St -- 7th Floor
Albany, New York 12245
Telephone: 518-292-5220
Fax: 518-292-5884
<http://www.empire.state.ny.us>

A directory of certified minority and women-owned business enterprises is available from:

NYS Department of Economic Development
Division of Minority and Women's Business Development
30 South Pearl St -- 2nd Floor
Albany, New York 12245
Telephone: 518-292-5250
Fax: 518-292-5803
<http://www.empire.state.ny.us>

The Omnibus Procurement Act of 1992 requires that by signing this bid proposal or contract, as applicable, Contractors certify that whenever the total bid amount is greater than \$1 million:

(a) The Contractor has made reasonable efforts to encourage the participation of New York State Business Enterprises as suppliers and subcontractors, including certified minority and women-owned business enterprises, on this project, and has retained the documentation of these efforts to be provided upon request to the State;

(b) The Contractor has complied with the Federal Equal Opportunity Act of 1972 (P.L. 92-261), as amended;

(c) The Contractor agrees to make reasonable efforts to provide notification to New York State residents of employment opportunities on this project through listing any such positions with the Job Service Division of the New York State Department of Labor, or providing such notification in such manner as is consistent with existing collective bargaining contracts or agreements. The Contractor agrees to document these efforts and to provide said documentation to the State upon request; and

(d) The Contractor acknowledges notice that the State may seek to obtain offset credits from foreign countries as a result of this contract and agrees to cooperate with the State in these efforts.

21. RECIPROCITY AND SANCTIONS PROVISIONS. Bidders are hereby notified that if their principal place of business is located in a country, nation, province, state or political subdivision that penalizes New York State vendors, and if the goods or services they offer will be substantially produced or performed outside New York State, the Omnibus Procurement Act 1994 and 2000 amendments (Chapter 684 and Chapter 383, respectively) require that they be denied contracts which they would otherwise obtain. NOTE: As of May 15, 2002, the list of discriminatory jurisdictions subject to this provision includes the states of South Carolina, Alaska, West Virginia, Wyoming, Louisiana and Hawaii. Contact NYS Department of Economic Development for a current list of jurisdictions subject to this provision.

22. PURCHASES OF APPAREL. In accordance with State Finance Law 162 (4-a), the State shall not purchase any apparel from any vendor unable or unwilling to certify that: (i) such apparel was manufactured in compliance with all applicable labor and occupational safety laws, including, but not limited to, child labor laws, wage and hours laws and workplace safety laws, and (ii) vendor will supply, with its bid (or, if not a bid situation, prior to or at the time of signing a contract with the State), if known, the names and addresses of each subcontractor and a list of all manufacturing plants to be utilized by the bidder.

APPENDIX B
(For DER ERP Contracts)
Standard Clauses for All New York State Department
of Environmental Conservation Contracts

The parties to the attached contract, license, lease, grant, amendment or other agreement of any kind (hereinafter "the contract" or "this contract") agree to be bound by the following clauses which are hereby made a part of the contract. The word "Contractor" herein refers to any party to the contract, other than the New York State Department of Environmental Conservation (hereinafter "Department").

I. **Postponement, suspension, abandonment or termination by the Department:** The Department shall have the right to postpone, suspend, abandon or terminate this contract, and such actions shall in no event be deemed a breach of contract. In the event of any termination, postponement, delay, suspension or abandonment, the Contractor shall immediately stop work, take steps to incur no additional obligations, and to limit further expenditures. Within 15 days of receipt of notice, the Contractor shall deliver to the Department all data, reports, plans, or other documentation related to the performance of this contract, including but not limited to source codes and specifications, guarantees, warranties, as-built plans and shop drawings. In any of these events, the Department shall make settlement with the Contractor upon an equitable basis as determined by the Department which shall fix the value of the work which was performed by the Contractor prior to the postponement, suspension, abandonment or termination of this contract. This clause shall not apply to this contract if the contract contains other provisions applicable to postponement, suspension or termination of the contract.

II. **Indemnification and Holdharmless** The Contractor agrees that it will indemnify and save harmless the Department and the State of New York from and against all losses from claims, demands, payments, suits, actions, recoveries and judgments of every nature and description brought or recovered against it by reason of any acts or omissions of the Contractor, its agents, employees, or subcontractors in the performance of this contract which are shown to have been the result of negligence, gross negligence or reckless, wanton or intentional misconduct; except that the Contractor shall not be obligated to so indemnify and save harmless with respect to those matters described in ECL 56-0509.1 during those periods in which the protection afforded under ECL 56-0509.1 is in effect.

III. **Conflict of Interest (a) Organizational Conflict of Interest.** To the best of the Contractor's knowledge and belief, the Contractor warrants that there are no relevant facts or circumstances which could give rise to an organizational conflict of interest, as herein defined, or that the Contractor has disclosed all such relevant information to the Department.

(1) An organizational conflict of interest exists when the nature of the work to be performed under this contract may, without some restriction on future activities, impair or appear to impair the Contractor's objectivity in performing the work for the Department.

(2) The Contractor agrees that if an actual, or potential organizational conflict of interest is discovered at any time after award, whether before or during performance, the Contractor will immediately make a full disclosure in writing to the Department. This disclosure shall include a description of actions which the Contractor has taken or proposes to take, after consultation with the Department, to avoid, mitigate, or minimize the actual or potential conflict.

(3) To the extent that the work under this contract requires access to personal, proprietary or confidential business or financial data of persons or other companies, and as long as such data remains proprietary or confidential, the Contractor shall protect such data from unauthorized use and disclosure and agrees not to use it to compete with such companies.

(b) **Personal Conflict of Interest:** The following provisions with regard to management or professional level employee personnel performing under this contract shall apply until the earlier of the termination date of the affected employee(s) or the duration of the contract.

(1) A personal conflict of interest is defined as a relationship of an employee, subcontractor employee, or consultant with an entity that may impair or appear to impair the objectivity of the employee, subcontractor employee, or consultant in performing the contract work. The Contractor agrees to notify the Department immediately of any actual, or potential personal conflict of interest with regard to any such person working on or having access to information regarding this contract, as soon as Contractor becomes aware of such conflict. The

Department will notify the Contractor of the appropriate action to be taken.

(2) The Contractor agrees to advise all management or professional level employees involved in the work of this contract, that they must report any personal conflicts of interest to the Contractor. The Contractor must then advise the Department which will advise the Contractor of the appropriate action to be taken.

(3) Unless waived by the Department, the Contractor shall certify annually that, to the best of the Contractor's knowledge and belief, all actual, apparent or potential conflicts of interest, both personal and organizational, as defined herein, have been reported to the Department. Such certification must be signed by a senior executive of the Contractor and submitted in accordance with instructions provided by the Department. Along with the annual certification, the Contractor shall also submit an update of any changes in any conflict of interest plan submitted with its proposal for this contract. The initial certification shall cover the one-year period from the date of contract award, and all subsequent certifications shall cover successive annual periods thereafter. The certification is to be submitted no later than 45 days after the close of the previous certification period covered.

(4) In performing this contract, the Contractor recognizes that its employees may have access to data, either provided by the Department or first generated during contract performance, of a sensitive nature which should not be released without Department approval. If this situation occurs, the Contractor agrees to obtain confidentiality agreements from all affected employees working on requirements under this contract including subcontractors and consultants. Such agreements shall contain provisions which stipulate that each employee agrees not to disclose, either in whole or in part, to any entity external to the Department, Department of Health or the New York State Department of Law, any information or data provided by the Department or first generated by the Contractor under this contract, any site-specific cost information, or any enforcement strategy without first obtaining the written permission of the Department. If a Contractor, through an employee or otherwise, is subpoenaed to testify or produce documents, which could result in such disclosure, the Contractor must provide immediate advance notification to the Department so that the Department can authorize such disclosure or have the opportunity to take action to prevent such disclosure. Such agreements shall be effective for the life of the contract and for a period of five (5) years after completion of the contract.

(c) Remedies - The Department may terminate this contract in whole or in part, if it deems such termination necessary to avoid an organizational or personal conflict of interest, or an unauthorized disclosure of information. If the Contractor fails to make required disclosures or misrepresents relevant information to the Department, the Department may terminate the contract, or pursue such other remedies as may be permitted by the terms of Clause I of this Appendix or other applicable provisions of this contract regarding termination.

(d) The Contractor will be ineligible to make a proposal or bid on a contract for which the Contractor has developed the statement of work or the solicitation package

(e) The Contractor agrees to insert in each subcontract or consultant agreement placed hereunder (except for subcontracts or consultant agreements for well drilling, fence erecting, plumbing, utility hookups, security guard services, or electrical services) provisions which shall conform substantially to the language of this clause, including this paragraph (e), unless otherwise authorized by the Department.

If this is a contract for work related to action at an inactive hazardous waste site, the following paragraph shall apply to those Contractors whose work requires the application of professional judgment: It does not apply to construction contracts.

(f) Due to the scope and nature of this contract, the Contractor shall observe the following restrictions on future hazardous waste site contracting for the duration of the contract.

(1) The Contractor, during the life of the work assignment and for a period of three (3) years after the completion of the work assignment, agrees not to enter into a contract with or to represent any party with respect to any work relating to remedial activities or work pertaining to a site where the Contractor previously performed work for the Department under this contract without the prior written approval of the Department.

(2) The Contractor agrees in advance that if any bids/proposals are submitted for any work for a third party that would require written approval of the Department prior to entering into a contract because of the restrictions of this clause, then the bids/proposals are submitted at the Contractor's own risk, and no claim shall be made against the Department to recover bid/proposal costs as a direct cost whether the request for authorization to enter into the contract is denied or approved.

IV. Requests for Payment All requests for payment by the Contractor must be submitted on forms supplied and approved by the Department. Each payment request must contain such items of information and supporting documentation as are required by the Department, and shall be all-inclusive for the period of time covered by the payment request.

V. Compliance with Federal requirements To the extent that federal funds are provided to the Contractor or used in paying the Contractor under this contract, the Contractor agrees that it will comply with all applicable federal laws and regulations, including but not limited to those laws and regulations under which the Federal funds were authorized. The Contractor further agrees to insert in any subcontract hereunder, provisions which shall conform substantially to the language of this clause.

VI. Independent Contractor The Contractor shall have the status of an independent contractor. Accordingly, the Contractor agrees that it will conduct itself in a manner consistent with such status, and that it will neither hold itself out as, nor claim to be, an officer or employee of the Department by reason of this contract. It further agrees that it will not make any claim, demand or application to the Department for any right or privilege applicable to an officer or employee of the Department, including but not limited to worker's compensation coverage, unemployment insurance benefits, social security coverage, or retirement membership or credit.

VII. Article 15-A Requirements The terms contained in this clause shall have the definitions as given in, and shall be construed according to the intent of Article 15-A of the Executive Law, 5 NYCRR Part 140, et. seq., Article 52 of the Environmental Conservation Law and 6 NYCRR Part 615, et. seq., as applicable, and any goals established by this clause are subject to the intent of such laws and regulations.

(a) If the maximum contract price herein equals or exceeds \$25,000, and this contract is for labor, services, supplies, equipment, or materials; or

(b) If the maximum contract price herein equals or exceeds \$100,000 and this contract is for the acquisition, construction, demolition, replacement, major repair or renovation of real property and improvements thereon; then

(c) The affirmative action provisions and equal employment opportunity provisions contained in this paragraph and paragraphs (d) and (e) of this clause shall

be applicable within the limitations established by Executive Law §§312 and 313 and the applicable regulations.

(1) The Contractor is required to make good faith efforts to subcontract at least 18.8% of the dollar value of this contract to Minority Owned Business Enterprises (MBEs) and at least 20.5% of such value to Women Owned Business Enterprises (WBEs).

(2) The Contractor is required to make good faith efforts to employ or contractually require any Subcontractor with whom it contracts to make good faith efforts to employ minority group members for at least 10% of, and women for at least 10% of, the workforce hours required to perform the work under this contract.

(3) The Contractor is required to make good faith efforts to solicit the meaningful participation by enterprises identified in the NYS Directory of Certified Businesses provided by:

Empire State Development Corp.
Div. Minority & Women's Business Development
30 South Pearl Street
Albany, New York 12245

Phone: (518) 292-5250

Fax: (518) 292-5803

and

Empire State Development Corp.

633 Third Avenue

New York, NY 10017

Phone: (212) 803-2414

Fax: (212) 803-3223

internet: www.empire.state.ny.us/esd.htm

(d) The Contractor agrees to include the provisions set forth in paragraphs (a), (b) and

(c) above and paragraphs (a), (b), and (c) of clause 12 of Appendix A in every subcontract in such a manner that the provisions will be binding upon each Subcontractor as to work under such subcontract. For the purpose of this paragraph, a "subcontract" shall mean an agreement providing for a total expenditure in excess of \$25,000 for the construction, demolition, replacement, major repair, renovation, planning or design of real property and improvements thereon in which a portion of the Contractor's obligation under a State contract is undertaken or assumed.

(e) The Contractor is required to make good faith efforts to utilize the MBE/WBEs identified in the utilization plan to the extent indicated in such plan, and otherwise to implement it according to its terms. The

Contractor is requested to report on such implementation periodically as provided by the contract, or annually, whichever is more frequent.

VIII. Compliance with applicable laws

(a) Prior to the commencement of any work under this contract, the Contractor is required to meet all legal requirements necessary in the performance of the contract. This includes but is not limited to compliance with all applicable federal, state and local laws and regulations promulgated thereunder. It is the Contractor's responsibility to obtain any necessary permits, or other authorizations. By signing this contract, the Contractor affirmatively represents that it has complied with said laws, unless it advises the Department otherwise, in writing. The Department signs this contract in reliance upon this representation.

(b) During the term of this contract, and any extensions thereof, the Contractor must remain in compliance with said laws. A failure to notify the Department of noncompliance of which the Contractor was or should have been aware, may be considered a material breach of this contract.

IX. Dispute Resolution The parties agree to the following steps, or as many as are necessary to resolve disputes between the Department and the Contractor.

(a) The Contractor specifically agrees to submit, in the first instance, any dispute relating to this contract to the designated individual, who shall render a written decision and furnish a copy thereof to the Contractor.

(1) The Contractor must request such decision in writing no more than fifteen days after it knew or should have known of the facts which are the basis of the dispute.

(2) The decision of the designated individual shall be the final agency determination, unless the Contractor files a written appeal of that decision with the designated appeal individual ("DAI") within twenty days of receipt of that decision.

(b) Upon receipt of the written appeal, the DAI, will review the record and decision. Following divisional procedures in effect at that time, the DAI will take one of the following actions, with written notice to the Contractor.

(1) Remand the matter to the program staff for further negotiation or information if it is determined

that the matter is not ripe for review; or

(2) Determine that there is no need for further action, and that the determination of the designated individual is confirmed; or

(3) Make a determination on the record as it exists.

(c) The decision of the DAI shall be the final agency decision unless the Contractor files a written appeal of that decision with the Chair of the Contract Review Committee ("CRC") within twenty days of receipt of that decision.

The designated individual to hear disputes is:

Chittababu Vasudevan., Director, Remedial Bureau A

(Name and Title)

625 Broadway, 12th Floor

Albany, New York 12233-7015

(Address)

(518) 402-9624

(Telephone)

The designated appeal individual to review decisions is:

Sal Ervolla, Assistant Director

(Name and Title)

Division of Environmental Remediation

625 Broadway, Albany, New York 12233-7011

(Address)

518-402-9707

(Telephone)

The Chair of the Contract Review Committee is:

Department of Environmental Conservation

Nancy W. Lussier, Chair

Contract Review Committee

625 Broadway, 10th Floor

Albany, NY 12233-5010

Telephone: (518) 402-9228

(d) Upon receipt of the written appeal, the Chair of the CRC, in consultation with the members of the CRC and the Office of General Counsel, will take one of the following actions, or a combination thereof, with written notice to the Contractor.

(1) Remand the matter to program staff for

additional fact finding, negotiation, or other appropriate action; or

- (2) Adopt the decision of the DAI; or
- (3) Consider the matter for review by the CRC in accordance with its procedures.
- (e) Following a decision to proceed pursuant to (d) 3, above, the Chair of the CRC shall convene a proceeding in accordance with the CRC's established contract dispute resolution guidelines. The proceeding will provide the Contractor with an opportunity to be heard.
- (f) Following a decision pursuant to (d) 2 or (d) 3, the CRC shall make a written recommendation to the Assistant Commissioner for Administration who shall render the final agency determination.
- (g) At any time during the dispute resolution process, and upon mutual agreement of the parties, the Office of Hearings and Mediation Services (OHMS) may be requested to provide mediation services or other appropriate means to assist in resolving the dispute. Any findings or recommendations made by the OHMS will not be binding on either party.
- (h) Final agency determinations shall be subject to review only pursuant to Article 78 of the Civil Practice Law and Rules.
- (i) Pending final determination of a dispute hereunder, the Contractor shall proceed diligently with the performance of the Contract in accordance with the decision of the designated individual. Nothing in this Contract shall be construed as making final the decision of any administrative officer upon a question of law.
- (j) (1) Notwithstanding the foregoing, at the option of the Contractor, the following shall be subject to review by the CRC: Disputes arising under Article 15-A of the Executive Law (Minority and Women Owned Business participation), the Department's determination with respect to the adequacy of the Contractor's Utilization Plan, or the Contractor's showing of good faith efforts to comply therewith. A request for a review before the CRC should be made, in writing, within twenty days of receipt of the Department's determination.
- (2) The CRC will promptly convene a review in accordance with Article 15-A of the Executive Law and the regulations promulgated thereunder.

X. Labor Law Provisions

- (a) When applicable, the Contractor shall post, in a location designated by the Department, a copy of the New York State Department of Labor schedules of prevailing wages and supplements for this project, a copy of all re-determinations of such schedules for the project, the Workers' Compensation Law Section 51 notice, all other notices required by law to be posted at the site, the Department of Labor notice that this project is a public work project on which each worker is entitled to receive the prevailing wages and supplements for their occupation, and all other notices which the Department directs the Contractor to post. The Contractor shall provide a surface for such notices which is satisfactory to the Department. The Contractor shall maintain such notices in a legible manner and shall replace any notice or schedule which is damaged, defaced, illegible or removed for any reason. Contractor shall post such notices before commencing any work on the site and shall maintain such notices until all work on the site is complete.
- (b) When appropriate, contractor shall distribute to each worker for this Contract a notice, in a form provided by the Department, that this project is a public work project on which each worker is entitled to receive the prevailing wage and supplements for the occupation at which he or she is working. Worker includes employees of Contractor and all Subcontractors and all employees of suppliers entering the site. Such notice shall be distributed to each worker before they start performing any work of this contract. At the time of distribution, Contractor shall have each worker sign a statement, in a form provided by the Department, certifying that the worker has received the notice required by this section, which signed statement shall be maintained with the payroll records required by the following paragraph (c).
- (c) Contractor shall maintain on the site the original certified payrolls or certified transcripts thereof which Contractor and all of its Subcontractors are required to maintain pursuant to the New York Labor Law Section 220. Contractor shall maintain with the payrolls or transcripts thereof, the statements signed by each worker pursuant to paragraph (b).
- (d) Within thirty days of issuance of the first payroll, and every thirty days thereafter, the Contractor and every subcontractor must submit a transcript of the original payroll to the Department, which transcript must be subscribed and affirmed as true under penalty of perjury.

XI. Offset In accordance with State Law, the Department has the authority to administratively offset any monies due it from the Contractor, from payments due to the Contractor under this contract. The Department may also (a) assess interest or late payment charges, and collection fees, if applicable; (b) charge a fee for any dishonored check; (c) refuse to renew certain licenses and permits.

XII. Tax Exemption Pursuant to Tax Law Section 1116, the State is exempt from sales and use taxes. A standard state voucher is sufficient evidence thereof. For federal excise taxes, New York's registration Number 14740026K covers tax-free transactions under the Internal Revenue Code.

XIII. Litigation Support In the event that the Department becomes involved in litigation related to the subject matter of this contract, the Contractor agrees to provide background support and other litigation support, including but not limited to depositions, appearances, and testimony. Compensation will be negotiated and based on rates established in the contract, or as may otherwise be provided in the contract.

XIV. Equipment Any equipment purchased with funds provided under this contract, shall remain the property of the Department, unless otherwise provided in the contract. The Contractor shall be liable for all costs for maintaining the property in good, usable condition. It shall be returned to the Department upon completion of the contract, in such condition, unless the Department elects to sell the equipment to the Contractor, upon mutually agreeable terms.

XV. Inventions or Discoveries Any invention or discovery first made in performance of this Contract shall be the property of the Department, unless otherwise provided in the contract. The Contractor agrees to provide the Department with any and all materials related to this property. At the Department's option, the Contractor may be granted a non-exclusive license.

XVI. Patent and Copyright Protection
If any patented or copyrighted material is involved in or results from the performance of this Contract, this Article shall apply.
(a) The Contractor shall, at its expense, defend any suit instituted against the Department and indemnify the Department against any award of damages and costs made against the Department by a final judgment of a court of last resort based on the claim that any of the

products, services or consumable supplies furnished by the Contractor under this Contract infringes any patent, copyright or other proprietary right; provided the Department gives the Contractor:

- (1) prompt written notice of any action, claim or threat of infringement suit, or other suit, and
- (2) the opportunity to take over, settle or defend such action at the Contractor's sole expense, and
- (3) all available information, assistance and authority necessary to the action, at the Contractor's sole expense.

The Contractor shall control the defense of any such suit, including appeals, and all negotiations to effect settlement, but shall keep the Department fully informed concerning the progress of the litigation.

(b) If the use of any item(s) or parts thereof is held to infringe a patent or copyright and its use is enjoined, or Contractor believes it will be enjoined, the Contractor shall have the right, at its election and expense to take action in the following order of precedence:

- (1) procure for the Department the right to continue using the same item or parts thereof;
- (2) modify the same so that it becomes non-infringing and of at least the same quality and performance;
- (3) replace the item(s) or parts thereof with noninfringing items of at least the same quality and performance;
- (4) if none of the above remedies are available, discontinue its use and eliminate any future charges or royalties pertaining thereto. The Contractor will buy back the infringing product(s) at the State's book value, or in the event of a lease, the parties shall terminate the lease. If discontinuation or elimination results in the Contractor not being able to perform the Contract, the Contract shall be terminated.

(c) In the event that an action at law or in equity is commenced against the Department arising out of a claim that the Department's use of any item or material pursuant to or resulting from this Contract infringes any patent, copyright or proprietary right, and such action is forwarded by the Department to the Contractor for defense and indemnification pursuant to this Article, the Department shall copy all pleadings and documents forwarded to the Contractor together

with the forwarding correspondence and a copy of this Contract to the Office of the Attorney General of the State of New York. If upon receipt of such request for defense, or at any time thereafter, the Contractor is of the opinion that the allegations in such action, in whole or in part, are not covered by the indemnification set forth in this Article, the Contractor shall immediately notify the Department and the Office of the Attorney General of the State of New York in writing and shall specify to what extent the Contractor believes it is and is not obligated to defend and indemnify under the terms and conditions of this Contract. The Contractor shall in such event protect the interests of the Department and State of New York and secure a continuance to permit the State of New York to appear and defend its interests in cooperation with Contractor as is appropriate, including any jurisdictional defenses which the Department and State shall have.

(d) The Contractor shall, however, have no liability to the Department under this Article if any infringement is based upon or arises out of: (1) compliance with designs, plans, or specifications furnished by or on behalf of the Department as to the items; (2) alterations of the items by the Department; (3) failure of the Department to use updated items provided by the Contractor for avoiding infringement; (4) use of items in combination with apparatus or devices not delivered by the Contractor; (5) use of items in a manner for which the same were neither designed nor contemplated; or (6) a patent or copyright in which the Department or any affiliate or subsidiary of the Department has any direct or indirect interest by license or otherwise.

(e) The foregoing states the Contractor's entire liability for, or resulting from, patent or copyright infringement or claim thereof.

XVII. Force Majeure The term Force Majeure shall include acts of God, work stoppages due to labor disputes or strikes, fires, explosions, epidemics, riots, war rebellion, sabotage or the like. If a failure of or delay in performance by either party results from the occurrence of a Force Majeure event, the delay shall be excused and the time for performance extended by a period equivalent to the time lost because of the Force majeure event, if and to the extent that:

(a) The delay or failure was beyond the control of the party affected and not due to its fault or negligence; and

(b) The delay or failure was not extended because of the affected party's failure to use all reasonable diligence to

overcome the obstacle or to resume performance immediately after such obstacle was overcome; and

(c) The affected party provides notice within (5) days of the onset of the event, that it is invoking the protection of this provision.

XVIII. Freedom of Information Requests The Contractor agrees to provide the Department with any records which must be released in order to comply with a request pursuant to the Freedom of Information Law. The Department will provide the contractor with an opportunity to identify material which may be protected from release and to support its position.

XIX. Precedence In the event of a conflict between the terms of this Appendix B and the terms of the Contract (including any and all attachments thereto and amendments thereof, but not including Appendix A), the terms of this Appendix B shall control. In the event of a conflict between the terms of this Appendix B, and the terms of Appendix A, the terms of Appendix A shall control.

NEW YORK STATE DEPARTMENT OF ENVIRONMENTAL CONSERVATION
1996 CLEAN WATER/CLEAN AIR BOND ACT
ENVIRONMENTAL RESTORATION PROGRAM
STATE ASSISTANCE CONTRACT

APPENDIX C

Proof of Ownership

Enclosed and referenced as Appendix C are the following appropriate documents:

1. A deed indicating that the municipality holds title to the property. If a municipality obtains "temporary incidents of ownership", the Order of the Court signed by the judge and showing a stamp that it has been filed will replace the deed.
2. A certification of ownership signed by the municipal attorney.
3. Upon request of the Department, a title report prepared by a New York State licensed title company naming New York State as an insured party.
4. A survey of the property prepared by a licensed surveyor and a survey endorsement within the past 3 months, unless the survey is dated within the past year.
5. A metes and bounds description of the property (NOTE: For investigation projects only, if the municipality does not have a survey and/or metes and bounds description for the property, we can accept the tax identification number or section, block, and lot number in the County in which it is located in order to execute the SAC. However, in these cases, completing the survey and/or metes and bounds description must be a milestone in the investigation work plan. For all remediation projects, we must have a metes and bounds description and a recent survey in order to execute the SAC).

NEW YORK STATE DEPARTMENT OF ENVIRONMENTAL CONSERVATION
 1996 CLEAN WATER/CLEAN AIR BOND ACT
 ENVIRONMENTAL RESTORATION PROGRAM
 STATE ASSISTANCE CONTRACT

SCHEDULE A

Scope of Work

Municipality Name: Suffolk County
 Site Name: Former Bellport Gas Station
 Site Address: 1401 Montauk Highway
 Site Number: E152194 Municipality Name:

Contract Number: T303811

GENERAL PURPOSE

The general purpose of this project is to undertake all approved activities necessary to complete the Project required by this Contract. Project-specific Work Plans will become a part of and enforceable under this Contract upon approval by the Department.

GENERAL SCOPE

INVESTIGATION:

The Remedial Investigation/Alternatives Analysis Report (RI/AAR) will involve all tasks necessary to investigate the site conditions, determine the public health and environmental impacts of the site, and to utilize this information to develop and evaluate appropriate remedial actions. During the RI/AAR, the Municipality will also remove and properly dispose of contaminants within all containment vessels, such as drums, tanks and transformers, located on the Site.

Specific tasks include: work plan development, site characterization, investigation of off-site impacts, a survey of the site and a metes and bounds description of the site, an exposure assessment, development of alternatives, screening of alternatives, post-screening field work, detailed analysis of alternatives, data validation, and public participation. Data collection and analysis will provide a sufficient basis for the Department to prepare a Proposed Remedial Action Plan (PRAP) and present it to the public.

INVESTIGATION CALCULATION:

	On-site	Off-site	Demolition/Asbestos	Total
Total Eligible Cost:	\$43,236	\$7,434	\$0	\$50,670
Percentage:	90%	100%	50%	N/A
Total SAC Amount:	\$38,912	\$7,434	\$0	\$46,346

NEW YORK STATE DEPARTMENT OF ENVIRONMENTAL CONSERVATION
1996 CLEAN WATER/CLEAN AIR BOND ACT
ENVIRONMENTAL RESTORATION PROGRAM
STATE ASSISTANCE CONTRACT

SCHEDULE B

Payment Schedule

Municipality Name: Suffolk County
Site Name: Former Bellport Gas Station
Site Address: 1401 Montauk Highway
Site Number: E152194

Contract Number: T.303811

Requests for payment shall be submitted no more frequently than on a quarterly basis (every three months).

NEW YORK STATE DEPARTMENT OF ENVIRONMENTAL CONSERVATION
1996 CLEAN WATER/CLEAN AIR BOND ACT
ENVIRONMENTAL RESTORATION PROGRAM
STATE ASSISTANCE CONTRACT

GLOSSARY

Except as expressly provided herein, terms used in this Contract have the same meanings as those set forth in ECL Article 56. In addition, the following terms shall have the meanings set forth below:

(i) "Alternatives Analysis Report" is a report that contains an evaluation of options for the remediation of any contamination in, on, or under, or emanating from, the Site that includes an analysis of data and other information concerning the nature and extent of the Site's contamination and is generally performed concurrently, and in an interactive fashion, with the site investigation. An Alternatives Analysis Report is the Final Report submitted by a Municipality at the end of an Environmental Restoration Program investigation project.

(ii) "Approved Activity" means any Investigation or Remediation activity which is part of the Project and has been approved in writing by the Department.

(iii) "Contractor" in Appendices A and B means Municipality.

(iv) "Disposition of the Site" means the leasing of the Site or the transfer of the Site's title through sale or other means.

(v) "Eligible Cost" shall have the meaning given to that term in the Department's "Procedures Handbook for Environmental Restoration Program Projects" available at the time of this Contract.

(vi) "Environmental Easement" shall mean an interest in the Site, created under and subject to the provisions of ECL Article 71, Title 36, which contains a use restriction and/or a prohibition on the use of land in a manner inconsistent with engineering controls."

(vii) "Force Majeure Event" is an event, in accordance with applicable case law, that includes but is not limited to war, strike, judicial injunction, or any other fact or circumstance beyond the Municipality's reasonable control.

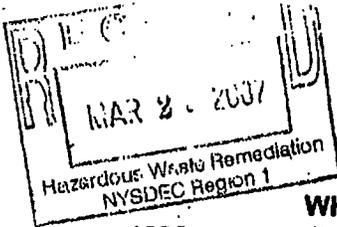
(viii) "Investigation" means a project consisting of a process undertaken to determine the nature and extent of contamination in, on, and under, and emanating from, the Site. The Site investigation includes the gathering of sufficient information to determine the necessity for, and the selection of the appropriate method of, remediation of contamination in, on, or under, or emanating from the Site. Additionally, it includes the associated Alternatives Analysis Report and any assistance Municipality must provide to the Department in the Department's selection of the Site's remedy. The term also includes any Department-approved interim remedial measures needed to undertake the Project or needed to eliminate any potential or actual releases of contaminants at, or from, the Site.

- (ix) "Municipal Share" means any money provided under this Contract by the Municipality for its share of the Contract. The municipality may use any funding available (i.e. federal, State or other private party monies) except responsible party funding towards its share.
- (x) "Parties" means the Department and Municipality.
- (xi) "Project" means the Site's Investigation and/or Remediation as described in the Work Plan(s).
- (xii) "Remediation" means a Project consisting of the design and implementation of the remedy selected in the Department's Record of Decision. While implementing the remedy may require a Site Management Plan, , the cost of complying with the plan would not be eligible for reimbursement under this contract.
- (xiii) "Site" means the Site which is the subject of the Project. The Site's legal description appears as Appendix "C" to this Contract.
- (xiv) "State Assistance" means State money provided under this Contract to Municipality pursuant to Article 56, Title 5 of the ECL.
- (xv) "Work Plan" means a document which describes the purpose, scope, estimated cost, and progress schedule of the Project. The Work Plan must include a Public Participation Plan that, at a minimum, satisfies the requirements of ECL 56-0503.2.

Intro. Res. No. 2072-2005

Laid on Table 9/27/2005

Introduced by the Presiding Officer on request of County Executive Steve Levy



RESOLUTION NO. 1363 -2005, AUTHORIZING THE SUFFOLK COUNTY EXECUTIVE'S OFFICE TO BE THE SIGNATORY ON ALL ENVIRONMENTAL RESTORATION PROGRAM GRANT RELATED DOCUMENTS

WHEREAS, The County of Suffolk became active in the Brownfields Program in 1998 as a result of Legislative Resolution No. 527-1998, Establishing Brownfield Policy for the County of Suffolk, signed on June 10, 1998, directing the Suffolk County Department of Public Works (SCDPW) to hire a county Brownfields consultant and the Suffolk County Department of Health Services (SCDHS) to select candidate sites and prepare applications under the New York State Department of Environmental Conservation (NYSDEC) Brownfields Program; and

WHEREAS, Legislative Resolution No. 882-2000, RFP Committee Process for Analysis of the Brownfields Properties, signed on October 16, 2000, established a committee to analyze nineteen Brownfields Properties listed in an appendix attached to the resolution, said committee comprised of members from the County Executive's Office, County Legislature, the Department of Health Services, Public Works and Planning; and

WHEREAS, said committee is tasked with evaluating the economic viability of the properties so named, determining the extent of the environmental degradation of the properties, and developing a plan for future use of the properties; and

WHEREAS, Suffolk County subsequently received an Environmental Restoration Program (ERP, colloquially known as "Brownfields") grant from the New York State Department of Environmental Conservation for site investigation on property acquired in satisfaction of tax arrears and formerly known as Ronkonkoma Wallpaper; and

WHEREAS, Suffolk County received Targeted Site Assessment grants for site investigations from the New York State Department of Environmental Conservation at property acquired in satisfaction of tax arrears and formerly known as Blue Point Laundry and Bellport Gas Station; and

WHEREAS, Suffolk County intends to continue pursuing Environmental Restoration Program grants for these properties; and

WHEREAS, Suffolk County initially appropriated \$308,700 in the capital budget (CP 8223) fund to finance Brownfields site investigations, along with subsequent appropriations to this fund; and

WHEREAS, the New York State Department of Environmental Conservation has indicated that certain Environmental Restoration Program grant-related documents, including application forms, need to be signed by an individual expressly authorized to do so by local resolution; now, therefore, be it

New York State Department of Environmental Conservation
Division of Environmental Remediation
Stony Brook University
50 Circle Road, Stony Brook, New York 11790-3409
Phone: (631) 444-0240 • Fax: (631) 444-0248
Website: www.dec.ny.gov



Joe Martens
Commissioner

May 17, 2011

Honorable Christopher E. Kent
Chief Deputy County Executive
P.O. Box 6500
H. Lee Dennison Building
Hauppauge, New York 11788-0099

RECEIVED

MAY 19 2011

OFFICE OF THE
SUFFOLK COUNTY EXECUTIVE
HAUPPAUGE

Re: Site Name: Former Bellport Gas Station
Site Number: E152194
SAC Number: C304320

Dear County Executive Kent:

Enclosed for your records is a copy of the executed State Assistance Contract (SAC) for the above referenced site under the Environmental Restoration Program (ERP). The Site Number and SAC Number should be included on all future requests for reimbursement. Also enclosed is a copy of the latest Payment Guidance which should be complied with.

If you have questions, please contact the Project Manager, John C. Sheehan at (631) 444-0244.

Sincerely,

Walter Parish, P.E.
Regional Hazardous Waste Remediation Engineer
Division of Environmental Remediation

Enclosures

cc: D. Desnoyers, NYSDEC
J. Harrington, NYSDEC
E. Obrecht, NYSDEC
J. Sheehan, NYSDEC
J. Meyers, SCDHS
J. Kohn, SC

ENVIRONMENTAL RESTORATION PROGRAM (ERP)

RECORD KEEPING AND PAYMENT GUIDE

1.0 ACCOUNTING SYSTEM

1.1 General System Information

The New York State Office of the State Comptroller requires that every municipality maintain a Capital Projects Fund in conformance with the Uniform System of Accounts. This method of accounting is a modified accrual system and shows all capital expenses and receipts.

Adequate financial accounts and records must be established and consistently maintained in accordance with generally accepted accounting principles and practices in effect during the term of the State Assistance Contract. The Municipality must also keep a cost ledger for costs incurred by the Municipality for work performed under the State Assistance Contract. The accounts and records must clearly identify eligible and ineligible costs incurred by task according to the budgeted expenditure categories within each task.

The financial accounts, records and cost ledger may be audited by the Department and the Office of the State Comptroller (Comptroller) based upon applicable federal and State regulations and contractual provisions in effect during the term of the State Assistance Contract. The financial accounts, records and cost ledger, including supporting documentation, must be kept intact and be readily available for six years after the issuance of the final audit or final payment, whichever is later.

Written procedures and internal controls for the accounting system must be maintained to provide consistency in recording transactions.

The accounting and control responsibilities should be segregated from the project operations. Though the accounting function may be contracted out, the municipality is ultimately responsible for the accounting and control responsibilities of the project.

1.2 Minimum Accounting Requirements

The minimum requirements for an acceptable ERP accounting system are:

The system must include a cost ledger (general ledger) and appropriate subsidiary ledgers in which all financial transactions related to the State Assistance Contract must be recorded (i.e., disbursements, reimbursements). The accounts and records must clearly identify eligible and ineligible costs incurred by task according to the budgeted expenditure categories within each task.

A separate cost ledger and subsidiary ledgers are necessary for each State Assistance Contract (project).

Transactions should be recorded in a timely manner. Disbursements and reimbursements should be recorded in subsidiary ledgers as they are received or incurred and summarized in the cost ledger monthly.

It is recommended that a separate checking account should be maintained for each State Assistance Contract to record deposits to and checks issued from the municipality's cash account. It must be reconcilable to the subsidiary ledgers where check numbers should be listed.

Property records should be maintained for each item of nonexpendable property purchased with State Assistance Contract funds. These records should include a description of the property, its location, serial and model numbers, date of purchase, and original cost. Inventories should be verified by physical inventory counts.

Procurement records should be maintained. These records should substantiate that the Municipality has complied with all applicable procurement statutes, rules and regulations and the requirements of the State Assistance Contract and General Municipal Law.

Financial reports should be prepared on a

monthly basis to provide the Municipality with a timely, accurate status of the State Assistance Contract and of costs incurred.

1.3 Cost (General Ledger) and Subsidiary Ledgers

Project costs should be segregated into the various subsidiary ledgers established for each category of costs included in the State Assistance Contract. Balances from the subsidiary ledger should be posted to the cost ledger monthly. By recording costs in this manner, it is easier to:

Make comparisons between actual costs and budgeted State Assistance Contract amounts;

Review the source and application of funds;

Review the eligibility of costs; and

Prepare reports.

1.4 Supporting Documentation

Each entry in the accounting records should be supported by appropriate documentation. The documentation can be generated from outside your office (i.e., invoices), and/or it can be internally generated (i.e., payroll registers, canceled checks and time distribution records). In many cases, several documents will support a single transaction. The files of supporting documentation should be coded and cross-referenced in such a way that transactions can be traced from any document dealing with the transaction back to the initiation of that transaction and forward to the entry or entries in the accounting system.

Please refer to Payment Requirements, Section 2 of this guide, for a further explanation of the documentation required.

Documentation of costs incurred by consultants under contract to the Municipality must be maintained in a similar format acceptable to the Department.

2.0 PAYMENT REQUIREMENTS

2.1 General

- a. All payment requests must be prepared and documented in accordance with Section 2, Payment Requirements, of this guide.
- b. All payment requests must be based on actual allowable costs incurred previous to the work ending period covered by the payment requests.
- c. Requests for reimbursements should not be submitted more frequently than quarterly (i.e., every three months). If the need for monthly reimbursements can be justified due to cash flow problems during construction, a request to deviate from the quarterly schedule should be submitted and approved by the Department prior to requesting monthly reimbursements. In addition, as a minimum, standard requests for payment must be submitted at least annually. In all cases, eligible costs incurred must be requested for reimbursement within one (1) year (i.e., 365 days).
- d. All claims for reimbursement shall be accompanied by a State of New York Standard Voucher form and the Municipality's Application for Payment form provided by the Department and documentation which substantiates the eligibility of costs claimed to date as required by the Department and the Office of the State Comptroller.
- e. Payments shall be accepted by the Department in accordance with Schedule B: Payment Schedule of the State Assistance Contract.
- f. The Standard Voucher must be signed by the person authorized to sign the contract for the municipality, or other person designated to do so by resolution of the municipality's governing body.
- g. Two (2) copies of the Standard Voucher and the Detailed Cost Summary, with at least one copy of each bearing an original signature, and two (2) copies of required

supporting documentation are required.

- h. Required supporting documentation must be summarized by task and budgeted expenditure categories within task (i.e., direct salary, travel, and subcontracts, etc.)
- i. The payment request, along with the required supporting documentation, will be reviewed by the Department. If the documentation is incomplete, or if documented costs are unallowable, the costs in question will be deducted from the payment request.

The Office of Minority and Women's Business Program (OMWBP) assures Affirmative Action Compliance through the approval and/or disapproval of progress payments to contractors and state assistance recipients. The Department procedures require the clearance of the OMWBP for all progress payments.

If the Department determines that the Municipality has not complied with Contract requirements, payment may be withheld. In the event that a payment request is denied, or partially paid, the Department will provide written notice of the reasons for partial payment or denial to the municipality. The Department's review and determination to approve a payment request must be reviewed and approved by the Comptroller.

- j. Costs claimed on a payment request which are disallowed by the Department may be submitted for reconsideration within ninety days of the date of the disallowance letter. Unless resubmitted within this time period, the Department's determination to disallow shall be final and binding the municipality. The resubmittal of disallowed costs must be accompanied by a request for payment (New York State Standard Voucher). Disallowed costs resubmitted on a payment request by the municipality must address the Department's reasons for disallowance and provide all necessary supporting documentation in order to be reconsidered.
- k. Resubmittals for the same costs cannot be

open ended via reclaiming each payment. That is, after two resubmittals the determinations will be final and binding and a future payment request containing such costs will be returned. Any further disagreement about costs claimed and not allowed must be resolved using the dispute and appeal processes contained in the contract or otherwise administratively available.

- l. The Department shall retain 5% from all payment requests in accordance with Schedule B Payment Schedule of the State Assistance Contract unless there is going to be only one or two payments.
- m. All payment requests must be reviewed and approved by the Comptroller in accordance with Section 112 of the State Finance Law prior to the issuance of a check.
- n. The municipality is exempt from receiving interest on delayed payments. However, a good faith effort will be made by the State to facilitate prompt payment to the municipality.

2.2 Final Payment

Payment for all allowable costs, including the final 5% retainage, shall be made after:

- a. a review has been completed by the Department of all costs claimed for payment for work performed under this Contract; and
- b. work required by the Contract is satisfactorily completed and approved by the Department; and
- c. receipt of a signed retainage release from the municipality which releases the Department from any duty to make further payment for work required under this Contract; and
- d. a signed and notarized affidavit is submitted by the municipality in accordance with Labor Law 220-a, certifying as to payments made or owed to

laborers employed on the project.

2.3 Documentation

All documentation requirements contained in this guide are for costs incurred by the municipality in performing force account work or for costs incurred by the municipality for work performed by its contractor or subcontractor. The municipality should consider including language and requirements in its contracts that will insure that the contractor and subcontractor provide the necessary documentation in order for the municipality to be reimbursed by the State. Such language should be developed upon advice of the municipality's legal counsel.

All documentation required by the guide should be submitted with each payment request. It may not, however, be audited with each payment request, but it will be audited at periodic intervals.

2.4 Direct Salary Costs

- a. The municipality shall only be compensated for the work required by the scope of engineering services set forth in Schedule A: Work Plan, of the State Assistance Contract.
- b. Reimbursement for direct salary costs will be limited to the titles and salary rates in the municipality's contracts or accepted by the Department, whichever is less. The level of effort claimed for direct salary costs must be reasonable in terms of the work performed.

Any requests for revisions to the maximum salary rates originally accepted must be made in writing by the municipality, appropriately documented, and approved by the Department.

- c. Reimbursement will be limited to either the maximum reimbursement rate or the actual hourly rate paid, whichever is lower.

If, during the term of the State Assistance

Contract, salary rates are paid by the municipality in excess of the maxima, the excess amount shall be borne by the municipality without reimbursement either as a direct or an indirect cost.

- d. The actual overtime premium portion of direct salary costs is allowable for reimbursement for employees paid on an hours worked basis, provided that the titles of such employees are identified as eligible for overtime in its contracts, and the employees work in excess of an eight hour day on the project. In addition, overtime will not be allowed unless it is justified and approved by the Department prior to being incurred.
- e. Costs related to incentive compensation will not be reimbursed as a direct cost under the State Assistance Contract. Incentive compensation includes but is not limited to deferred compensation, profit sharing and bonuses.
- f. Documentation requirements

(1) Request for payment of direct salary costs must include the information listed below. It should be summarized by contractor, subcontractor, and municipality (force account) within each task.

- (a) title of each individual
- (b) name of each individual
- (c) salary of each individual expressed as an hourly rate
- (d) dates worked for each individual
- (e) hours worked each day, giving task(s) to which work is attributable
- (f) direct salary cost claimed for each individual (hours worked x hourly salary rate), giving task(s) to which cost is attributable.

(2) The overtime premium portion of direct salary costs must be segregated since indirect cost shall not be applied to the cost of the overtime premium portion of direct salary costs. The calculation used in determining the cost of the overtime premium portion must be shown (overtime hours worked x premium overtime hourly

salary rate).

- g. A force account proposal for work by the municipality's own employees must be approved by the Department prior to the request for payment for these charges.
- h. Temporary personal (e.g., Manpower, Kelly, etc.) services are considered direct non-salary costs and proper procurement procedures must be followed for such services. These services must also have prior written approval by the Department in order to be reimbursed.
- i. The consultant's administrative costs are normally considered overhead and, therefore, are not allowable. Examples of administrative costs are secretarial services, clerical support, internal mailing and shipping services, payment request preparation, etc. However, it must be noted that there are exceptions to the rule. Many firms are allowed costs incurred for payment request preparation, computer services, budget table preparation, and some other administrative costs if those costs were specially excluded from the indirect cost pool when the Department determined the acceptable multiplier.
- j. Clerical work performed by an administrative employee in place of a technical person performing those same duties may be approved by the Department if it is determined that the scope of work involved is clerical in nature, involves minimal cost and it results in a cost savings for the municipality and the State. An example, is the preparation of technical tables by administrative staff using technical information provided by technical staff. Reimbursement for the clerical work will be limited to the Clerical Wage Rate in the ERP Guidelines.

2.5 Direct Non-Salary Costs

- a. The municipality shall only be compensated for actual direct non-salary costs incurred in the performance of eligible work required by the scope of

services set forth in Schedule A: Work Plan, of the State Assistance Contract.

- b. Reimbursement will be limited to the rates set forth in its contracts or accepted by the Department whichever is less.
- c. Items purchased under this State Assistance Contract shall be only for purposes related to the State Assistance Contract. The items shall become the property of the Department at the completion of the contract, or, at the option of the Department, such item may become the property of the Municipality. If they become the property of the Municipality, an appropriate dollar value will be assigned to the items and a deduction in that amount will be made against the next payment due the Municipality.
- d. The municipality shall bear full and sole responsibility for the cost of replacing or repairing items which are stolen, lost or damaged while the items are in its custody, control or care, or that of its contractors or subcontractors. Accordingly, no reimbursement of costs incurred to replace or repair such items shall be permitted if the items have been purchased with contract funds or borrowed from the Department or a third party, unless otherwise agreed in writing. At the Department's option, the municipality shall either compensate the Department for the repair or replacement of such items, or the Department may deduct the sum from the retainage or other funds due the municipality.
- e. Special Shipping (e.g., Federal Express) is not allowed for submittal of ERP requests.
- f. Reimbursement for refundable deposits are not allowed.
- g. Equipment not listed in the municipal-consultant contract, a subcontract, or the ERP Eligibility Guidelines for Municipal-Consultant Contracts, are not allowed unless the municipality received prior written approval from the Department. The rate for this equipment must be justified as

with subcontractors (i.e., through quotes) or the rate will be limited as determined by the Department.

h. Documentation requirements:

Request for payment of direct non-salary costs must include the information listed below. It should be summarized by contractor, subcontractor, and municipality (force account) by expenditure category (i.e., supplies, equipment) within each task.

(1) Supplies and Equipment

Costs claimed for supplies and the purchase or rental of equipment must be accompanied by invoices or receipts. The invoices or receipts must identify the item and its purpose in relation to the State Assistance Contract. Unless otherwise approved in writing by the Department, reimbursement of the total rental cost claimed for an individual piece of equipment will be limited to 85% of the purchase price of that piece of equipment. Items should be summarized by expenditure category (i.e., supplies, equipment, etc.).

(2) In-House Costs

In general, in-house costs for computer services, postage, reproduction, printing and telephone are not allowable as direct non-salary costs. These costs should be included in the indirect cost pool used to determine the indirect cost percentage. However, some in-house costs may be allowable if these costs were specifically excluded from the indirect cost pool when the Department determined the acceptable indirect cost rate for the municipality's consultant contract.

(3) Travel (Lodging, Meals, Transportation)

Claims for travel expenses must be accompanied by the following documentation and be summarized by trip.

(a) name and title of individual

- (b) purpose of trip
- (c) date of trip
- (d) origin and destination of travel
- (e) method of travel
- (f) method of calculating mileage, if claimed
- (g) meal allowance claimed
- (h) receipts as required for lodging and transportation

2.6 Contract and Subcontract Costs

- a. All contracts and subcontracts must be reviewed and accepted in writing by the Department, prior to incurring costs.
- b. All contract and subcontract costs are subject to the same documentation requirements as the municipality.
- c. Costs for contracts and subcontracts, which have a reimbursement schedule included in their contracts, will be limited by the maxima in the reimbursement schedule(s) or what is accepted by the Department whichever is less.
- d. Documentation requirements:
 - (1) Claims for contract and subcontract costs must be accompanied by a contractor and subcontractor's invoice.
 - (2) If direct salary costs are claimed, the documentation required in Section 2.4 must be supplied.
 - (3) If direct non-salary costs are claimed, the documentation required in Section 2.5 must be supplied.
- e. If the municipality chooses a subcontractor other than the lowest bidder, cost eligibility of the chosen subcontract will be limited to the lowest quote received.
- f. Management fees or "mark ups" charged by the municipality or the municipality's consultant are not allowed.

2.7 Indirect Costs

- a. The municipality and its contractor(s) or

subcontractor(s) will be compensated for that portion of its indirect costs that are properly allocable to the performance of work under the State Assistance Contract. Indirect costs are based on actual expenses incurred during the term of the State Assistance Contract, subject to audit. The indirect costs shall be calculated based on a percentage of direct salary cost. Indirect cost shall not be applied to overtime premium portions of direct salary cost.

- b. The indirect cost percentage shall be applied to the actual direct salary cost to determine the indirect cost charge. The indirect cost percentage shall not exceed the rate in the municipality's contracts. However, the indirect cost may be limited by eligibility criteria established by the Department.
- c. An audit of the accounting records of the municipality and its contractors may be made for any or all accounting periods during the term of the State Assistance Contract. For the purpose of the State Assistance Contract, an accounting period shall be the municipality's fiscal year.

2.8 Fixed Fee

A portion of the municipality's contractor's fixed fee, as set forth in its contract, shall be paid with each payment when requested. The amount requested must equal the fixed fee percentage (as determined by the Department) multiplied by the sum of Direct Labor plus Indirect Costs Rate Amounts claimed for the payment period.

2.9 Cost Control Reports

- a. In contracts where there will be multiple payment requests, the municipality is required to submit a Cost Control Report, in the required format for each contractor performing work under the ERP State Assistance Contract (SAC). If a contract includes work for more than one stage or program element (SI, RAR.) then a Cost Control Report for each stage or program element associated with the contract is

necessary along with a Cost Control Report for the total contract. If there is more than one contract involved in a stage or program element (construction oversight consultant and construction contract) then a Summary Cost Control Report must be prepared for each stage or program element. Finally, a Summary Cost Report for the total SAC is required. It would include the total costs associated with all stages or program elements. Construction contractors in addition to submitting a Cost Control Report must also submit the Cost Control Report Attachment, Summary of Construction Costs. If the municipality performs eligible work which will be reimbursed under the ERP SAC based on a force account approval by the Department then the municipality must prepare and submit Cost Control Reports following the same procedures outlined above for contractors. The Department project manager has the option of requiring Cost Control Reports for tasks within stages or program elements.

- b. Two copies of all Cost Control Reports are required. One of the copies must have the original signature of the project manager of the contract and/or the ERP SAC's authorized representative.
- c. The Cost Control Reports should be submitted in conjunction with the quarterly payment request. If a quarterly payment request is not being submitted, the Cost Control Reports must be submitted within 15 calendar days after the end of each quarter.
- d. The Department will review the Cost Control Reports for conformance with the ERP SAC and the various Municipal-Consultant or Construction Contracts. It will also be reviewed to determine if any contract amendments or rebudgeting is required.
- e. The Cost Control Report and Cost Control Report Attachment, Summary of Construction Costs forms must be used. When filling out a Cost Control Report for construction contracts, report the

construction contract expenditures under Expenditure Category 7 Subcontractors since the contract costs will be broken down on the Cost Control Report Attachment, Summary of Construction Costs. The instructions for completing the forms are provided below.

Cost Control Report
Column Description

A. Eligible Costs Claimed This Application Including Resubmittals:

Eligible costs incurred and claimed for payment this billing period, plus any resubmitted costs claimed in this payment application, prior to the reduction for retainage.

B. Eligible Costs Approved For Payment on Previous Applications:

Eligible costs claimed in previous applications for payments which were approved by the Department, prior to the reduction for retainage. Does not include Column A, Eligible Costs Claimed This Application.

C. Total Eligible Costs to Date (Column A plus B):

Eligible Costs Approved For Payment on Previous Applications, Column B plus Eligible Costs Claimed This Application Including Resubmittals, Column A.

D. Total Estimated Eligible Costs:

This figure represents the estimated eligible cost to perform the scope of work included in the contract for this stage or program element. This estimate may differ from the Approved Budget, Column E, and if so it would indicate either additional funds will be required or that there may be unexpended funds.

E. Approved Budget:

Budgeted amount approved by the Department to perform the scope of work included in the contract for this stage or program element.

F. Estimated Over/Under (Column E minus D)

The difference between the Approved Budget Column E and the Total Estimated Eligible Costs, Column D. The amount represents the estimated unexpended balance or over expenditure associated with the scope of work included in the contract for this stage or program element.

Cost Control Report Attachment
Summary of Construction

- a. A Cost Control Report Attachment Summary of Construction Costs form must be completed for every stage or program element associated with the construction contract.
- b. The Itemized Proposal columns, under Job Progress; Item No., Unit Price, Estimated Quantity, Type of Work and Column 1 Contract Amount must equal the contract budget approved by the Department. The contract information should be broken down as it appears in the bid proposal.
- c. The Work Completed to Date columns under Job Progress; Actual Quantity, Column 2 Amount and Code must reflect the actual amounts.
- d. Change order must be reflected on the bottom of the form under Approved Change Orders. A separate Job Progress must also be completed for each change order following the instructions in b and c above.

2.10 State of New York Standard Voucher

- a. All claims for reimbursement must be accompanied by a State of New York Standard Voucher which must be signed under item 7, "Payee Certification", by the person authorized to sign the contract for the municipality, or other person designated to do so by resolution of the municipality's governing body.
- b. The Standard Voucher must be completed per the Instructions to Payee on the reverse side of the voucher with the exception of No. 6. Please note, you are only required to fill in the blocks on the Standard

Voucher that are numbered. Number 6 should include the following information only: Total Cost, Ineligible Cost, Total Eligible Cost, and 90 percent Reimbursement Amount for the payment request application being submitted. See example for format. Also under the column "Amount" the "Total" should be the 90 percent Reimbursement Amount and "Total" amount should equal Column A, line 11 of the Cost Control Report. The "Net" amount should equal line 7, Payment this application, under 90% of Eligible Contract work Performed of the Municipality's Application for Payment form.

2.11 Municipality's Application For Payment For ERP State Assistance Contracts

- a. All claims for reimbursement must be accompanied by a Municipality's Application for Payment for ERP State Assistance Contracts form which must be signed under Schedule II, "Certification By Municipality" by the person authorized to sign the contract for the municipality, or other person designed to do so by resolution of the municipality's governing body. Projects under \$200,000 may not have retainage.
- b. The following must be filled out by the municipality on the top of the form: "Payee Name and Address, Comptroller Contract No., Application for Payment No., Work Performed Ending, and Payee ID No." The "Payee Name and Address" should be entered as you wish it to appear on the check. The "Comptroller Contract No." is the number assigned by the Office of the State Comptroller for the State Assistance Contract. The Application for Payment No. is a sequential number assigned to payments submitted, that is, the 1st payment request is No. 1, the second is No. 2, etc. The "Work Period Ending" is the ending date of the latest work performed and claimed in the reimbursement request. The work period ending date cannot exceed the contract's expiration date. The "Payee ID No." should be the Federal Identification Number assigned to the municipality.

- c. On Schedule I, Financial Statement, the "Contract Value Lines 1, 2, and 3" should reflect the "Original Contract" amount, "Amendments" amount and the "Net Contract Amount" (total of original and amendments). Line 4, "Maximum Retainage," should be 5 percent of the "Net Contract Amount" which is line 3.
- d. On Schedule I, Financial Statement, under "90% of Eligible Contract Work Performed" the 90 percent amounts for eligible contract work performed should be entered as follows: Line 1, "Costs approved for payment in previous application," should be the same as Line 3, "Costs claimed to date" from the last payment approved by the Department. Line 1 should match Column B, line 11 on the Cost Control Reports; Line 2, "Costs claimed this application," should be 90% of the eligible costs incurred and claimed for payment this billing period as well as any resubmitted costs claimed under this application. Line 2 should match Column A, line 11 of the Cost Control Report; Line 3, "Costs claimed to date," should be the sum of Lines 1 and 2. Line 3 should match Column C, line 11 of the Cost Control Report; Line 4, "Net Retainage (Less Releases)," should be the 5 percent retainage less any releases as indicated on the lower left side of this schedule; Line 5, "Costs claimed to date less retainage," should be Line 3 minus Line 4; Line 6, "Less previous payments," should be the amount actually paid to date which is equal to Line 5 of the last payment approved by the Department; Line 7, "Payment this application," should be Line 5 minus Line 6. Line 7 should match the "Net" amount indicated on the NYS Standard Voucher.
- e. Schedule II should be signed as required in paragraph (a) while Schedules III and IV are completed by the Department.

NEW YORK STATE DEPARTMENT OF ENVIRONMENTAL CONSERVATION
1996 CLEAN WATER/CLEAN AIR BOND ACT
ENVIRONMENTAL RESTORATION PROGRAM
STATE ASSISTANCE CONTRACT

IN RE:

Municipality Name: Suffolk County
Site Name: Former Bellport Gas Station
Site Address: 1401 Montauk Highway
Site Number: E152194

Contract Number: C304320



This CONTRACT is made between the New York State Department of Environmental Conservation (Department), acting for and on behalf of the State, and the Suffolk County, with offices located at Office of the County Executive, P.O. Box 6500, H. Lee Dennison Building, Hauppauge, New York 11788-0099.

WHEREAS, the Department is authorized by Article 56 of the New York State Environmental Conservation Law (hereinafter the "ECL") to enter into contracts on behalf of the State to provide State Assistance; and

WHEREAS; this Contract No.C304320 incorporates by reference Contract No. T303811 which the Department and the Municipality entered into on July 1, 2008. The original estimated eligible costs under Contract No. T303811 of \$50,670 resulted in a state assistance contract of \$46,346 for the original investigation scope of work. Since the contract amount was under \$50,000 the contract was given a "T" designation that now precludes it from being increased to cover the revised estimated eligible costs. Therefore, a new Contract No. 304320 is required for the estimated increase in eligible costs of \$79,756 to complete the investigation and perform the Interim Remedial Measure which results in a state assistance contract amount of \$71,780. See Schedule A for additional details; and

WHEREAS, the Legislature has determined that the preservation, enhancement, restoration and improvement of the quality of the State's environment is one of government's most fundamental obligations; and

WHEREAS, the Legislature authorized the Department to enter into contracts with municipalities to provide State Assistance to them to develop and implement Environmental Restoration Program projects approved by the Department for eligible properties held in title by them; and

WHEREAS, Municipality has applied for State Assistance to develop and implement an Environmental Restoration Program project (Project), the purpose and scope of which is set forth in Schedule A Scope of Work of this Contract, on the Site that is described in Appendix C Proof of Ownership and Legal Description of Site of this Contract, by metes and bounds and by reference to a recorded map showing its boundaries and bearing the seal and signature of a licensed land surveyor; and

WHEREAS, Municipality agrees to undertake all work and to comply with all terms and conditions of this Contract; and

WHEREAS, Municipality submitted an approvable application for State Assistance, including submission of its documentation of its authorization to enter into this Contract, and of its authorization of the person signing the same to do so; and

WHEREAS, Municipality agrees that it will fund its portion of the cost of said Project in accordance with the cost-sharing provisions of Title 5 of ECL Article 56 and its regulations; and

WHEREAS, the Department's execution of this Contract is made in reliance upon the information provided by, and representations of, Municipality in its application papers and in this Contract; and

WHEREAS, Municipality has complied and commits to continue to comply with the requirements for State Assistance to municipalities established under Article 56 of the ECL.

NOW, THEREFORE, IN CONSIDERATION OF AND IN EXCHANGE FOR THE MUTUAL COVENANTS AND PROMISES, THE PARTIES AGREE TO THE FOLLOWING:

I. Public Participation Plan

Municipality agrees to implement the Department approved Public Participation Plan (Plan) for this Project in accordance with its terms, a copy of which plan is set forth in the work plan and incorporated into this Contract. The Plan must provide that if the Municipality elects not to proceed with remediation of the Site, the Municipality shall provide timely and accessible disclosure of the Municipality's decision and the results of the investigation to the interested public. The plan shall provide for adequate public notice of the Municipality's decision and availability of the investigation results for a period of no more than 45 days from the date of the notice. The plan shall provide an opportunity for submission of written comments to the Municipality and the Department; and the Municipality shall file the notice of the results of the investigation in the office of the Recording Officer for the county or counties where the land is situated, as authorized by subdivision three of section three hundred sixteen-b of the Real Property Law.

II. Development, Performance and Reporting of Work Plans

A. Work Plan Requirements

Municipality shall prepare and implement the work plans ("Work Plan" or "Work Plans") under this Contract in accordance with the requirements of ECL Article 56 Title 5 and all applicable laws, rules, regulations, and guidance documents. The Work Plans shall be captioned as follows:

1. "Remedial Investigation Work Plan" if the Work Plan provides for the investigation of the nature and extent of contamination at and emanating from the Site.
2. "Remedial Work Plan" if the Work Plan provides for the development and implementation of a Remedial Program for the Site.
3. "IRM Work Plan" if the Work Plan provides for an interim remedial measure; or
4. "Site Management Plan"

B. Submission/Implementation of Work Plans

1. The first proposed Work Plan to be submitted under this Contract shall be submitted within forty (40) days after the effective date of this Contract or such reasonable time as the Department may approve. Thereafter, Municipality can submit such other and additional work plans as it deems appropriate.

2. A proposed Work Plan shall be submitted for the Department's review and approval and shall include, at a minimum, a chronological description of the anticipated activities, a schedule for performance of those activities, and sufficient detail to allow the Department to evaluate that Work Plan. The Department shall use best efforts to approve, modify, or reject a proposed Work Plan within forty-five (45) Days from its receipt or within fifteen (15) days from the close of any public comment period, if applicable, whichever is later, or such reasonable time as the Department may approve. Upon the Department's written approval of a Work Plan, such Department-approved Work Plan shall be incorporated into and become an enforceable part of this Contract and shall be implemented in accordance with the schedule contained therein. If the Department disapproves a Work Plan, the reasons for such disapproval shall be provided in writing. In the event the Department disapproves a Work Plan, within twenty (20) days after receiving written notice of such disapproval, Municipality shall elect in writing to modify or expand it within 30 days of such disapproval notice, or complete any other Department-approved Work Plan(s).

3. A Site Management Plan, if necessary, shall be submitted in accordance with the schedule set forth in the IRM Work Plan or the Remedial Work Plan.

4. During all field activities, Municipality shall have on-Site a representative who is qualified to supervise the activities undertaken. Such representative may be an employee or a consultant retained by Municipality to perform such supervision.

C. Revisions to Work Plans

If revisions to a Work Plan are required to satisfy the objectives of such Work Plan, the parties will negotiate revisions which shall be attached to and incorporated into the relevant Work Plan and which shall be enforceable under this Contract.

D. Progress Reports

Municipality shall submit a written progress report of its actions under this Contract to the parties identified in Paragraph XV by the 10th Day of each month commencing with the month subsequent to the approval of the first Work Plan, unless a different frequency is set forth in a Work Plan. Such reports shall, at a minimum, include: all actions relative to the Site during the previous reporting period and those anticipated for the next reporting period; all approved activity modifications (changes of work scope and/or schedule); all results of sampling and tests and all other data received or generated by or on behalf of Municipality in connection with this Site, whether under this Contract or otherwise, in the previous reporting period, including quality assurance/quality control information, information regarding percentage of completion, unresolved delays encountered or anticipated that may affect the future schedule, efforts made to mitigate such delays, and information regarding activities undertaken in support of the Public Participation Plan during the previous reporting period and those anticipated for the next reporting period.

E. Submission of Final Reports

1. In accordance with the schedule contained in a Work Plan, Municipality shall submit a final report that shall include but not be limited to: all data generated relative to the Site and all other information obtained as part of the implementation of the subject Work Plan; all of the assessments and evaluations required by the subject Work Plan; a statement of any additional data that must be collected; and "as-built" drawings. The final report for an Investigation Work Plan shall contain a certification by the person with primary responsibility for the day to day performance of the activities under this Contract that those activities were performed in full accordance with the Investigation Work Plan, and all other Work Plan final reports shall contain a certification made by a Professional Engineer with primary responsibility for the day to day performance of the activities under this Contract that all such activities were performed in full accordance with the Department approved Work Plan.

2. Within sixty (60) days of the Department's approval of a final report or such reasonable time as the Department may approve, Municipality shall submit such additional Work Plans as it proposes to implement.

F. Remedial Investigation/Alternatives Analysis Report

Municipality shall develop an Remedial Investigation/Alternatives Analysis Report ("RI/AAR") and submit such evaluation to the Department for review and approval as a Final Report on the Investigation of the Site.

G. Review of Submittals Other Than Work Plans

1. The Department shall timely notify Municipality in writing of its approval or disapproval of each submittal other than a Work Plan. All Department-approved submittals shall be incorporated into and become an enforceable part of this Contract.

2. If the Department disapproves a submittal covered by this Subparagraph, it shall specify the reasons for its disapproval and may request Municipality to modify or expand the submittal. Within twenty (20) days after receiving written notice that Municipality's submittal has been disapproved, Municipality shall elect in writing to: (i) modify or expand it within 30 days of such disapproval notice; (ii) complete any other Department-approved Work Plan(s); or (iii) invoke dispute resolution pursuant to Paragraph XVII. If Municipality submits a revised submittal and it is disapproved, the Department and Municipality may pursue whatever remedies may be available under this Contract or under law.

H. Department's Determination of Need for Remediation

The Department shall determine upon its approval of the Alternatives Analysis Report dealing with the investigation of the Site whether remediation, or additional remediation as the case may be, is needed for protection of public health and the environment.

1. If the Department makes a determination that remediation, or additional remediation, is not needed for protection of public health and the environment, it shall prepare for public comment a Proposed Remedial Action Plan ("PRAP") setting forth that No Further Action is an appropriate remedy for the Site. If the proposed remedy for the Site remains the same after the public comment period has passed and a Responsiveness Summary has been prepared, the Department shall issue a Record of Decision ("ROD") containing such "No Further Action" remedy. This Contract shall then terminate upon the Department's issuance of a Satisfactory Completion of Project letter.

2. If the Department determines that additional remediation is not needed and such determination is based upon use restrictions, the Department shall prepare for public comment a PRAP, setting forth that No Further Action is an appropriate remedy for the Site as long as certain institutional and engineering controls, if necessary, are implemented. If the proposed remedy for the Site remains the same after the public comment period has passed and a Responsiveness Summary has been prepared, the Department shall issue a ROD and Municipality shall implement a "Site Management Plan", if required by the Department to ensure sufficient protection of the public health and the environment. Municipality shall satisfy the requirements of Paragraph XIII of this Contract with respect to causing an Environmental Easement to be filed and furnishing proof of filing to the Department. Upon receiving proof that Municipality has complied

with Paragraph XIII of this Contract, this Contract shall terminate upon the Department's issuance of a Satisfactory Completion of Project letter.

3. If the Department determines that remediation, or additional remediation, is needed, the Department shall prepare a PRAP for public comment setting forth the Department's preferred remedial alternative for the Site. Within 60 days of the Department's issuance of a ROD, Municipality may elect to submit for review and approval a proposed Remedial Work Plan to conduct an Environmental Restoration Program remediation project on the Site.

i. If Municipality elects not to submit or negotiate a proposed Remedial Work Plan under this Subparagraph, then Municipality shall comply with the Public Participation requirements under Paragraph I of this Contract; implement a "Site Management Plan", if required by the Department to ensure sufficient protection of the public health and the environment; and Municipality shall satisfy the requirements of Paragraph XIII of this Contract with respect to causing an Environmental Easement to be filed and furnishing proof of filing to the Department. Upon receiving proof that Municipality has complied with Paragraphs I and XIII of this Contract, this Contract shall terminate in accordance with the terms of Paragraph XVI.A. This Contract shall then terminate upon the Department's issuance of a Satisfactory Completion of Project letter.

ii. If Municipality elects to submit and implement an approvable Remedial Work Plan under this Subparagraph, it shall deliver to the Department an application to undertake an Environmental Restoration Program remediation project, as defined in the most recent version of the Department's Procedures Handbook for Environmental Restoration Program Projects" available at the time of the application for State Assistance. If the application is approved, the Department shall notify Municipality in writing and the Remedial Work Plan shall be incorporated into and become an enforceable part of this Contract

I. Submission of Annual Reports, If Required

In the event that the remedy for the Site, if any, or any Work Plan for the Site requires a Site Management Plan as a consequence of operation, maintenance, and monitoring requirements, including reliance upon institutional or engineering controls, Municipality shall file an annual report on the 1st day of the month following the anniversary of the start of the Site Management Plan and continuing until the Department notifies Municipality in writing that such annual report may be discontinued. Such annual report shall be signed by a Professional Engineer or by an expert approved by the Department to perform that function and certified under penalty of perjury that the institutional and/or engineering controls are unchanged from the previous certification and that nothing has occurred that would impair the ability of such controls to protect public health and the environment or constitute a violation or failure to comply with the

approved Site Management Plan. Municipality shall notify the Department within twenty-four (24) hours of discovery of any breach, upset, interruption, or termination of one or more controls without the prior approval of the Department. Further, Municipality shall take all actions required by the Department to maintain conditions at the Site that achieve the objectives of the remedy and/or the Work Plan and are protective of public health and the environment. An explanation of such upset, interruption, or termination of one or more controls and the steps taken in response shall be included in the foregoing notice and in the annual report required by this Subparagraph as well as in any progress reports required by Paragraph II.D.. Municipality can petition the Department for a determination that the institutional and/or engineering controls may be terminated. Such petition must be supported by a Professional Engineer stating that such controls are no longer necessary. The Department shall not unreasonably withhold its approval of such petition.

III. Contemplated Use

The Municipality represents that the Site will be used for restricted residential, as well as commercial and/or industrial use, and Municipality agrees for itself and for its lessees and successors in title that any proposed change to the Contemplated Use shall be governed by the provisions of ECL 56-0511 and any implementing regulations thereto.

IV. Enforcement and Force Majeure

This Contract shall be enforceable as a contractual agreement under the laws of the State of New York. The Municipality shall not suffer any penalty or be subject to any proceeding or action if it cannot comply with any requirement of this Contract as a result of a Force Majeure Event provided it notifies the Department in writing within ten (10) days of when it obtains knowledge of any such event. The Municipality shall include in such notice the measures taken and to be taken to prevent or minimize any delays and shall request an appropriate extension or modification of this Contract. The Municipality shall have the burden of proving by a preponderance of the evidence that an event qualifies as a Force Majeure Event pursuant to this Paragraph.

V. Entry upon Site

A. The Municipality hereby agrees to provide access to the Site and to all relevant information regarding activities that may have involved contaminants at the Site in accordance with the provisions of ECL 56-0515. Such access shall be for purposes of ensuring that the Site is investigated and remediated in accordance with Department-approved plans, that any Site Management Plan for the conditions on such Site is being implemented satisfactorily, that the engineering and/or institutional controls are continually maintained in the manner the Department may require, that no person has engaged or is engaging in any activity that is not consistent with restrictions placed upon the use of the Site or that will or that reasonably is anticipated to: prevent or interfere

significantly with a proposed, ongoing or completed project; or expose the public health or the environment to a significantly increased risk of harm or damage from such Site. The Department may carry out any measures necessary to return the Site to a condition sufficiently protective of human health, in accordance with ECL 56-0509.4; and neither the Municipality nor any of successors in title, lessees or lenders shall interfere with such access.

B. The Department shall have the right to periodically inspect the Site to ensure that the use of the Site complies with the terms and conditions of this Contract; such right of inspection shall survive termination of this Contract.

VI. State Assistance Amount

The Commissioner shall pay the Municipality for its Eligible Costs in conducting the Project in an amount not to exceed seventy-one thousand seven hundred eighty dollars (\$71,780), which amount has been determined by the Commissioner to be up to 90 percent of the estimated Eligible Costs for on-site work and up to 100 percent of the Eligible Costs of any off-site work directed by the Department to be undertaken outside the boundaries of the Site that is approved by the Department. The Department shall not pay for work that is not an Approved Activity, as defined in the Appendix D Glossary of this Contract. The Department shall not pay for Department-approved proposed work that was not completed to the Department's satisfaction. Municipality may contribute its share of the Eligible Costs of the project from sources deemed eligible pursuant to Article 56 and its regulations thereto. If the final Eligible Costs are lower than those used to calculate the estimated Eligible Costs amount, the parties agree to either amend this State Assistance Contract to apply the same percentage shown above to the final Eligible Costs in order to determine the revised contract amount if the project is ongoing, or to reimburse the Municipality based on the final Eligible Costs and disencumber the unexpended contract amount and close out the contract, if the project is completed. Upon request by the Department, the Municipality agrees to execute and return the Contract Amendment to the Department within 90 days of receipt of a Contract Amendment that will identify the revised Contract amount.

VII. Reimbursement of Costs

A. State Assistance shall be provided to the Municipality in accordance with Schedule B - Payment Schedule of this Contract. All claims for reimbursement shall be accompanied by documentation which substantiates the eligibility of costs claimed to date, as required by the Department and the Office of the State Comptroller. The voucher must be signed by a duly authorized person.

B. If upon final audit of the Project by the Office of the State Comptroller, the Department determines that overpayment above the amount due has occurred, the Municipality shall make full repayment to the State of New York, through the Department and for deposit into an appropriate account within sixty (60) days of

notification of the Municipality by the State of such overpayment, or at such later date agreed upon by the parties, if the parties agree to a later date, and in accordance with the payment procedures, schedules and policies of the Municipality.

VIII. Disposition of Site

A. In the event that there is a Disposition of the Site or any portion of such Site, the amount of State Assistance shall be recalculated using the value of the Disposition of the Site. The Department has the option of either reducing the amount of the Contract if the project is ongoing or requesting reimbursement of the amount owed. The amount of money owed the State is the difference between the value of the disposition of the Site less the Municipality's cost of the Site including taxes owed to the Municipality upon acquisition and the Municipality's share of the cost of this Project up to the amount reimbursed by the State to the Municipality under this Contract. For purposes of this subparagraph, the "value of the Disposition of the Site", or that portion of the Site that is disposed, consists, if the Site is disposed by transfer of title, of the higher of the Site's sale price or the Site's fair market value at time of sale; or, if the Site is disposed by lease, the higher of the present worth of the stream of rent over a 30 year period beginning the effective date of this Contract or the present worth of the fair market value of the stream of rent over the same 30 year period. However, if the Site is located in an economic development zone or in a zone equivalent area, as those terms are defined in sections 957 and 959(bb), respectively, of the general municipal law; or if the Site is located in a project area that is the subject of a redevelopment plan approved by the Municipality's legislative body under Article 18-B of the general municipal law; or if the Site will be used to maintain or expand the supply of housing for persons of low income and families of low income as section 2 of the private housing finance law defines them, then if the Site is disposed by sale, the "value of the Disposition of the Site", or that portion of the Site that is disposed, consists of the Site's sale price, and if the Site is disposed by lease, the present worth of the stream of rent over a 30 year period beginning the effective date of this Contract.

B. If the Municipality disposes of the Site by sale to a responsible party, the Municipality shall collect from such responsible party, in addition to such other consideration, an amount of money constituting the amount of State Assistance provided to the Municipality under this Contract plus accrued interest and transaction costs and the Municipality shall pay such funds immediately to the Department for deposit into an appropriate account.

IX. Force Account

The Municipality shall seek prior Department approval of any proposal to use the Municipality's employees to perform Project related activities. Municipal administrative costs associated with the Project are not eligible for reimbursement. The Department will not approve such proposals unless the Municipality can demonstrate that the Municipality's employees possess the necessary competence to perform the work in

question and that the work can be more economically performed and done on a timely basis by the use of the Municipality's employees. The cost of any work performed by the Municipality's employees which has not received prior written Department approval shall be excluded from the Project's Eligible Cost used to calculate the State Assistance for the Project until such time, if ever, that the Department approves the use of such Municipality's employees. If written Department approval is given to use the Municipality's employees for a specified task or activity, the Municipality shall maintain such records as the Department may require to document the costs of such use.

X. Cost Recovery

A. The State hereby reserves the right to seek to recover the full amount of any State Assistance provided under this Contract through litigation brought under Article 56 of the ECL or other statute or under the common law, or through cooperative agreements, with responsible parties, other than the following:

1. Municipality; and
2. any successor in title to the Site, any lessee of the Site, and any person that provides financing to the Municipality, such successor in title, or such lessee relative to the remediation, restoration, or redevelopment of the Site, that did not generate, arrange for, transport, or dispose, and did not cause the generation, arrangement for, transportation, or disposal of any contaminants located at the Site and did not own the Site before the Municipality acquired title to the Site.

B. The Municipality shall assist the Department and/or the State in compelling responsible parties to bear the cost of the Project by providing upon request by the Department all information that exists as of the start of the term of this Contract that identifies the Site's responsible parties and all other information acquired during the course of the Project's implementation.

C. The Municipality may make efforts to recover response costs from responsible parties. The Municipality hereby agrees to provide the Department with timely advance written notice of any negotiations, proposed agreements, proposed settlements or legal action by which recovery is sought. The Municipality further agrees not to commence such legal action nor enter into any such proposed agreement or settlement without the approval of the Department.

D. If any responsible party payments and/or other responsible party consideration become available to the Municipality which were not included in the calculation of State Assistance pursuant to Paragraph VI of this Contract, the Municipality shall immediately notify the Department of such availability, the Department shall recalculate the amount of State Assistance. The Department has the option of either reducing the Contract amount if the project is ongoing or requesting reimbursement of the amount owed to the State, for

deposit in an appropriate account. The State will calculate the amount owed by the Municipality based on the recalculated State assistance amount and the amount the State has reimbursed the Municipality as of the date the recalculation is made. If the Municipality shall fail to make such repayment within sixty (60) days of notification, the Department may take measures provided for by the law of the State of New York relating to the recovery of unrepaid State Assistance. The Municipality agrees that it will immediately notify the Department in writing of its receipt of reimbursement from other sources for any expenditure for which State Assistance may be provided under this Contract.

XI. Liability Protection

The Municipality shall be entitled to the liability protections set forth at ECL 56-0509, subject to the terms and conditions stated therein, upon receipt of a Satisfactory Completion of Project letter from the Department.

XII. Change of Use

The Municipality shall notify the Department at least sixty (60) days in advance of any change of use as defined in ECL 56-0511, which is proposed for the Site. In the event the Department determines that the proposed change of use is prohibited, the Department shall notify the Municipality of such determination within forty-five (45) days of receipt of such notice.

XIII. Environmental Easement

A. Within thirty (30) days after the Department's approval of a Work Plan which relies upon one or more institutional and/or engineering controls, or within thirty (30) days after the Department's determination pursuant to Subparagraph II.H. that additional remediation is not needed based upon use restrictions, the Municipality shall submit to the Department for approval an Environmental Easement in a form provided by regulation of the Department to run with the land in favor of the State, along with a current title report prepared by a title company licensed to do business in New York State, title insurance, an adequate legal description of the Site and a current survey bearing the seal and signature of a licensed land surveyor. The Municipality's submittal shall satisfy the statutory and regulatory requirements of law as set forth in ECL Article 71, Title 36 and 6 NYCRR Part 375. Within thirty (30) days after the Department approves the Municipality's proposed Environmental Easement, the Municipality shall cause such instrument to be recorded with the recording officer for the county in which the Site is located. The Municipality shall provide the Department with a copy of such instrument certified by the recording officer to be a true and faithful copy within thirty (30) days of such recording.

B. The Municipality or the owner of the Site may petition the Department to modify or extinguish the Environmental Easement filed pursuant to this Contract at such time as it can certify that the Site is protective of human health and the environment without reliance upon the restrictions set forth in such instrument. Such certification shall be made by a Professional Engineer. The Department will not unreasonably withhold its consent.

C. In the event that engineering and/or institutional controls are components of the remedy selected in the Department's Record of Decision pertaining to the Site, the Municipality will cause the development of a plan and submission to the Department for its review and approval to ensure that such controls are continually maintained in the manner satisfactory to the Department. The Municipality and its successors in title, lessees and lenders are prohibited from challenging the imposition or continuance of such controls, and failure to implement the Department-approved plan or to maintain such controls constitute a violation of this Contract and for the duration of such failure, ECL 56-0509.1 shall have no force and effect.

XIV. Site Lease/Transfer Conditions

A. The Municipality shall not enter into any lease or transfer title to, the Site or any portion of it until the Municipality binds itself and its lessees and its successors in title, to the following conditions: that

1. the Site will not be used for any purpose until it is remediated, except that the Site may continue to be used for the purpose for which it is being used as of the start of the term of this Contract if the Department determines that the existing state of contamination is such as not to prohibit such use from continuing, giving due regard for human health and environmental protection;

2. if, before the Site's remediation is completed to the Department's satisfaction,

i. The Municipality wishes to subdivide the Site into separate parcels, it may do so after having submitted a document approved by the Department in form and substance for State Assistance to remediate the Site. However, a contaminated parcel of the subdivided Site cannot be used until the Department-determined remedial objectives for that parcel are met to the Department's satisfaction within such time period as the Department may require.

ii. The Municipality's successor in title that itself is not a municipality wishes to subdivide the Site into separate parcels, that successor in title must first agree to remediate all such parcels under Department oversight in accordance with the Department's Record of Decision and any such parcel cannot be used until such successor in title meets the parcel's Department-determined remedial objectives to the

Department's satisfaction within such time period as the Department may require; and

iii. the Site will not be used for any purpose requiring a level of residual contamination lower than that serving as the basis for the remediation identified in the Department's Record of Decision pertaining to the Site.

XV. Communications

A. All written communications required by this Contract shall be transmitted by United States Postal Service, by private courier service, or hand delivered.

1. Communication from Municipality shall be sent to:

John C. Sheehan
Division of Environmental Remediation
New York State Department of Environmental Conservation
50 Circle Road
Stony Brook, New York 11790-3409

Walter Parish, P.E., Regional Hazardous Waste Remediation Engineer
Division of Environmental Remediation
New York State Department of Environmental Conservation
50 Circle Road
Stony Brook, New York 11790-3409

Correspondence only to the following:

Steve Bates
Bureau of Environmental Exposure Investigation
New York State Department of Health
Flanigan Square
547 River Street
Troy, New York 12180-2216

Benjamin Conlon
Office of General Counsel
Department of Environmental Conservation
625 Broadway, 14th Floor
Albany, New York 12233-5500

2. Communication from the Department to Municipality shall be sent to:

Christopher E. Kent
Chief Deputy County Executive
Office of the County Executive
PO Box 6100
H. Lee Dennison Building
Hauppauge, New York 11788-0099

James W. Meyers, P.E.
Chief, Office of Pollution Control
15 Horseblock Place
Farmingdale, New York 11738

B. The Department and Municipality reserve the right to designate additional or different addressees for communication on written notice to the other.

C. Each party shall notify the other within ninety (90) days after any change in the addresses listed in this Paragraph.

XVI. Termination of Contract

A. If the Municipality complies with the requirements of applicable State and federal laws and regulations and with the terms of this Contract, the Department shall issue a Satisfactory Completion of Project letter. This Contract shall terminate when the Department issues this letter, and the parties agree that, upon termination, the Municipality, successor in title, lessees and lender shall be entitled to the liability limitation benefits set forth at ECL 56-0509, subject to the terms and conditions stated therein.

B. Without prejudice or waiver of any other rights the State has - if the Municipality fails to comply with any of the requirements of applicable State or federal laws and regulations or with any of the requirements of this Contract or if without good cause as determined by the Department, the Municipality has:

1. failed to proceed with the Project as scheduled and/or approved, or
2. changed the Project or any portion thereof without the Department's prior written approval, the Department shall provide written notification to the Municipality of its breach of contract, setting forth in writing the basis for termination of the Contract and allowing the Municipality a reasonable and specific amount of time within which to cure its breach. Payments under this Contract shall be suspended until the Municipality has cured its breach. If the Municipality does not cure its breach of contract within the period of time allowed by the Department, this Contract shall terminate on the 5th day after the Municipality's receipt of another letter from the Department notifying the Municipality that the time to cure its breach of contract has passed ("Termination

Letter"). The Department shall notify the Municipality of the amount of money that the Municipality owes the State for repayment of State Assistance provided under this Contract and for the Department's oversight costs and for any other costs incurred by the State in administering and terminating the Municipality's Environmental Restoration Program project ("Demand Letter"). The Municipality agrees that if this Contract is terminated by the Department under this Subparagraph B:

i. the Municipality, a successor in title, lessee and lender are not entitled to claim any liability limitation benefits provided under ECL 56-0509 because the Municipality has failed to satisfy the requirement of ECL 56-0509 (1)(a)(I) to comply with all of the terms and conditions of the contract providing State Assistance under ECL Article 56,

ii. the Department shall withhold all further State Assistance under this Contract, and

iii. the Municipality shall make repayment of any State Assistance already paid under this Contract and other State costs, with interest thereon as provided by law, within 45 days of the Municipality's receipt of the Department's Demand Letter.

C. If this Contract is terminated, the following Paragraphs and Subparagraphs shall survive such termination: II(I), III, IV, V, VI, VII, VIII, X, XII, XIII, XIV, XV, and XVII(A).

VII. Miscellaneous

A. If the information provided and any certifications made by the Municipality are not materially accurate and complete, this Contract, except with respect to the Municipality's obligations according to the provisions of the Paragraphs that the parties have expressly agreed will survive termination of this Contract, shall be null and void *ab initio* fifteen (15) days after the Department's notification of such inaccuracy or incompleteness, unless the Municipality submits information within that fifteen (15) day time period indicating that the information provided and the certifications made were materially accurate and complete. In the event this Contract is rendered null and void, any Satisfactory Completion of Project letter that may have been issued under this Contract shall also be null and void *ab initio*, and the Department shall reserve all rights that it may have under law.

B. The Municipality shall allow the Department to attend, and shall notify the Department at least seven (7) days in advance of, any field activities to be conducted pursuant to this Contract, as well as any pre-bid meetings, job progress meetings, substantial completion meeting and inspection, and final inspection and meeting; nothing in this Contract shall be construed to require the Municipality to allow the Department to attend portions of meetings where privileged matters are discussed.

C. The Municipality shall register all known petroleum storage tanks on the Site pursuant to 6 NYCRR 612.2, register all known chemical storage tanks on the Site pursuant to 6 NYCRR 596.2, and properly close all such known tanks, if out-of-service, pursuant to 6 NYCRR 613.9 (in the case of petroleum storage tanks) or 6 NYCRR 598.10 (in the case of chemical storage tanks) within the approved FI/RAA Work Plan schedule.

D. The Municipality shall remove and properly dispose of hazardous waste found to be stored on the Site in containment vessels other than known storage tanks (such as drums, transformers, sumps, and pits), or where petroleum storage tanks or chemical storage tanks are discovered on the Site during the course of the Project and such tanks contain hazardous waste, in accordance with all applicable State and federal requirements.

E. The Department may exempt the Municipality from the requirement to obtain any State or local permit or other authorization for any activity conducted pursuant to this Contract that (i) is conducted on the Site or on different premises that are under common control or contiguous to or physically connected with the Site and such activity manages exclusively contaminants from such Site, and (ii) satisfies all substantive technical requirements applicable to like activity conducted pursuant to a permit, as determined by the Department.

F. The Municipality shall use "best efforts" to obtain all Site access, permits, easements, rights-of-way, rights-of-entry, approvals, institutional controls, or authorizations necessary to perform Municipality's obligations under this Contract. If, despite the Municipality's best efforts, any access, permits, easements, rights-of-way, rights-of-entry, approvals, institutional controls, or authorizations required to perform this Contract are not obtained, the Municipality shall promptly notify the Department, and include a summary of the steps taken to obtain access. The Department may, as it deems appropriate and within its authority, assist the Municipality in obtaining access. If an interest in Site is needed to implement an institutional control required by a Work Plan and such interest cannot be obtained, the Department may require the Municipality to modify the Work Plan pursuant to Subparagraph II.C of this Contract to reflect changes necessitated by the lack of access and/or approvals.

G. The Municipality shall not be considered an operator of the Site solely by virtue of having executed and/or implemented this Contract.

H. The Municipality shall provide a copy of this contract to each subcontractor hired to perform work required by this Contract and shall condition all contracts entered into to carry out the obligations identified in this Contract upon performance in conformity with the terms of this Contract. The Municipality shall provide written notice of this Contract to all subcontractors hired to perform any portion of the work required by this Contract. Municipality shall nonetheless be responsible for ensuring that the Municipality's subcontractors perform the work in satisfaction of the requirements of this Contract. The Municipality shall also insert in its contract with its consultant for the Project the clause for conflict of interest found in Appendix B.

I. The Municipality shall, before the start of any Approved Activity, require each consultant and subcontractor to secure and deliver to the Municipality a policy (or policies) of insurance issued by an insurance company licensed to do business in the State and acceptable to the State that shall name the Municipality and the State as additional insured. See Division of Environmental Remediation guidance, as may be amended, for descriptions of types of insurance required and their minimum limits. The Municipality shall provide the Department with a copy of the applicable certificate(s) of insurance for its review prior to the commencement of the Project. The Municipality shall provide copies of the applicable insurance policies to the Department upon request.

J. The paragraph headings set forth in this Contract are included for convenience of reference only and shall be disregarded in the construction and interpretation of any provisions of this Contract.

K. 1. The terms of this Contract shall constitute the complete and entire Contract between the Department and the Municipality concerning the implementation of the activities required by this Contract. No term, condition, understanding, or agreement purporting to modify or vary any term of this Contract shall be binding unless made in writing and subscribed by both parties and approved by the State Comptroller. No informal advice, guidance, suggestion, or comment by the Department shall be construed as relieving the Municipality of the Municipality's obligation to obtain such formal approvals as may be required by this Contract. In the event of a conflict between the terms of this Contract and any Work Plan submitted pursuant to this Contract, the terms of this Contract shall control over the terms of the Work Plan(s). The Municipality consents to and agrees not to contest the authority and jurisdiction of the Department to enter into or enforce this Contract.

2. Except as set forth herein, if the Municipality desires that any provision of this Contract be changed, other than a provision of a Work Plan, the Municipality shall make timely written application to the parties listed in Subparagraph XV.A.1. Changes to the Work Plan shall be accomplished as set forth in Subparagraph II.C of this Contract.

L. Unless otherwise expressly provided herein, terms used in this Contract which are defined in ECL Article 56 or in regulations promulgated thereunder shall have the meaning assigned to them under said statute or regulations.

M. The Municipality's obligations under this Contract represent payment for or reimbursement of response costs, and shall not be deemed to constitute any type of fine or penalty.

N. All work performed in relation to the Project by the Municipality or its agents, representatives, or contractors shall conform to all applicable federal, State and local laws, ordinances, rules and regulations, and standards, including permit requirements. This Contract does not constitute a permit and does not confer upon the applicant the right to engage in the Contemplated Use or any other use of the Site for any particular purpose.

O. The Municipality shall ensure that any identifying signs will note that portions of the Project were assisted by the State under the Clean Water/Clean Air Bond Act of 1996.

P. All approved work plans, final reports shall be submitted to the Department in an electronic format acceptable to the Department within thirty (30) days of approval of such final report. In addition, the Department may require other site related documents to be submitted electronically. If any document cannot be converted into electronic format, the Municipality shall so advise the Department and, if the Department concurs, submit such document in an alternative format acceptable to the Department.

Q. No delay or omission on the part of either party in exercising any right under this Contract shall operate as a waiver of such right or of any other right under this Contract. A waiver on any occasion shall not be construed as a bar to or a waiver of any right and/or remedy on any other occasion. No waiver or consent shall be binding unless it is in writing and executed by the Department and the Municipality.

R. Appendix A Standard Clauses for All New York State Contracts; Appendix B Standard Clauses for All New York State Department of Environmental Conservation Contracts; Appendix C Proof of Ownership and Legal Description of Site; Appendix D Glossary; Schedule A Scope of Work; and Schedule B Payment Schedules; are attached to and hereby made a part of this Contract as if set forth fully herein.

S. In the case of an application for State Assistance for an Environmental Restoration Program remediation project, the Municipality shall submit evidence of its compliance with the requirements of the State Environmental Quality Review Act ("SEQR").

T. This Contract may be executed for the convenience of the parties hereto, individually or in combination, in one or more counterparts, each of which shall be deemed to have the status of an executed original and all of which shall together constitute one and the same.

U. The term of this Contract shall start June 26, 2007 (Start date of Contract No. T303811). This Contract shall end on December 31, 2011. This Contract will be effective upon approval and filing by the State Comptroller in accordance with Section 112 of the State Finance Law. The Municipality agrees to proceed expeditiously with and to complete the Project in accordance with Work Plans approved by the Department, and any revisions thereto, and to carry out its other obligations under this Contract.

NEW YORK STATE DEPARTMENT OF ENVIRONMENTAL CONSERVATION
1996 CLEAN WATER/CLEAN AIR BOND ACT
ENVIRONMENTAL RESTORATION PROGRAM
STATE ASSISTANCE CONTRACT

IN RE:

Municipality Name: Suffolk County
Site Name: Former Bellport Gas Station
Site Address: 1401 Montauk Highway
Site Number: E152194 Contract Number: C304320

In witness whereof, the parties have signed this Contract on the date indicated below each signature. The signatory for the State provides the following Agency Certification: "In addition to the acceptance of this Contract, I also certify that original copies of this signature page will be attached to all other exact copies of this Contract."

FOR MUNICIPALITY, COUNTY OR INDUSTRIAL DEVELOPMENT AGENCY, (If multiple grantees, each must complete this page. Make additional copies as needed).

Name: Suffolk County
By: [Signature]
Title: Chief Deputy County Exec.
Date: March 15, 2011

State of New York) ss:
County of Suffolk)

On this 15th day of March in the year 2011, before me, the undersigned notary public personally appeared Christopher E. Kent personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument.

[Signature]
Notary Public

Approved as to Legality:
CHRISTINE MALAFI, COUNTY ATTORNEY

COLLEEN A. BADOLATO
Notary Public, State of New York
No. 01BA8219268
Qualified in Suffolk County
Commission Expires March 22, 2014

By: [Signature]
Name: Jennifer B. Kohn
Assistant County Attorney
Date: 3/14/11

NEW YORK STATE DEPARTMENT OF ENVIRONMENTAL CONSERVATION
1996 CLEAN WATER/CLEAN AIR BOND ACT
ENVIRONMENTAL RESTORATION PROGRAM
STATE ASSISTANCE CONTRACT

IN RE:

Municipality Name: Suffolk County
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FOR DEC

By:

Title:

Date:

Nauey W. Furr
Director of MBS
April 22, 2011

FOR DOL

Approved as to form:

By:

for the Attorney General

Date:

APPROVED AS TO FORM
NYS ATTORNEY GENERAL
MAY -2 2011
Lorraine I. Remo
LORRAINE I. REMO
ASSOCIATE ATTORNEY

FOR OSC

Approved:

Thomas P. DiNapoli
State Comptroller

By:

Date:

APPROVED
DEPT. OF AUDIT & CONTROL
MAY 05 2011
Robert E. Barnes
FOR THE STATE COMPTROLLER

The contract is not effective until it is approved by the NYS Office of the State Comptroller and filed in his office (Section 112, State Finance Law).

NEW YORK STATE DEPARTMENT OF ENVIRONMENTAL CONSERVATION
1996 CLEAN WATER/CLEAN AIR BOND ACT
ENVIRONMENTAL RESTORATION PROGRAM
STATE ASSISTANCE CONTRACT

SCHEDULE A
Scope of Work

IN RE:

Municipality Name: Suffolk County
Site Name: Former Bellport Gas Station
Site Address: 1401 Montauk Highway
Site Number: E152194

Contract Number: C304320

GENERAL PURPOSE

The general purpose of this project is to undertake all approved activities necessary to complete the Project required by this Contract. Project-specific Work Plans will become a part of and enforceable under this Contract upon approval by the Department.

GENERAL SCOPE

INVESTIGATION:

The Remedial Investigation/Alternatives Analysis Report (RI/AAR) will involve all tasks necessary to investigate the site conditions, determine the public health and environmental impacts of the site, and to utilize this information to develop and evaluate appropriate remedial actions. During the RI/AAR, the Municipality will also remove and properly dispose of contaminants within all containment vessels, such as drums, tanks and transformers, located on the Site.

Specific tasks include: work plan development, site characterization, investigation of off-site impacts, a survey of the site and a metes and bounds description of the site, an exposure assessment, development of alternatives, screening of alternatives, post-screening field work, detailed analysis of alternatives, data validation, and public participation. Data collection and analysis will provide a sufficient basis for the Department to prepare a Proposed Remedial Action Plan (PRAP) and present it to the public.

As explained under paragraph three on page one of this contract, this contract and Contract No. T303811 make up the total scope of work for this site which is the investigation of the site as described above and the implementation of Interim Remedial Measures. Specifically the additional costs are to complete the investigation, to demolish an on-site building and the remediation and abandonment of storm water drywells, a sanitary system floor drain and cesspool. It also includes the installation of monitoring wells and the completion of required institutional controls.

- INVESTIGATION CALCULATION:

	On-site	Off-site	Demolition/Asbestos	Total
Total Eligible Cost:	\$79,756	\$0	\$0	\$79,756
Percentage:	90%	100%	50%	N/A
Total SAC Amount:	\$71,780	\$0	\$0	\$71,780

For Informational Purposes the Total Eligible Costs and Total SAC Amount for both T303811 and C304320 are as follows:

	On-site	Off-site	Demolition/Asbestos	Total
T303811	\$ 43,236	\$7,434	\$0	\$ 50,670
C304320	<u>\$ 79,756</u>	<u>\$ 0</u>	<u>\$0</u>	<u>\$ 79,756</u>
Total Eligible Costs	\$122,992	\$7,434	\$0	\$130,426
Percentage:	90%	100%	50%	N/A
T303811	\$ 38,912	\$7,434	\$0	\$ 46,346
C304320	<u>\$ 71,780</u>	<u>\$ 0</u>	<u>\$0</u>	<u>\$ 71,780</u>
Total of both SACs:	\$110,692	\$7,434	\$0	\$118,126

NEW YORK STATE DEPARTMENT OF ENVIRONMENTAL CONSERVATION
1996 CLEAN WATER/CLEAN AIR BOND ACT
ENVIRONMENTAL RESTORATION PROGRAM
STATE ASSISTANCE CONTRACT

SCHEDULE B
Payment Schedule

IN RE:

Municipality Name: Suffolk County

Site Name: Former Bellport Gas Station

Site Address: 1401 Montauk Highway

Site Number: E152194

Contract Number: C304320

Requests for payments must be submitted in accordance with the Environmental Restoration Program Record Keeping and Payment Guide.

Request for payments must be submitted at least annually (once every 12 months), but no more frequently than quarterly (once every 3 months). Final payment must be submitted within 30 calendar days of the Certificate of Completion issuance date.

It is understood and agreed to by the parties that the municipality's authorized representative and their address for reimbursement checks shall be:

Office of the County Executive
PO Box 6500
H. Lee Dennison Building
Hauppauge, New York 11788-0099

Attention: Christopher E. Kent, Chief Deputy County Executive

Payments for expenditures incurred under this contract will be rendered electronically to the Recipient. Such electronic payment shall be made in accordance with ordinary State procedures and practices. The Recipient shall comply with the Comptroller's procedures to authorize electronic payments. Authorization forms are available at the Comptroller's website at www.osc.state.ny.us/epay/index.htm, by e-mail at epunit@osc.state.ny.us, or by telephone at (518) 486-1255. The Recipient acknowledges that it will not receive payment under this Contract if it does not comply with the Comptroller's electronic payment procedures.

STANDARD CLAUSES FOR NYS CONTRACTS

The parties to the attached contract, license, lease, amendment or other agreement of any kind (hereinafter, "the contract" or "this contract") agree to be bound by the following clauses which are hereby made a part of the contract (the word "Contractor" herein refers to any party other than the State, whether a contractor, licensor, licensee, lessor, lessee or any other party):

1. **EXECUTORY CLAUSE.** In accordance with Section 41 of the State Finance Law, the State shall have no liability under this contract to the Contractor or to anyone else beyond funds appropriated and available for this contract.
2. **NON-ASSIGNMENT CLAUSE.** In accordance with Section 138 of the State Finance Law, this contract may not be assigned by the Contractor or its right, title or interest therein assigned, transferred, conveyed, sublet or otherwise disposed of without the State's previous written consent, and attempts to do so are null and void. Notwithstanding the foregoing, such prior written consent of an assignment of a contract let pursuant to Article XI of the State Finance Law may be waived at the discretion of the contracting agency and with the concurrence of the State Comptroller where the original contract was subject to the State Comptroller's approval, where the assignment is due to a reorganization, merger or consolidation of the Contractor's business entity or enterprise. The State retains its right to approve an assignment and to require that any Contractor demonstrate its responsibility to do business with the State. The Contractor may, however, assign its right to receive payments without the State's prior written consent unless this contract concerns Certificates of Participation pursuant to Article 5-A of the State Finance Law.
3. **COMPTROLLER'S APPROVAL.** In accordance with Section 112 of the State Finance Law (or, if this contract is with the State University or City University of New York, Section 355 or Section 6218 of the Education Law), if this contract exceeds \$50,000 (or the minimum thresholds agreed to by the Office of the State Comptroller for certain S.U.N.Y. and C.U.N.Y. contracts), or if this is an amendment for any amount to a contract which, as so amended, exceeds said statutory amount, or if, by this contract, the State agrees to give something other than money when the value or reasonably estimated value of such consideration exceeds \$10,000, it shall not be valid, effective or binding upon the State until it has been approved by the State Comptroller and filed in his office. Comptroller's approval of contracts let by the Office of General Services is required when such contracts exceed \$85,000 (State Finance Law Section 163.6.a).
4. **WORKERS' COMPENSATION BENEFITS.** In accordance with Section 142 of the State Finance Law, this contract shall be void and of no force and effect unless the Contractor shall provide and maintain coverage during the life of this contract for the benefit of such employees as are required to be covered by the provisions of the Workers' Compensation Law.
5. **NON-DISCRIMINATION REQUIREMENTS.** To the extent required by Article 15 of the Executive Law (also known as the Human Rights Law) and all other State and Federal statutory and constitutional non-discrimination provisions, the Contractor will not discriminate against any

employee or applicant for employment because of race, creed, color, sex, national origin, sexual orientation, age, disability, genetic predisposition or carrier status, or marital status. Furthermore, in accordance with Section 220-e of the Labor Law, if this is a contract for the construction, alteration or repair of any public building or public work or for the manufacture, sale or distribution of materials, equipment or supplies, and to the extent that this contract shall be performed within the State of New York, Contractor agrees that neither it nor its subcontractors shall, by reason of race, creed, color, disability, sex, or national origin: (a) discriminate in hiring against any New York State citizen who is qualified and available to perform the work; or (b) discriminate against or intimidate any employee hired for the performance of work under this contract. If this is a building service contract as defined in Section 230 of the Labor Law, then, in accordance with Section 239 thereof, Contractor agrees that neither it nor its subcontractors shall by reason of race, creed, color, national origin, age, sex or disability: (a) discriminate in hiring against any New York State citizen who is qualified and available to perform the work; or (b) discriminate against or intimidate any employee hired for the performance of work under this contract. Contractor is subject to fines of \$50.00 per person per day for any violation of Section 220-e or Section 239 as well as possible termination of this contract and forfeiture of all moneys due hereunder for a second or subsequent violation.

6. **WAGE AND HOURS PROVISIONS.** If this is a public work contract covered by Article 8 of the Labor Law or a building service contract covered by Article 9 thereof, neither Contractor's employees nor the employees of its subcontractors may be required or permitted to work more than the number of hours or days stated in said statutes, except as otherwise provided in the Labor Law and as set forth in prevailing wage and supplement schedules issued by the State Labor Department. Furthermore, Contractor and its subcontractors must pay at least the prevailing wage rate and pay or provide the prevailing supplements, including the premium rates for overtime pay, as determined by the State Labor Department in accordance with the Labor Law. Additionally, effective April 28, 2008, if this is a public work contract covered by Article 8 of the Labor Law, the Contractor understands and agrees that the filing of payrolls in a manner consistent with Subdivision 3-a of Section 220 of the Labor Law shall be a condition precedent to payment by the State of any State approved sums due and owing for work done upon the project.

7. **NON-COLLUSIVE BIDDING CERTIFICATION.** In accordance with Section 139-d of the State Finance Law, if this contract was awarded based upon the submission of bids, Contractor affirms, under penalty of perjury, that its bid was arrived at independently and without collusion aimed at restricting competition. Contractor further affirms that, at the time Contractor submitted its bid, an authorized and responsible person executed and delivered to the State a non-collusive bidding certification on Contractor's behalf.

8. **INTERNATIONAL BOYCOTT PROHIBITION.** In accordance with Section 220-f of the Labor Law and Section 139-h of the State Finance Law, if this contract exceeds \$5,000, the Contractor agrees, as a material condition of the contract, that neither the Contractor nor any substantially owned or affiliated person, firm, partnership or corporation has participated, is participating, or shall participate in an international boycott in violation of the federal Export

Administration Act of 1979 (50 USC App. Sections 2401 et seq.) or regulations thereunder. If such Contractor, or any of the aforesaid affiliates of Contractor, is convicted or is otherwise found to have violated said laws or regulations upon the final determination of the United States Commerce Department or any other appropriate agency of the United States subsequent to the contract's execution, such contract, amendment or modification thereto shall be rendered forfeit and void. The Contractor shall so notify the State Comptroller within five (5) business days of such conviction, determination or disposition of appeal (ZNYCRR 105.4).

9. **SET-OFF RIGHTS.** The State shall have all of its common law, equitable and statutory rights of set-off. These rights shall include, but not be limited to, the State's option to withhold for the purposes of set-off any moneys due to the Contractor under this contract up to any amounts due and owing to the State with regard to this contract, any other contract with any State department or agency, including any contract for a term commencing prior to the term of this contract, plus any amounts due and owing to the State for any other reason including, without limitation, tax delinquencies, fee delinquencies or monetary penalties relative thereto. The State shall exercise its set-off rights in accordance with normal State practices including, in cases of set-off pursuant to an audit, the finalization of such audit by the State agency, its representatives, or the State Comptroller.

10. **RECORDS.** The Contractor shall establish and maintain complete and accurate books, records, documents, accounts and other evidence directly pertinent to performance under this contract (hereinafter, collectively, "the Records"). The Records must be kept for the balance of the calendar year in which they were made and for six (6) additional years thereafter. The State Comptroller, the Attorney General and any other person or entity authorized to conduct an examination, as well as the agency or agencies involved in this contract, shall have access to the Records during normal business hours at an office of the Contractor within the State of New York or, if no such office is available, at a mutually agreeable and reasonable venue within the State, for the term specified above for the purposes of inspection, auditing and copying. The State shall take reasonable steps to protect from public disclosure any of the Records which are exempt from disclosure under Section 87 of the Public Officers Law (the "Statute") provided that: (i) the Contractor shall timely inform an appropriate State official, in writing, that said records should not be disclosed; and (ii) said records shall be sufficiently identified; and (iii) designation of said records as exempt under the Statute is reasonable. Nothing contained herein shall diminish, or in any way adversely affect, the State's right to discovery in any pending or future litigation.

11. **IDENTIFYING INFORMATION AND PRIVACY NOTIFICATION.** (a) **FEDERAL EMPLOYER IDENTIFICATION NUMBER AND/OR FEDERAL SOCIAL SECURITY NUMBER.** All invoices or New York State standard vouchers submitted for payment for the sale of goods or services or the lease of real or personal property to a New York State agency must include the payee's identification number, i.e., the seller's or lessor's identification number. The number is either the payee's Federal employer identification number or Federal social security number, or both such numbers when the payee has both such numbers. Failure to include this number or numbers may delay payment. Where the payee does not have such number or numbers, the payee, on

its invoice or New York State standard voucher, must give the reason or reasons why the payee does not have such number or numbers.

(b) **PRIVACY NOTIFICATION.** (1) The authority to request the above personal information from a seller of goods or services or a lessor of real or personal property, and the authority to maintain such information, is found in Section 5 of the State Tax Law. Disclosure of this information by the seller or lessor to the State is mandatory. The principal purpose for which the information is collected is to enable the State to identify individuals, businesses and others who have been delinquent in filing tax returns or may have understated their tax liabilities and to generally identify persons affected by the taxes administered by the Commissioner of Taxation and Finance. The information will be used for tax administration purposes and for any other purpose authorized by law. (2) The personal information is requested by the purchasing unit of the agency contracting to purchase the goods or services or lease the real or personal property covered by this contract or lease. The information is maintained in New York State's Central Accounting System by the Director of Accounting Operations, Office of the State Comptroller, 110 State Street, Albany, New York 12236.

12. **EQUAL EMPLOYMENT OPPORTUNITIES FOR MINORITIES AND WOMEN.** In accordance with Section 312 of the Executive Law, if this contract is: (i) a written agreement or purchase order instrument, providing for a total expenditure in excess of \$25,000.00, whereby a contracting agency is committed to expend or does expend funds in return for labor, services, supplies, equipment, materials or any combination of the foregoing, to be performed for, or rendered or furnished to the contracting agency; or (ii) a written agreement in excess of \$100,000.00 whereby a contracting agency is committed to expend or does expend funds for the acquisition, construction, demolition, replacement, major repair or renovation of real property and improvements thereon; or (iii) a written agreement in excess of \$100,000.00 whereby the owner of a State assisted housing project is committed to expend or does expend funds for the acquisition, construction, demolition, replacement, major repair or renovation of real property and improvements thereon for such project, then:

(a) The Contractor will not discriminate against employees or applicants for employment because of race, creed, color, national origin, sex, age, disability or marital status, and will undertake or continue existing programs of affirmative action to ensure that minority group members and women are afforded equal employment opportunities without discrimination. Affirmative action shall mean recruitment, employment, job assignment, promotion, upgradings, demotion, transfer, layoff, or termination and rates of pay or other forms of compensation;

(b) at the request of the contracting agency, the Contractor shall request each employment agency, labor union, or authorized representative of workers with which it has a collective bargaining or other agreement or understanding, to furnish a written statement that such employment agency, labor union or representative will not discriminate on the basis of race, creed, color, national origin, sex, age, disability or marital status and that such union or representative will affirmatively cooperate in the implementation of the contractor's obligations herein; and

(a) The Contractor has made reasonable efforts to encourage the participation of New York State Business Enterprises as suppliers and subcontractors, including certified minority and women-owned business enterprises, on this project, and has retained the documentation of these efforts to be provided upon request to the State;

(b) The Contractor has complied with the Federal Equal Opportunity Act of 1972 (P.L. 92-261), as amended;

(c) The Contractor agrees to make reasonable efforts to provide notification to New York State residents of employment opportunities on this project through listing any such positions with the Job Service Division of the New York State Department of Labor, or providing such notification in such manner as is consistent with existing collective bargaining contracts or agreements. The Contractor agrees to document these efforts and to provide said documentation to the State upon request; and

(d) The Contractor acknowledges notice that the State may seek to obtain offset credits from foreign countries as a result of this contract and agrees to cooperate with the State in these efforts.

21. RECIPROCITY AND SANCTIONS PROVISIONS.

Bidders are hereby notified that if their principal place of business is located in a country, nation, province, state or political subdivision that penalizes New York State vendors, and if the goods or services they offer will be substantially produced or performed outside New York State, the Omnibus Procurement Act 1994 and 2000 amendments (Chapter 684 and Chapter 383, respectively) require that they be denied contracts which they would otherwise obtain. NOTE: As of May 15, 2002, the list of discriminatory jurisdictions subject to this provision includes the states of South Carolina, Alaska, West Virginia, Wyoming, Louisiana and Hawaii. Contact NYS Department of Economic Development for a current list of jurisdictions subject to this provision.

22. COMPLIANCE WITH NEW YORK STATE INFORMATION SECURITY BREACH AND NOTIFICATION ACT. Contractor shall comply with the provisions of the New York State Information Security Breach and Notification Act (General Business Law Section 899-aa; State Technology Law Section 208).

23. COMPLIANCE WITH CONSULTANT DISCLOSURE LAW. If this is a contract for consulting services, defined for purposes of this requirement to include analysis, evaluation, research, training, data processing, computer programming, engineering, environmental, health, and mental health services, accounting, auditing, paralegal, legal or similar services, then, in accordance with Section 163 (4-g) of the State Finance Law (as amended by Chapter 10 of the Laws of 2006), the Contractor shall timely, accurately and properly comply with the requirement to submit an annual employment report for the contract to the agency that awarded the contract, the Department of Civil Service and the State Comptroller.

24. PROCUREMENT LOBBYING. To the extent this agreement is a "procurement contract" as defined by State Finance Law Sections 139-j and 139-k, by signing this agreement the contractor certifies and affirms that all disclosures made in accordance with State Finance Law

Sections 139-j and 139-k are complete, true and accurate. In the event such certification is found to be intentionally false or intentionally incomplete, the State may terminate the agreement by providing written notification to the Contractor in accordance with the terms of the agreement.

25. CERTIFICATION OF REGISTRATION TO COLLECT SALES AND COMPENSATING USE TAX BY CERTAIN STATE CONTRACTORS, AFFILIATES AND SUBCONTRACTORS.

To the extent this agreement is a contract as defined by Tax Law Section 5-a, if the contractor fails to make the certification required by Tax Law Section 5-a or if during the term of the contract, the Department of Taxation and Finance or the covered agency, as defined by Tax Law 5-a, discovers that the certification, made under penalty of perjury, is false, then such failure to file or false certification shall be a material breach of this contract and this contract may be terminated, by providing written notification to the Contractor in accordance with the terms of the agreement, if the covered agency determines that such action is in the best interest of the State.

(c) the Contractor shall state, in all solicitations or advertisements for employees, that, in the performance of the State contract, all qualified applicants will be afforded equal employment opportunities without discrimination because of race, creed, color, national origin, sex, age, disability or marital status.

Contractor will include the provisions of "a", "b", and "c" above, in every subcontract over \$25,000.00 for the construction, demolition, replacement, major repair, renovation, planning or design of real property and improvements thereon (the "Work") except where the Work is for the beneficial use of the Contractor. Section 312 does not apply to: (i) work, goods or services unrelated to this contract; or (ii) employment outside New York State; or (iii) banking services, insurance policies or the sale of securities. The State shall consider compliance by a contractor or subcontractor with the requirements of any federal law concerning equal employment opportunity which effectuates the purpose of this section. The contracting agency shall determine whether the imposition of the requirements of the provisions hereof duplicate or conflict with any such federal law and if such duplication or conflict exists, the contracting agency shall waive the applicability of Section 312 to the extent of such duplication or conflict. Contractor will comply with all duly promulgated and lawful rules and regulations of the Governor's Office of Minority and Women's Business Development pertaining hereto.

13. **CONFLICTING TERMS.** In the event of a conflict between the terms of the contract (including any and all attachments thereto and amendments thereof) and the terms of this Appendix A, the terms of this Appendix A shall control.

14. **GOVERNING LAW.** This contract shall be governed by the laws of the State of New York except where the Federal supremacy clause requires otherwise.

15. **LATE PAYMENT.** Timeliness of payment and any interest to be paid to Contractor for late payment shall be governed by Article 11-A of the State Finance Law to the extent required by law.

16. **NO ARBITRATION.** Disputes involving this contract, including the breach or alleged breach thereof, may not be submitted to binding arbitration (except where statutorily authorized), but must, instead, be heard in a court of competent jurisdiction of the State of New York.

17. **SERVICE OF PROCESS.** In addition to the methods of service allowed by the State Civil Practice Law & Rules ("CPLR"), Contractor hereby consents to service of process upon it by registered or certified mail, return receipt requested. Service hereunder shall be complete upon Contractor's actual receipt of process or upon the State's receipt of the return thereof by the United States Postal Service as refused or undeliverable. Contractor must promptly notify the State, in writing, of each and every change of address to which service of process can be made. Service by the State to the last known address shall be sufficient. Contractor will have thirty (30) calendar days after service hereunder is complete in which to respond.

18. **PROHIBITION ON PURCHASE OF TROPICAL HARDWOODS.** The Contractor certifies and warrants that all wood products to be used under this contract award will be in

accordance with, but not limited to, the specifications and provisions of Section 165 of the State Finance Law, (Use of Tropical Hardwoods) which prohibits purchase and use of tropical hardwoods, unless specifically exempted, by the State or any governmental agency or political subdivision or public benefit corporation. Qualification for an exemption under this law will be the responsibility of the contractor to establish to meet with the approval of the State.

In addition, when any portion of this contract involving the use of woods, whether supply or installation, is to be performed by any subcontractor, the prime Contractor will indicate and certify in the submitted bid proposal that the subcontractor has been informed and is in compliance with specifications and provisions regarding use of tropical hardwoods as detailed in §165 State Finance Law. Any such use must meet with the approval of the State; otherwise, the bid may not be considered responsive. Under bidder certifications, proof of qualification for exemption will be the responsibility of the Contractor to meet with the approval of the State.

19. **MACBRIDE FAIR EMPLOYMENT PRINCIPLES.** In accordance with the MacBride Fair Employment Principles (Chapter 807 of the Laws of 1992), the Contractor hereby stipulates that the Contractor either (a) has no business operations in Northern Ireland, or (b) shall take lawful steps in good faith to conduct any business operations in Northern Ireland in accordance with the MacBride Fair Employment Principles (as described in Section 165 of the New York State Finance Law), and shall permit independent monitoring of compliance with such principles.

20. **OMNIBUS PROCUREMENT ACT OF 1992.** It is the policy of New York State to maximize opportunities for the participation of New York State business enterprises, including minority and women-owned business enterprises as bidders, subcontractors and suppliers on its procurement contracts.

Information on the availability of New York State subcontractors and suppliers is available from:

NYS Department of Economic Development
Division for Small Business
30 South Pearl St -- 7th Floor
Albany, New York 12245
Telephone: 518-292-5220
Fax: 518-292-5884
<http://www.empire.state.ny.us>

A directory of certified minority and women-owned business enterprises is available from:

NYS Department of Economic Development
Division of Minority and Women's Business
Development
30 South Pearl St -- 2nd Floor
Albany, New York 12245
Telephone: 518-292-5250
Fax: 518-292-5803
<http://www.empire.state.ny.us>

The Omnibus Procurement Act of 1992 requires that by signing this bid proposal or contract, as applicable, Contractors certify that whenever the total bid amount is greater than \$1 million:

APPENDIX B
(For DER ERP Contracts)
Standard Clauses for All New York State Department
of Environmental Conservation Contracts

The parties to the attached contract, license, lease, grant, amendment or other agreement of any kind (hereinafter "the contract" or "this contract") agree to be bound by the following clauses which are hereby made a part of the contract. The word "Contractor" herein refers to any party to the contract, other than the New York State Department of Environmental Conservation (hereinafter "Department").

I. **Postponement, suspension, abandonment or termination by the Department:** The Department shall have the right to postpone, suspend, abandon or terminate this contract, and such actions shall in no event be deemed a breach of contract. In the event of any termination, postponement, delay, suspension or abandonment, the Contractor shall immediately stop work, take steps to incur no additional obligations, and to limit further expenditures. Within 15 days of receipt of notice, the Contractor shall deliver to the Department all data, reports, plans, or other documentation related to the performance of this contract, including but not limited to source codes and specifications, guarantees, warranties, as-built plans and shop drawings. In any of these events, the Department shall make settlement with the Contractor upon an equitable basis as determined by the Department which shall fix the value of the work which was performed by the Contractor prior to the postponement, suspension, abandonment or termination of this contract. This clause shall not apply to this contract if the contract contains other provisions applicable to postponement, suspension or termination of the contract.

II. **Indemnification and Holdharmless** The Contractor agrees that it will indemnify and save harmless the Department and the State of New York from and against all losses from claims, demands, payments, suits, actions, recoveries and judgments of every nature and description brought or recovered against it by reason of any acts or omissions of the Contractor, its agents, employees, or subcontractors in the performance of this contract which are shown to have been the result of negligence, gross negligence or reckless, wanton or intentional misconduct; except that the Contractor shall not be obligated to so indemnify and save harmless with respect to those matters described in ECL 56-0509.1 during those periods in which the protection afforded under ECL 56-0509.1 is in effect.

III. **Conflict of Interest (a) Organizational Conflict of Interest.** To the best of the Contractor's knowledge and belief, the Contractor warrants that there are no relevant facts or circumstances which could give rise to an organizational conflict of interest, as herein defined, or that the Contractor has disclosed all such relevant information to the Department.

(1) An organizational conflict of interest exists when the nature of the work to be performed under this contract may, without some restriction on future activities, impair or appear to impair the Contractor's objectivity in performing the work for the Department.

(2) The Contractor agrees that if an actual, or potential organizational conflict of interest is discovered at any time after award, whether before or during performance, the Contractor will immediately make a full disclosure in writing to the Department. This disclosure shall include a description of actions which the Contractor has taken or proposes to take, after consultation with the Department, to avoid, mitigate, or minimize the actual or potential conflict.

(3) To the extent that the work under this contract requires access to personal, proprietary or confidential business or financial data of persons or other companies, and as long as such data remains proprietary or confidential, the Contractor shall protect such data from unauthorized use and disclosure and agrees not to use it to compete with such companies.

(b) **Personal Conflict of Interest:** The following provisions with regard to management or professional level employee personnel performing under this contract shall apply until the earlier of the termination date of the affected employee(s) or the duration of the contract.

(1) A personal conflict of interest is defined as a relationship of an employee, subcontractor employee, or consultant with an entity that may impair or appear to impair the objectivity of the employee, subcontractor employee, or consultant in performing the contract work. The Contractor agrees to notify the Department immediately of any actual, or potential personal conflict of interest with regard to any such person working on or having access to information regarding this contract, as soon as Contractor becomes aware of such conflict. The

Department will notify the Contractor of the appropriate action to be taken.

(2) The Contractor agrees to advise all management or professional level employees involved in the work of this contract, that they must report any personal conflicts of interest to the Contractor. The Contractor must then advise the Department which will advise the Contractor of the appropriate action to be taken.

(3) Unless waived by the Department, the Contractor shall certify annually that, to the best of the Contractor's knowledge and belief, all actual, apparent or potential conflicts of interest, both personal and organizational, as defined herein, have been reported to the Department. Such certification must be signed by a senior executive of the Contractor and submitted in accordance with instructions provided by the Department. Along with the annual certification, the Contractor shall also submit an update of any changes in any conflict of interest plan submitted with its proposal for this contract. The initial certification shall cover the one-year period from the date of contract award, and all subsequent certifications shall cover successive annual periods thereafter. The certification is to be submitted no later than 45 days after the close of the previous certification period covered.

(4) In performing this contract, the Contractor recognizes that its employees may have access to data, either provided by the Department or first generated during contract performance, of a sensitive nature which should not be released without Department approval. If this situation occurs, the Contractor agrees to obtain confidentiality agreements from all affected employees working on requirements under this contract including subcontractors and consultants. Such agreements shall contain provisions which stipulate that each employee agrees not to disclose, either in whole or in part, to any entity external to the Department, Department of Health or the New York State Department of Law, any information or data provided by the Department or first generated by the Contractor under this contract, any site-specific cost information, or any enforcement strategy without first obtaining the written permission of the Department. If a Contractor, through an employee or otherwise, is subpoenaed to testify or produce documents, which could result in such disclosure, the Contractor must provide immediate advance notification to the Department so that the Department can authorize such disclosure or have the opportunity to take action to prevent such disclosure. Such agreements shall be effective for the life of the contract and for a period of five (5) years after completion of the contract.

(c) Remedies - The Department may terminate this contract in whole or in part, if it deems such termination necessary to avoid an organizational or personal conflict of interest, or an unauthorized disclosure of information. If the Contractor fails to make required disclosures or misrepresents relevant information to the Department, the Department may terminate the contract, or pursue such other remedies as may be permitted by the terms of Clause I of this Appendix or other applicable provisions of this contract regarding termination.

(d) The Contractor will be ineligible to make a proposal or bid on a contract for which the Contractor has developed the statement of work or the solicitation package

(e) The Contractor agrees to insert in each subcontract or consultant agreement placed hereunder (except for subcontracts or consultant agreements for well drilling, fence erecting, plumbing, utility hookups, security guard services, or electrical services) provisions which shall conform substantially to the language of this clause, including this paragraph (e), unless otherwise authorized by the Department.

If this is a contract for work related to action at an inactive hazardous waste site, the following paragraph shall apply to those Contractors whose work requires the application of professional judgment: It does not apply to construction contracts.

(f) Due to the scope and nature of this contract, the Contractor shall observe the following restrictions on future hazardous waste site contracting for the duration of the contract.

(1) The Contractor, during the life of the work assignment and for a period of three (3) years after the completion of the work assignment, agrees not to enter into a contract with or to represent any party with respect to any work relating to remedial activities or work pertaining to a site where the Contractor previously performed work for the Department under this contract without the prior written approval of the Department.

(2) The Contractor agrees in advance that if any bids/proposals are submitted for any work for a third party that would require written approval of the Department prior to entering into a contract because of the restrictions of this clause, then the bids/proposals are submitted at the Contractor's own risk, and no claim shall be made against the Department to recover bid/proposal costs as a direct cost whether the request for authorization to enter into the contract is denied or approved.

IV. **Requests for Payment** All requests for payment by the Contractor must be submitted on forms supplied and approved by the Department. Each payment request must contain such items of information and supporting documentation as are required by the Department, and shall be all-inclusive for the period of time covered by the payment request.

V. **Compliance with Federal requirements** To the extent that federal funds are provided to the Contractor or used in paying the Contractor under this contract, the Contractor agrees that it will comply with all applicable federal laws and regulations, including but not limited to those laws and regulations under which the Federal funds were authorized. The Contractor further agrees to insert in any subcontract hereunder, provisions which shall conform substantially to the language of this clause.

VI. **Independent Contractor** The Contractor shall have the status of an independent contractor. Accordingly, the Contractor agrees that it will conduct itself in a manner consistent with such status, and that it will neither hold itself out as, nor claim to be, an officer or employee of the Department by reason of this contract. It further agrees that it will not make any claim, demand or application to the Department for any right or privilege applicable to an officer or employee of the Department, including but not limited to worker's compensation coverage, unemployment insurance benefits, social security coverage, or retirement membership or credit.

VII. **Article 15-A Requirements** The terms contained in this clause shall have the definitions as given in, and shall be construed according to the intent of Article 15-A of the Executive Law, 5 NYCRR Part 140, et. seq., Article 52 of the Environmental Conservation Law and 6 NYCRR Part 615, et. seq., as applicable, and any goals established by this clause are subject to the intent of such laws and regulations.

(a) If the maximum contract price herein equals or exceeds \$25,000, and this contract is for labor, services, supplies, equipment, or materials; or

(b) If the maximum contract price herein equals or exceeds \$100,000 and this contract is for the acquisition, construction, demolition, replacement, major repair or renovation of real property and improvements thereon; then

(c) The affirmative action provisions and equal employment opportunity provisions contained in this paragraph and paragraphs (d) and (e) of this clause shall

be applicable within the limitations established by Executive Law §§312 and 313 and the applicable regulations.

(1) The Contractor is required to make good faith efforts to subcontract at least 10.0 % of the dollar value of this contract to Minority Owned Business Enterprises (MBEs) and at least 20.5 % of such value to Women Owned Business Enterprises (WBEs).

(2) The Contractor is required to make good faith efforts to employ or contractually require any Subcontractor with whom it contracts to make good faith efforts to employ minority group members for at least 10 % of, and women for at least 10 % of, the workforce hours required to perform the work under this contract.

(3) The Contractor is required to make good faith efforts to solicit the meaningful participation by enterprises identified in the NYS Directory of Certified Businesses provided by:

Empire State Development Corp.
Div. Minority & Women's Business Development
30 South Pearl Street
Albany, New York 12245
Phone: (518) 292-5250
Fax: (518) 292-5803
and
Empire State Development Corp.
633 Third Avenue
New York, NY 10017
Phone: (212) 803-2414
Fax: (212) 803-3223
internet: www.empire.state.ny.us/esd.htm

(d) The Contractor agrees to include the provisions set forth in paragraphs (a), (b) and (c) above and paragraphs (a), (b), and (c) of clause 12 of Appendix A in every subcontract in such a manner that the provisions will be binding upon each Subcontractor as to work under such subcontract. For the purpose of this paragraph, a "subcontract" shall mean an agreement providing for a total expenditure in excess of \$25,000 for the construction, demolition, replacement, major repair, renovation, planning or design of real property and improvements thereon in which a portion of the Contractor's obligation under a State contract is undertaken or assumed.

(e) The Contractor is required to make good faith efforts to utilize the MBE/WBEs identified in the utilization plan to the extent indicated in such plan, and otherwise to implement it according to its terms. The

Contractor is requested to report on such implementation periodically as provided by the contract, or annually, whichever is more frequent.

VIII. Compliance with applicable laws

(a) Prior to the commencement of any work under this contract, the Contractor is required to meet all legal requirements necessary in the performance of the contract. This includes but is not limited to compliance with all applicable federal, state and local laws and regulations promulgated thereunder. It is the Contractor's responsibility to obtain any necessary permits, or other authorizations. By signing this contract, the Contractor affirmatively represents that it has complied with said laws, unless it advises the Department otherwise, in writing. The Department signs this contract in reliance upon this representation.

(b) During the term of this contract, and any extensions thereof, the Contractor must remain in compliance with said laws. A failure to notify the Department of noncompliance of which the Contractor was or should have been aware, may be considered a material breach of this contract.

IX. Dispute Resolution The parties agree to the following steps, or as many as are necessary to resolve disputes between the Department and the Contractor.

(a) The Contractor specifically agrees to submit, in the first instance, any dispute relating to this contract to the designated individual, who shall render a written decision and furnish a copy thereof to the Contractor.

(1) The Contractor must request such decision in writing no more than fifteen days after it knew or should have known of the facts which are the basis of the dispute.

(2) The decision of the designated individual shall be the final agency determination, unless the Contractor files a written appeal of that decision with the designated appeal individual ("DAI") within twenty days of receipt of that decision.

(b) Upon receipt of the written appeal, the DAI, will review the record and decision. Following divisional procedures in effect at that time, the DAI will take one of the following actions, with written notice to the Contractor.

(1) Remand the matter to the program staff for further negotiation or information if it is determined

that the matter is not ripe for review; or

(2) Determine that there is no need for further action, and that the determination of the designated individual is confirmed; or

(3) Make a determination on the record as it exists.

(c) The decision of the DAI shall be the final agency decision unless the Contractor files a written appeal of that decision with the Chair of the Contract Review Committee ("CRC") within twenty days of receipt of that decision.

The designated individual to hear disputes is:

J. Harrington, Director, Remedial Bureau A
(Name and Title)

625 Broadway, 11th Floor

Albany, NY 1233-7015
(Address)

(518) 402-9625
(Telephone)

The designated appeal individual to review decisions is:

R. Schick, Assistant Division Director
(Name and Title)

625 Broadway, 12th Floor

Albany, NY 1233-7011
(Address)

(518) 402-9707
(Telephone)

The Chair of the Contract Review Committee is:

Department of Environmental Conservation
Nancy W. Lussier, Chair
Contract Review Committee
625 Broadway, 10th Floor
Albany, NY 12233-5010
Telephone: (518) 402-9228

(d) Upon receipt of the written appeal, the Chair of the CRC, in consultation with the members of the CRC and the Office of General Counsel, will take one of the following actions, or a combination thereof, with written notice to the Contractor.

(1) Remand the matter to program staff for

additional fact finding, negotiation, or other appropriate action; or

(2) Adopt the decision of the DAI; or

(3) Consider the matter for review by the CRC in accordance with its procedures.

(e) Following a decision to proceed pursuant to (d) 3, above, the Chair of the CRC shall convene a proceeding in accordance with the CRC's established contract dispute resolution guidelines. The proceeding will provide the Contractor with an opportunity to be heard.

(f) Following a decision pursuant to (d) 2 or (d) 3, the CRC shall make a written recommendation to the Assistant Commissioner for Administration who shall render the final agency determination.

(g) At any time during the dispute resolution process, and upon mutual agreement of the parties, the Office of Hearings and Mediation Services (OHMS) may be requested to provide mediation services or other appropriate means to assist in resolving the dispute. Any findings or recommendations made by the OHMS will not be binding on either party.

(h) Final agency determinations shall be subject to review only pursuant to Article 78 of the Civil Practice Law and Rules.

(i) Pending final determination of a dispute hereunder, the Contractor shall proceed diligently with the performance of the Contract in accordance with the decision of the designated individual. Nothing in this Contract shall be construed as making final the decision of any administrative officer upon a question of law.

(j) (1) Notwithstanding the foregoing, at the option of the Contractor, the following shall be subject to review by the CRC: Disputes arising under Article 15-A of the Executive Law (Minority and Women Owned Business participation), the Department's determination with respect to the adequacy of the Contractor's Utilization Plan, or the Contractor's showing of good faith efforts to comply therewith. A request for a review before the CRC should be made, in writing, within twenty days of receipt of the Department's determination.

(2) The CRC will promptly convene a review in accordance with Article 15-A of the Executive Law and the regulations promulgated thereunder.

X. Labor Law Provisions

(a) When applicable, the Contractor shall post, in a location designated by the Department, a copy of the New York State Department of Labor schedules of prevailing wages and supplements for this project, a copy of all re-determinations of such schedules for the project, the Workers' Compensation Law Section 51 notice, all other notices required by law to be posted at the site, the Department of Labor notice that this project is a public work project on which each worker is entitled to receive the prevailing wages and supplements for their occupation, and all other notices which the Department directs the Contractor to post. The Contractor shall provide a surface for such notices which is satisfactory to the Department. The Contractor shall maintain such notices in a legible manner and shall replace any notice or schedule which is damaged, defaced, illegible or removed for any reason. Contractor shall post such notices before commencing any work on the site and shall maintain such notices until all work on the site is complete.

(b) When appropriate, contractor shall distribute to each worker for this Contract a notice, in a form provided by the Department, that this project is a public work project on which each worker is entitled to receive the prevailing wage and supplements for the occupation at which he or she is working. Worker includes employees of Contractor and all Subcontractors and all employees of suppliers entering the site. Such notice shall be distributed to each worker before they start performing any work of this contract. At the time of distribution, Contractor shall have each worker sign a statement, in a form provided by the Department, certifying that the worker has received the notice required by this section, which signed statement shall be maintained with the payroll records required by the following paragraph (c).

(c) Contractor shall maintain on the site the original certified payrolls or certified transcripts thereof which Contractor and all of its Subcontractors are required to maintain pursuant to the New York Labor Law Section 220. Contractor shall maintain with the payrolls or transcripts thereof, the statements signed by each worker pursuant to paragraph (b).

(d) Within thirty days of issuance of the first payroll, and every thirty days thereafter, the Contractor and every subcontractor must submit a transcript of the original payroll to the Department, which transcript must be subscribed and affirmed as true under penalty of perjury.

XI. Offset In accordance with State Law, the Department has the authority to administratively offset any monies due it from the Contractor, from payments due to the Contractor under this contract. The Department may also (a) assess interest or late payment charges, and collection fees, if applicable; (b) charge a fee for any dishonored check; (c) refuse to renew certain licenses and permits.

XII. Tax Exemption Pursuant to Tax Law Section 1116, the State is exempt from sales and use taxes. A standard state voucher is sufficient evidence thereof. For federal excise taxes, New York's registration Number 14740026K covers tax-free transactions under the Internal Revenue Code.

XIII. Litigation Support In the event that the Department becomes involved in litigation related to the subject matter of this contract, the Contractor agrees to provide background support and other litigation support, including but not limited to depositions, appearances, and testimony. Compensation will be negotiated and based on rates established in the contract, or as may otherwise be provided in the contract.

XIV. Equipment Any equipment purchased with funds provided under this contract, shall remain the property of the Department, unless otherwise provided in the contract. The Contractor shall be liable for all costs for maintaining the property in good, usable condition. It shall be returned to the Department upon completion of the contract, in such condition, unless the Department elects to sell the equipment to the Contractor, upon mutually agreeable terms.

XV. Inventions or Discoveries Any invention or discovery first made in performance of this Contract shall be the property of the Department, unless otherwise provided in the contract. The Contractor agrees to provide the Department with any and all materials related to this property. At the Department's option, the Contractor may be granted a non-exclusive license.

XVI. Patent and Copyright Protection If any patented or copyrighted material is involved in or results from the performance of this Contract, this Article shall apply.

(a) The Contractor shall, at its expense, defend any suit instituted against the Department and indemnify the Department against any award of damages and costs made against the Department by a final judgment of a court of last resort based on the claim that any of the

products, services or consumable supplies furnished by the Contractor under this Contract infringes any patent, copyright or other proprietary right; provided the Department gives the Contractor:

- (1) prompt written notice of any action, claim or threat of infringement suit, or other suit, and
- (2) the opportunity to take over, settle or defend such action at the Contractor's sole expense, and
- (3) all available information, assistance and authority necessary to the action, at the Contractor's sole expense.

The Contractor shall control the defense of any such suit, including appeals, and all negotiations to effect settlement, but shall keep the Department fully informed concerning the progress of the litigation.

(b) If the use of any item(s) or parts thereof is held to infringe a patent or copyright and its use is enjoined, or Contractor believes it will be enjoined, the Contractor shall have the right, at its election and expense to take action in the following order of precedence:

- (1) procure for the Department the right to continue using the same item or parts thereof;
- (2) modify the same so that it becomes non-infringing and of at least the same quality and performance;
- (3) replace the item(s) or parts thereof with noninfringing items of at least the same quality and performance;
- (4) if none of the above remedies are available, discontinue its use and eliminate any future charges or royalties pertaining thereto. The Contractor will buy back the infringing product(s) at the State's book value, or in the event of a lease, the parties shall terminate the lease. If discontinuation or elimination results in the Contractor not being able to perform the Contract, the Contract shall be terminated.

(c) In the event that an action at law or in equity is commenced against the Department arising out of a claim that the Department's use of any item or material pursuant to or resulting from this Contract infringes any patent, copyright or proprietary right, and such action is forwarded by the Department to the Contractor for defense and indemnification pursuant to this Article, the Department shall copy all pleadings and documents forwarded to the Contractor together

with the forwarding correspondence and a copy of this Contract to the Office of the Attorney General of the State of New York. If upon receipt of such request for defense, or at any time thereafter, the Contractor is of the opinion that the allegations in such action, in whole or in part, are not covered by the indemnification set forth in this Article, the Contractor shall immediately notify the Department and the Office of the Attorney General of the State of New York in writing and shall specify to what extent the Contractor believes it is and is not obligated to defend and indemnify under the terms and conditions of this Contract. The Contractor shall in such event protect the interests of the Department and State of New York and secure a continuance to permit the State of New York to appear and defend its interests in cooperation with Contractor as is appropriate, including any jurisdictional defenses which the Department and State shall have.

(d) The Contractor shall, however, have no liability to the Department under this Article if any infringement is based upon or arises out of: (1) compliance with designs, plans, or specifications furnished by or on behalf of the Department as to the items; (2) alterations of the items by the Department; (3) failure of the Department to use updated items provided by the Contractor for avoiding infringement; (4) use of items in combination with apparatus or devices not delivered by the Contractor; (5) use of items in a manner for which the same were neither designed nor contemplated; or (6) a patent or copyright in which the Department or any affiliate or subsidiary of the Department has any direct or indirect interest by license or otherwise.

(e) The foregoing states the Contractor's entire liability for, or resulting from, patent or copyright infringement or claim thereof.

XVII. Force Majeure The term Force Majeure shall include acts of God, work stoppages due to labor disputes or strikes, fires, explosions, epidemics, riots, war rebellion, sabotage or the like. If a failure of or delay in performance by either party results from the occurrence of a Force Majeure event, the delay shall be excused and the time for performance extended by a period equivalent to the time lost because of the Force majeure event, if and to the extent that:

(a) The delay or failure was beyond the control of the party affected and not due to its fault or negligence; and

(b) The delay or failure was not extended because of the affected party's failure to use all reasonable diligence to

overcome the obstacle or to resume performance immediately after such obstacle was overcome; and

(c) The affected party provides notice within (5) days of the onset of the event, that it is invoking the protection of this provision.

XVIII. Freedom of Information Requests The Contractor agrees to provide the Department with any records which must be released in order to comply with a request pursuant to the Freedom of Information Law. The Department will provide the contractor with an opportunity to identify material which may be protected from release and to support its position.

XIX. Precedence In the event of a conflict between the terms of this Appendix B and the terms of the Contract (including any and all attachments thereto and amendments thereof, but not including Appendix A), the terms of this Appendix B shall control. In the event of a conflict between the terms of this Appendix B, and the terms of Appendix A, the terms of Appendix A shall control.

NEW YORK STATE DEPARTMENT OF ENVIRONMENTAL CONSERVATION
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APPENDIX C

Proof of Ownership and Legal Description of Site

The appropriate documents listed below are incorporated in the Contract by reference.

1. A deed indicating that the municipality holds title to the property. If a municipality obtains "temporary incidents of ownership", the Order of the Court signed by the judge and showing a stamp that it has been filed will replace the deed.
2. A certification of ownership signed by the municipal attorney.
3. A title report prepared by a New York State licensed title company naming New York State as an insured party.
4. A survey of the property prepared by a licensed surveyor and a survey endorsement within the past 3 months, unless the survey is dated within the past year.
5. A metes and bounds description of the property (**NOTE: For investigation projects only, if the municipality does not have a survey and/or metes and bounds description for the property, we can accept the tax identification number or section, block, and lot number in the County in which it is located in order to execute the SAC. However, in these cases, completing the survey and/or metes and bounds description must be a milestone in the investigation work plan. For all remediation projects only, we must have a metes and bounds description and a recent survey in order to execute the SAC.**)

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APPENDIX D
Glossary

Except as expressly provided herein, terms used in this Contract have the same meanings as those set forth in ECL Article 56. In addition, the following terms shall have the meanings set forth below:

- (i) "Alternatives Analysis Report" is a report that contains an evaluation of options for the remediation of any contamination in, on, or under, or emanating from, the Site that includes an analysis of data and other information concerning the nature and extent of the Site's contamination and is generally performed concurrently, and in an interactive fashion, with the site investigation. An Alternatives Analysis Report is the Final Report submitted by a Municipality at the end of an Environmental Restoration Program investigation project.
- (ii) "Approved Activity" means any Investigation or Remediation activity which is part of the Project and has been approved in writing by the Department.
- (iii) "Contractor" in Appendices A and B means Municipality.
- (iv) "Disposition of the Site" means the leasing of the Site or the transfer of the Site's title through sale or other means.
- (v) "Eligible Cost" shall have the meaning given to that term in the Department's "Procedures Handbook for Environmental Restoration Program Projects" available at the time of this Contract.
- (vi) "Environmental Easement" shall mean an interest in the Site, created under and subject to the provisions of ECL Article 71, Title 36, which contains a use restriction and/or a prohibition on the use of land in a manner inconsistent with engineering controls."
- (vii) "Force Majeure Event" is an event, in accordance with applicable case law, that includes but is not limited to war, strike, judicial injunction, or any other fact or circumstance beyond the Municipality's reasonable control.
- (viii) "Investigation" means a project consisting of a process undertaken to determine the nature and extent of contamination in, on, and under, and emanating from, the Site. The Site investigation includes the gathering of sufficient information to determine the necessity for, and the selection of the appropriate method of, remediation of contamination in, on, or under, or emanating from the Site. Additionally, it includes the associated Alternatives Analysis Report and any assistance Municipality must provide to the Department in the Department's selection of

the Site's remedy. The term also includes any Department-approved interim remedial measures needed to undertake the Project or needed to eliminate any potential or actual releases of contaminants at, or from, the Site.

(ix) "Municipal Share" means any money provided under this Contract by the Municipality for its share of the Contract. The municipality may use any funding available (i.e. federal, State or other private party monies) except responsible party funding towards its share.

(x) "Parties" means the Department and Municipality.

(xi) "Project" means the Site's Investigation and/or Remediation as described in the Work Plan(s).

(xii) "Remediation" means a Project consisting of the design and implementation of the remedy selected in the Department's Record of Decision. While implementing the remedy may require a Site Management Plan, , the cost of complying with the plan would not be eligible for reimbursement under this contract.

(xiii) "Site" means the Site which is the subject of the Project. The Site's legal description appears as Appendix "C" to this Contract.

(xiv) "State Assistance" means State money provided under this Contract to Municipality pursuant to Article 56, Title 5 of the ECL.

(xv) "Work Plan" means a document which describes the purpose, scope, estimated cost, and progress schedule of the Project. The Work Plan must include a Public Participation Plan that, at a minimum, satisfies the requirements of ECL 56-0503.2.

Intro. Res. No. 1876-2006

Laid on Table 6/27/2006

Introduced by Presiding Officer, on request of the County Executive

RESOLUTION NO. 859 -2006, AMENDING RESOLUTION NO. 1363-2005 WHICH AUTHORIZED THE SUFFOLK COUNTY EXECUTIVE'S OFFICE TO BE THE SIGNATORY ON ALL ENVIRONMENTAL RESTORATION PROGRAM GRANT RELATED DOCUMENTS

WHEREAS, Resolution No. 1363-2005, Authorizing The Suffolk County Executive's Office To Be The Signatory On All Environmental Restoration Program Grant Related Documents, signed on December 22, 2005, authorized Chief Deputy County Executive Paul Sabatino II, Esq. to sign all Environmental Restoration Program grant-related documents on behalf of Suffolk County; and

WHEREAS, upon review by the New York State Department of Environmental Conservation, Resolution No. 1363-2005 was determined ineffective due to the omission of certain mandated language; and

WHEREAS, by this resolution, it is the intent of the Suffolk County Legislature to amend Resolution No. 1363-2005 to conform to New York State Department of Environmental Conservation mandated language; now, therefore be it

1st RESOLVED, that Resolution No. 1363-2005 is hereby amended to add the following **WHEREAS** clauses:

WHEREAS, the County of Suffolk, after thorough consideration of the various aspects of the problem and study of available data, has hereby determined that certain work, as described in its application and attachments, herein called the "Project," is desirable, is in the public interest, and is required in order to implement the Project; and

WHEREAS, Article 56 of the Environmental Conservation Law authorizes State assistance to municipalities for environmental restoration projects by means of a contract and the County deems it to be in the public interest and benefit under this law to enter into a contract therewith; and

and be it further

2nd RESOLVED, that Resolution No. 1363-2005 is hereby further amended to add the following **RESOLVED** clauses:

RESOLVED, that the Chief Deputy County Executive is the representative authorized to act on behalf of the County in all matters related to State assistance under ECL Article 56, Title 5. The representative is also authorized to make application, execute the State Assistance Contract, submit Project documentation, and otherwise act for the County's governing body in all matters related to the Project and to State assistance; and be it further

RESOLVED, that the County agrees that it will fund its portion of the cost of the Project and that funds will be available to initiate the Project's field work within twelve (12) months of written approval of its application by the Department of Environmental Conservation; and be it further

RESOLVED, that one (1) certified copy of this resolution be prepared and sent to the Albany office of the New York State Department of Environmental Conservation together with the Application for State Assistance; and be it further

and be it further

3rd RESOLVED, that Resolution No. 1363-2005 is hereby further amended to delete "Paul Sabatino, II Esq." from the first "RESOLVED" clause therein; and be it further

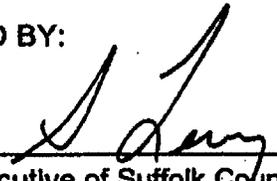
4th RESOLVED, that all other terms and conditions of Resolution No. 1363-2005 shall remain in full force and effect; and be it further

5th RESOLVED, this Legislature, being the State Environmental Quality Review Act (SEQRA) Lead Agency, hereby finds and determines that the adoption of this law is a Type II action pursuant to Title 6 NYCRR Part 617.5(c) (20) and (27) since it constitutes a local legislative decision in connection with routine or continuing agency administration and management, not including new programs or major reordering of priorities that may affect the environment. As a Type II action, the Legislature has no further responsibilities under SEQRA; and be it further

6th RESOLVED, that this authorization shall take effect immediately.

DATED: **AUG 08 2006**

APPROVED BY:



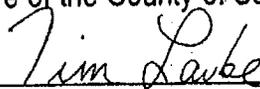
County Executive of Suffolk County

Date: **AUG 08 2006**

SUFFOLK COUNTY
County Legislature
RIVERHEAD, N.Y.

This is to Certify That I, TIM LAUBE, Clerk of the County Legislature of the County of Suffolk, have compared the foregoing copy of resolution with the original resolution now on file in this office, and which was duly adopted by the County Legislature of said County on **AUG 08 2006** and that the same is a true and correct transcript of said resolution and of the whole thereof.

In Witness Whereof, I have hereunto set my hand and the official seal of the County Legislature of the County of Suffolk.



Clerk of the County Legislature