COUNTY OF ONONDAGA
Office of the
County Comptroller

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The Honorable County Executive
The Chair of the County Legislature
The Chair of the Environmental Protection Committee
The Commissioner Water Environment Protection
The Administrator of Physical Services
The Chief Fiscal Officer
The Clerk of the County Legislature

A review of the Request for Proposal Process for the Department of Water Environment Protection was completed in January 2009. The scope included inception of the RFP, submittal of proposals, awarding of the contracts and for some of the contracts, adherence to the contract. Our review included ongoing and new contracts with related activity during 2007 and 2008.

The review included examining on a test basis, evidence supporting the amounts and disclosures in the financial records. It is the responsibility of the department to ensure the financial records are accurate, complete and established policies are adhered to.

The following are some of the significant issues raised during the review:

- The Comptroller's Office noted inconsistencies in the inclusion of key management employees in the discussion and recommendation process for contract awarding.
- The review also found a lack of oversight for some of the contracts and projects by project managers.
- The Department of Water Environment Protection contracted with a project manager whose job duties and responsibilities appeared to be more in line with what would be expected from an employee.
- Some contractors were found to be deviating from the contract without prior approval by County personnel. This includes using higher titled employees to complete tasks, billing at a higher rate and performance of additional tasks.

- Quantities and types of testing/monitoring done varied from the submitted RFP and contract.

Finally, documentation was lacking in two contracts on the process used to award the contracts, making it difficult to track the appropriateness of the decision.

In conclusion, we acknowledge the current administration's cooperation during the course of the audit. We note the Department has revised the processes and systems in place to procure and monitor contracts.

Sincerely,

Robert E. Antonacci II, CPA

Onondaga County
Water Environment Protection
Limited Scope RFP Review

RFP Contract Review:

Scope:
A limited scope review was conducted including a review of the Request for Proposal (RPF) process and the awarding of professional service contracts for the Department of Water Environment Protection.

Procedures were documented for the awarding of contracts for both Professional Services and Construction Services.

The RFP processing for the contracts reviewed are noted below. A brief summary of the contract and the review procedures performed as well as concerns regarding the contracts are noted.

Contract #CT49906
Project #587532
O'Brien & Gere Engineering

Engineering Design and Construction Services for the Rehabilitation/Replacement of Combined and Sanitary County Trunk Sewers plus the Hillcrest Force Main Project

Project Managers: Sanitary Engineer II, Flow Control Division
Sanitary Engineer III, Flow Control Division

The original project manager was the Engineer II, she terminated her employment with the County, and the project was taken over by the Engineer III.

This is a complex contract since it involves two different projects. Comptroller's Internal Audit obtained a basic understanding of the projects then chronologically reviewed the RFP process. Contract claim payments were not included in the review of this contract.

- The original RFP for this project was for design engineering services for the rehabilitation/replacement of five combined trunk sewers including; Tallman Trunk Sewer, Meadowbrook West Trunk Sewer, Midland Trunk Sewer, Iroquois Trunk Sewer and Delaware Trunk Sewer. Also included was the rehabilitation of 9 manholes from the Westside Trunk Sewer. The proposal price for this project was $410,300. At the time this contract was being written, two structural breaks occurred at the Hillside Force Main. To be compliant with NYS regulation, it was determined that 4,500 linear feet of piping needed to be replaced immediately at the force main. An additional proposal was presented by O'Brien & Gere for the design and construction phase services for the pipe replacement. Since the

contract for the Trunk Sewer Project was still in the contract writing stage, the cost for this additional work of $75,600 was added to contract CT49906 making the contract total $485,900.

- Due to the add-on of the Hillcrest Force Main this contract has two separate construction contractors for one design contract. Separate 25%, 50% and 95% completion report dates and meetings are required.

- Early in the design phase, two flooding events took place on Bronson Road; an engineering study of the circumstances that caused the flooding was added to the scope of the original contract. An amendment was done on 11/15/2007 for this additional service, increasing the compensation by $95,300.

- Amendment #2 was done for a budget line item transfer only, no additional funding. The amendment was a result of the Hillcrest Project being added to the Trunk Sewer Project.

Concerns/Findings:

1) During the time we were reviewing the RFP Process for this contract, it came to our attention O'Brien & Gere Engineering was using a higher-level inspector on this project in place of the lower titled employees that were shown on the proposal that became part of the contract. Per a letter from O'Brien & Gere, dated 10/10/08, at the time of the proposal, it was anticipated an Inspector with an hourly rate of $53.00 per hour plus the multiplier of 2.8 would be used on this project. The firm opted to instead use a Senior Resident Inspector at a rate of $80.80 plus the multiplier of 2.8. There also appears to be a significant increase in the actual number of hours worked by several of the firm's personnel, including a Vice President. It does not appear the County was notified of these increases in rates, changes to the titles used or the increased number of hours worked for this project. These changes resulted in additional charges from O'Brien and Gere resulting in an amendment to this contract.

   It is recommended the County Project Managers, prior to approving a contract payment, compare invoices received to the contract to ensure the firm is adhering to all of the terms and conditions of the contract, established through the proposal. It does not appear this was being done in the past. This recommendation should be applied to the Construction Manager for the construction portion of the contract as well.

2) The Audit staff requested a copy of the letter of recommendation resulting from the meeting of the Engineering/RFP Review Committee. This letter would have been written by the previous WEP Administration to be submitted to the County Administrator of Physical Services along with the combined grading sheets completed at the RFP Review Meeting. Management could not locate a copy of this letter or copies of the individual grading sheets completed by the engineers or the combined grading sheet prepared by the former WEP Management. Due to

the lack of these documents, we were not able to determine if the contract was awarded based on the recommendations of the Engineering/RFP Review Committee.

It is recommended all documentation regarding contract awarding, between the Department of Water Environment Protection and the County Executive's Office, be maintained in the office of the Department Commissioner, as well as the County Purchasing Department.

Contract #CT81504
Project #587384
C&S Engineering

Meadowbrook Drainage District Improvements
Engineering Design through Construction

Project Manager: Sanitary Engineer III, Flow Control Division

The RFP for this project was for design engineering services for the replacement and repair to deteriorating channel sections and culverts within the Meadowbrook Drainage District. This project will include 3 channel sections and 9 culverts. The original contract amount for this project was $250,000. The contract has been amended twice to extend the termination date; at the time of review, there has been no increase in scope or compensation.

- The audit staff obtained a basic understanding of the project then performed a chronological review of this contract from the draft RFP to the solicitation of bids for the construction portion of the project.
- Review of the contract indicated a discount of 1.5% was allowed for claims paid within 15 days of receipt of the invoice. It appears the Comptroller's Claims Section was not aware of the discount. A limited review of contract claims was performed.

Concerns/Findings:

1) Upon review of the contract agreement, term #3, the County was entitled to a payment discount for invoices paid within 15 days of receipt.

   There were a total of 17 claims paid on this contract. A review of the 4 claims paid in 2008 verified discounts were not taken and none of the claims were paid within the 15-day discount period. The total contracted amount is $250,000. The total payments to date (11/19/2008) equal $208,084. Assuming no discounts were taken on payments made thus far, the amount of lost discount for this contract is $3,121.

   It is the opinion of the Comptroller's Office that everyone involved in the claim processing should be aware of any discount terms and make every effort to ensure

the claims are processed and paid within the discount period. When discounts are to be taken on contract claims, the department would have to note it on the contract claim form.

Per the Account Clerk II, Comptroller's Claims Unit:

- Claims received at the Comptroller's Office by Friday are paid on the following Friday.
- She also stated the department should also follow-up with a phone call to alert her so the claim can be expedited if necessary to obtain the discount.

To ensure discounts are taken for contracts that include them in the payment terms, we recommend the following:

- *The Project Manager should review the payment terms for each of the contracts he/she is responsible for.*
- *The Project Manager should then inform the Department of Water Environment Protection Fiscal Unit of the payment terms, including discounts, for the contract.*
- *To establish the start date of the discount period, the invoices should be date stamped the same day as received by either the Project Manager or by the employee that receives them at the facility.*
- *The Project Manager and any others that need to review and approve the payment claim should be mindful of the 15-day discount period. "Discount" should be noted on the claim form to alert both the Fiscal Office and Comptroller's Office.*
- *The Fiscal Unit should make every effort to process the claim form in a timely manner to allow adequate time for the claim to be processed by the Comptroller's Claims Unit.*
- *The Account Clerk II in the Comptroller's Claims Unit should place a note in notebook area on FAMIS. This will alert her that discounts are allowed for claims paid on this contract and payments may need to be expedited to obtain the discount.*
- *Claim CA008883 was returned to the WEP Fiscal Office for verification of insurance. This created a 2-day delay in payment processing. If the Claims Unit had requested the insurance verification via fax, this delay could have been avoided and this claim would have been paid within the 15-day period.*

2) The Audit staff requested a copy of the letter of recommendation resulting from the meeting of the Engineering/RFP Review Committee. This letter would have been written by the Commissioner, to be submitted to the County Administrator of Physical Services along with the combined grading sheets completed at the RFP Review Meeting. The current administrative staff could not locate a copy of this letter or copies of the individual grading sheets completed by the engineers or the combined grading sheet prepared by previous WEP Management. Due to the lack of these documents, we were not able to determine if the contract was awarded based on the recommendations of the Engineering/RFP Review Committee.

It is recommended all documentation regarding contract awarding, between the Department of Water Environment Protection and the County Executive's Office be maintained in the office of the Department Commissioner and the County Purchasing Department.

Contract #CT07607
Project #None
ACC Technical Services Inc.

Provide development and modification of a computerized database to conduct routine work activities for the Engineering and Services Division. This work builds upon a previous Microsoft Access 97 System also developed by ACC Technical Services.

Project Manager: Sanitary Engineer III, Engineering & Laboratory Services

Performed a review of the RFP process including the distribution of the original RFP, the grading performed by the RFP Review Committee, the contract and the two amendments to the contract. A review of the payment claims for this contract was not included in the scope.

Concerns/Findings:

1) The RFP and contract issued for a database system development and upgrade. The primary user of the system is the ELS Unit at WEP. The units within WEP that will use the database include: Waste Haulers, Petroleum Bulk Storage, Lab Sampling and Scheduling, Ambient Monitoring Program, Chemical Bulk Storage, Oil and Grease Processing and Labor Tracking. The Information Technology Unit at WEP was involved in the RFP processing. It does not appear that the Flow Control Unit was included in the RFP review, or this division will use the database.

   It is recommended consideration be given to include all units within the Department of Water Environment Protection in the development and review of RFP's. The sharing of information and perspectives among the units could provide useful information for both current and future projects.

Contract #55905
Project #587960
Camp Dresser & McKee and C&S Joint (CDM/C&S)
Clinton Street CSO Conveyances Project and Harbor Brook CSO Conveyance

Project Managers: Contracted Project Manager, Lake Improvement Project
Public Intergovernmental Relations Officer, Lake Improvement Project

Contract is to provide engineering design & construction services for the Clinton Street CSO Conveyances Project and the Harbor Brook CSO Conveyance, Floatable Control Facilities and Interceptor Sewer Project at Harbor Brook.

Prepared an overview of the RFP process to the contract awarding from the "Draft Facilities Plan". Payment claims were not included in the scope of this audit.

CDM/C&S presented the County with several questions during the time the engineering firms were putting together their proposals. As an additional step, the audit staff reviewed these questions and compared them to the requests for amendments or changes to the contract to see if amendments were done for situations that may have been know in advance of the signing of the contract.

Concerns/Findings:

1) The original contract was set up for tasks 1-3 of this project including, Phase #1 - Project Kick-Off, Phase # 2 - Design/Construction Documents and Phase #3 - Bid Phase. Amendment #1 for $9,636.00 was for the Harbor Brook CSO Conveyance Project. Amendment #2 for $349,618.00 was for the Clinton Street CSO Conveyance Project, including geological investigations needed for the change to trenchless micro-tunneling methods of piping to be used for this project. CDM/C&S questioned trenchless methods for the installation of piping in on a letter dated 05/06/2005. This was at the time they were putting together their proposal. Per a response letter from the Lake Improvement Project dated 05/17/2005, costs submitted should be assuming open cutting for conveyance lines. The questions from CDM/C&S as well as the responses from the County were sent to each firm that received the original RFP. It does not appear other amendments were for items that may have been addressed in the submitted questions.

   It is recommended the Department of Water Environment Protection make every effort to consider new forms of technology during the RFP proposal process to avoid possible amendments once the project is underway.

2) CDM/C&S submitted a proposal fee schedule that included "Estimated Engineering Costs Summary". We looked at fee schedules submitted by other engineering firms and the term "Estimated" was not used. It should be noted the other proposals we reviewed were not for this project.

   Regardless of whether a proposal states estimated, the compensation amount on the contract states, "Not to Exceed". The Department of Water Environment Protection should hold contractors firm to the amount stated to avoid additional fees and amendments that cost taxpayers additional amounts.

Contract #53605
Project #587960
Environmental Engineering Associates LLP (EEA)

Design and construction of the Clinton Street Combined Sewer overflow (CSO) Regional Treatment Facility Project (RTF) and the Harbor Brook Combined Sewer Overflow (CSO) RTF Project.

Project Managers: **Contracted Project Manager, Lake Improvement Project**
Public Intergovernmental Relations Officer, Lake Improvement Project

This contract was not originally selected for review. It was determined this contract was part of project #587960 along with CT55905 CDM/C&S, which was selected for review. An overview of the RPF, contract and eight amendments was performed. The payment claims were not part of the review for this contract.

The County terminated EEA's services in May 2008 due to the suspension of the project.

The last amendment (#8) was signed in June 2008 for a Valued Engineering Assessment to be performed by EEA.

Concerns/Findings:
None noted from the limited scope of this review.

Contract #44601
J.R.C.
Vendor #502482
Contractor to perform Senior Project Manager duties for the Lake Improvement Project

Project Managers: **Director of the Lake Improvement Project**
Public Intergovernmental Relations Officer, Lake Improvement Project
Commissioner, Water & Environment Protection

Performed an overview of the contract information from the newspaper advertisement (02/2001) for a Senior Project Manager through the termination of the contract for services (09/2008). This included the original contract and the four amendments that were made to the original contract. Due to the limited scope of this review, payments made to this contractor were not verified to the hourly rate or the annual compensation stipulated by the contract.

Since the ACJ Projects were put on hold pending evaluations of other alternatives, the contract between J.R.C. and Onondaga County was terminated, effective 09/30/2008. This happened during the time the audit staff was conducting their review of RFP processing.

Concerns/Findings:

The audit staff had concerns with this contract right from the start. A position for a Senior Project Manager was advertised in the newspaper. It was stated in the article the person would be hired by the Engineering Firm, CDM/C&S, but they would report directly to the County's Director of the Lake Improvement Project Office. This would have created a conflict of interest situation since the Project Manager is responsible for representing the County. Instead of the being hired by CDM/C&S, a contract position was created by the Onondaga Lake Improvement Project, under the County's Department of Drainage and Sanitation. No documentation was provided as to why the decision was made to create a contractual position by the County.

There were several concerns regarding this contract due to contractor/employee issues. It would appear this contractor directly represented the County as a person with authority; he also had access to essential documentation and information that may be needed by the County after this contract is terminated.

- The current annual compensation, through December 31, 2008, paid for this contractor is $80,104. This is calculated at the contract terms of $42.16 per hour times 38 hours per week times 50 weeks per year. The contractor was given the title of Senior Project Manager. Since the department currently does not have any employees titled Senior Project Manager, the audit staff questioned the Deputy Commissioner of WEP as to the difference between a Project Manager and a Senior Project Manager. The reply was that a Senior Project Manager would be responsible for larger or more complicated projects that would require an advanced level of experience. The labor grade that would be associated with this position of employee would be a Management Confidential grade 35 with an annual salary range starting at $64,753 plus fringes. To add to the cost effectiveness, as an employee, this Senior Project Manager could be assigned other tasks including supervision of subordinate employees as other Water Environment Protection Senior Managers do.

  If the Department of Water Environmental Protection has the need for the Project Manager services in the future, it is our opinion that if current employees cannot be utilized for these duties then hiring a new employee or the promoting a current employee would be more cost effective.

- The contractor completed a Bi-Weekly Time Report documenting the hours worked for each project during the pay period. The Lake Project's Account Clerk II used the information on this report to complete a County of Onondaga Contract Claim Form. The claim was then given to the Commissioner for review and approval before it was forwarded to the WEP Fiscal Officer. The Fiscal Officer would send it to the Comptroller's Office for payment processing. Even though several WEP employees handled the claim and time reporting documentation, it appears there was a lack of good internal controls since the hours worked and projects worked on do not appear to actually be validated by anyone other than the consultant. Per the Public Intergovernmental Relations Officer at WEP, when this contractor directly reported to the Director of the Lake Improvement Project,

work completed by him for each project was tracked. With the loss of the Director, the Contractor began reporting directly to the Commissioner and the breakdown in procedures of tracking hours worked by project began. Overall progress for the projects was provided at the monthly Engineering Committee meetings and given to the Public Intergovernmental Relations Officer to be included in the monthly Lake Improvement Project Report.

Before review by the Department's Commissioner, all hours worked and projects worked on should be verified allowing for certification of the work completed for the specific projects the service contractor was responsible for.

- As part of the agreement, this contractor was responsible for approving payment from Onondaga County to Contractors and Consultants for services rendered.

  It is recommended this process be reviewed; it is not good general business practices to have someone other than a management employee of the County approving County payments.

  It appears the contractor was contracted without verification of liability or automobile insurance. This requirement was not documented as a requirement for this contract. It is apparently not always a requirement for personal service contracts. This could create a question regarding who is responsible for liabilities incurred should this contractor or another person be injured or should the contractor working on behalf of Onondaga County damage property during the course of conducting business.

  It is recommended verification of automobile insurance be required from contractors who will be traveling to represent Onondaga County.

- There are several situations that make it appear this contractor may be working in the capacity of an employee rather than a contractor. Documentation regarding employee/contractor status was obtained from several sources including:
  Form RS2415 from the NYS and Local Retirement System.
  IRS Publication 1779 "Independent Contractor or Employee"

  Some of the issues that existed with this contractor that made his roll as a contractor versus an employee difficult to define are listed below.

  - A person is to be considered an employee if the employer has the right to control the means and methods of what work will be done and how the work will be done. (IRS Regulation 1779, section 315.2 and Form RS2415 – NYS Local Retirement System)

    The work performed by this contractor must be done in accordance to County Policy. In addition, the contractor reported directly to the Commissioner for instruction.

- An individual contractor's decisions are not subject to review by the employer. (IRS Regulation 1779, section 315.2 and Form RS2415 – NYS Local Retirement System)

  The Commissioner reviews the contract claims including hours worked and projects worked on before payment is made to the contractor.

- The employer provides permanent workspace and facilities including, but not limited to, office, furniture and/or utilities. (IRS Regulation 1779, section 315.2 and Form RS2415 – NYS Local Retirement System)

  The employer provides the individual with equipment and support services including but not limited to, computer, telephone, supplies and/or clerical assistance. (IRS Regulation 1779, section 315.2 and Form RS2415 – NYS Local Retirement System)

  This contractor is provided a computer, phone and supplies, in addition, all correspondence issued by this contractor is on Water Environment Protection letterhead. This contractor is also given a County issued parking pass or is reimbursed by WEP for parking when it is necessary for him to attend meetings with County Officials.

- Per review of the contract claims for payment for this contractor and information located in the contract folder, this contractor, even though he is not paid through the County Payroll, is paid on the same pay schedule as county employees

Per information from Lake Improvement employees, during the month of July 2008, this contractor took a 4-week leave to complete contract work with another organization.

Since the ACJ Projects were put on hold pending evaluations of other alternatives, the contract between J.R.C. and Onondaga County was terminated. This termination was done per a memo dated August 22, 2008, with an effective date of September 30, 2008. This was during the time the audit staff was conducting their review of this agreement.

- An additional concern is the sharing of information from a Project Manager contracted by the department. J.R.C. represented himself as the contact person for the County for Lake Improvement Projects he was involved with. Now that he is no longer under contract by the County, these projects have been assigned to the department's Construction Manager and the Public Intergovernmental Relations Officer. Per discussion with employees, it appears County employees, including the ones noted above, have not had access to information or documentation pertaining to these projects making the conversion to these employees very difficult.

It is recommended that in the future, the Department of Water Environment Protection use department employees as Project Managers. If contractors are involved in projects for the department, there needs to be diligent oversight by department personnel of the work being done and the documentation maintained by the contractor.

Contract #CT24906
Project #None
S & W Services

Project Managers: Wastewater Treatment Plant Oper. Manager, Engineering Laboratory Services
Sanitary Engineer II, Engineering Laboratory Services

Provide spill prevention, containment and countermeasure plans, annual training, fuel tank inspections and testing database updates as well as fuel facility maintenance and repair services. This WEP contract includes these services for all Onondaga County departments. WEP pays the invoices for the other departments and is reimbursed through interdepartmental billings

A review was performed of the RFP process including the distribution of the original RFP, the grading performed by the RFP Review Committee, the contract and the two amendments to the contract. A limited review of claims paid for this contract was included in the scope.

Concerns/Findings:

1) CT24906 has a conflict between the compensation section of the contract and the attached integral proposal of itemized costs for the period 1/1/2006 -12/31/2007. The total compensation per the proposal attached to the contract for same period is $208,577.00 for services, excluding repairs. The contract states the amount of compensation is not to exceed $176,000.00 in full and final satisfaction of all services and expenses.

   When a proposal is included as an attachment to the contract, the not to exceed amount should be within reason for the services that are intended to be rendered. In this case, the not to exceed $176,000 was $32,577 less than the amount stated in the proposal for the intended services. If the County intended on not exceeding this amount a new proposal with reduced or negotiated rates should have been included as part of the contract.

2) CT24906, as stated above, was originally a two-year contract from 1/1/06 to 12/31/07. In August 2007, an amendment was signed to extend services for the term from 1/1/2008 to 3/31/2008; in addition, the compensation was increased by $96,000.00. As can be seen in the chart below, $46,005 of the amount was used to pay for 2007 services. Although these funds were used for 2007, there appears to have been enough funds remaining to pay for first quarter 2008 services. A second amendment was signed in August 2008 extending the contract through 03/31/2009 and increasing the compensation by not more than $149,277.00.

			Actual Expenditures Paid by Service Period				
Contract(s)	Term	Encumbered Amount	2006	2007		2008	Total
Original 3/27/2006	1/1/2006 to 12/31/2007	$ 176,000	109,937	66,063	a	-	$ 176,000
amendment 9/10/2007	1/1/2008 to 3/31/2008	96,000	-	46,005	b	49,995	96,000
amendment 8/11/2008	4/1/2008 to 3/31/2009	149,277	-	-		38,451	38,451
		$ 421,277	109,937	112,068		88,446	$ 310,450

a - $66,063 is for services rendered up to July 2007 and approximately $1,089 for August 2007.

b - $46,005 is for services rendered from August 2007 to December 2007.

c - The actual expenditures paid for services rendered in 2006 & 2007 totals $222,005. The contractual amount and encumbrance were $46,005 less than the actual expenditures for the service period. In turn, encumbered funds for the first quarter of 2008 had to be used to pay for 2007 services.

It is recommended a reasonable amount be originally encumbered to ensure appropriations are available to pay for services rendered.

3) As part of the limited scope audit of this contract, invoices from S&W were reviewed. These invoices were randomly selected. Two departments were reviewed for two months from the following years, 2006, 2007 and 2008. The proposal from S&W, which became an integral part of the contract, specifies a set hourly labor rate for repairs, but does not include a mileage rate for repairs not made at the time of inspections. Six of the twelve invoices reviewed included repairs. It was noted on two of the six invoices tested, a breakdown of parts and labor was not provided. The audit staff could not determine the labor rate charged for these repairs. A third invoice reviewed included mileage charged in the amount of $1.00 per mile. Information regarding the type of vehicle was not provided and it does not appear WEP staff questioned this fee. The total mileage fee for this invoice was $13.00.

Fees for repairs should be broken down in accordance to the contract and any additional fees not included in the contract, such as mileage, should not be paid.

It is recommended a review of the fees for repairs be performed before invoices are paid. Any amount not stipulated in the contract including mileage should be recovered.

Contract #CT30406
Project #587510
Meadowbrook Drainage District Improvements
Joseph J. Lane Construction

Engineering Design	**C&S Engineering, Inc.**
Project Manager	**Sanitary Engineer III, Flow Control**
Construction Supervisor	**WEP Construction Supervisor**

This contract is the construction portion of the project. The original contract amount was $2,043,888. At the time of the audit review, there was one change order for the amount of $115,649.93.

This is a construction contract; the bids were solicited and returned to the Purchasing Department. The bidding process was reviewed and an overall review of the contract was done. The claims for payments were not included in the review of this contract.

Concerns:

No concerns noted for the contract at the time of this review

Contract #(Not yet assigned)
Project #
Replacement of the Gatewood Pump Station and Force Main

Project Manager: Sanitary Engineer I, Flow Control

This project has been awarded to Barton & Loguidice. The contract has been written but not yet signed, therefore no contract number is available.

An RFP was issued on July 9, 2008 for the engineering and construction phase services for the Replacement of the Gatewood Pump Station and Force Main. The RFP was sent to thirteen local engineering firms, three submitted proposals. A member of the audit staff attended the RFP review meeting.

The audit staff also obtained a copy of the **Policies and Procedures – New Version OCDWEP Project Work Responsibilities**, issued on May 20, 2008. This Policy was reviewed and approved by the Department's Engineering Committee. The new version provides additional detail and clarification for project work tasks and responsibilities.

The following concern was discussed with WEP Management:

The Engineer I from the Flow Control Unit wrote the RFP, she completed the comparison worksheet from the proposals and scheduled the RFP Review Meeting. According to the above policy, these tasks are the responsibility of the Project Manager. In addition to the Project Manager, the WEP Construction Supervisor is involved in the RFP development and proposal evaluation process. The RFP Review Meeting was held on September 8, 2008. It appears WEP Management specified a limited number of Engineering Committee members that were to attend this meeting. Flow Control was instructed only two of their three Engineering Committee members were to attend and the Engineer I (Project Manager) was not. In addition, the WEP Construction Supervisor was excluded from this meeting. Task #3 of the policy revised on 05/20/08 establishes the Project Manager has the primary responsibility to develop and review the RFP and to assist with the RFP Proposal evaluation. Task #3 also states the Construction Division has secondary responsibility for these same tasks. It appears WEP Management was in direct violation of their own policy by excluding some of the Engineering Committee, the Project Manager and the Construction Supervisor in the RFP Review Meeting for this project. When questioned by the audit staff, WEP Management's response was that sufficient management was in attendance at the meeting to cover Flow Control and Construction. As explained to the audit staff, the Engineering Committee was established to ensure representatives from all units at WEP are aware of the projects underway and allowed to offer up perspectives and expertise of the projects and the firms hired to perform this work for the County. It is unclear why the number of attendees was limited for the proposal review for this project. It is the opinion of the Comptroller's Office that WEP Management directly violated their own revised policy for the RFP Review Meetings held to evaluate proposals for this project.

In addition to the Gatewood Project meeting, the audit staff became aware of an additional RFP Review Meeting held on June 23, 2008. This review was to evaluate proposals for a project to replace chemical feed tanks at both Gaskin Road and the Metro Facility. The engineers from the Flow Control Unit and the Construction Supervisor were excluded from this meeting and the evaluation of the proposals for this project.

It is recommended, in the future, WEP Management adhere to policy and procedures established by them to provide detail and clarification for project work tasks. It is further recommended the department make every effort to include all members of the Engineering Committee in the reviewing process for WEP Projects.

Contract #CT47502
Project # AMP Program July 2002 –May 2006
Ecologic LLC

Since 1998 Onondaga County has been working to design an effective monitoring program to provide data to support decisions facing the County regarding the level of treatment and discharge locations of the Metro effluent, and to a lesser extent the CSO's (Combined Sewer Overflows).

The major objectives of the proposal received from Ecologic/ QEA were as follows:

1) Ecologic/ QEA will provide draft of the AMP (Ambient Monitoring Program) annual report as well as an Executive Summary Report for the County, OLTAC, NYSDEC and other parties. This also included a delivery of a memo report summarizing the need for a model, the strengths and weaknesses of existing models as well as options available to the County for development of an appropriate modeling framework for the Lake to meet program objectives and recommendations.

2) Continue to develop a website for the County to facilitate community understanding and involvement in regards to the AMP and the Lake.

Scope:

- Limited review of the vendor's response to the RFP and the contract claims.

- Limited review of the cost reduction efforts outlined in the vendor's proposal to determine if the vendor's savings goals outlined in their proposal were met.

Concerns/Findings for AMP Proposal

There were a few cost reduction efforts outlined as part of the proposal submitted by Ecologic. Below are 2 select efforts having concerns:

- 1) Ecologic has included a 7.5% markup on labor charges from all subcontractors. Audit was unable to ascertain the amount of a mark up if any was charged.

  It is recommended where applicable the Department should note whether the Vendor is complying with items outlined in the proposals in its review of claims.

- 2) QEA has provided Ecologic a 10% discount on normal rate charges. Comparing the rates QEA charged to Ecologic as a subcontractor to those that QEA charged to the County under contracts that QEA had with the County, it appears QEA may not have discounted their subcontracting charges through Ecologic by 10% as outlined by Ecologic in their proposal.

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  It is recommended the Department review the proposals/claims where a subcontractor may also have a direct contract with the County as part of another project. The Department should be aware of the rates one may charge as a subcontractor versus rates charged when directly contracting with the County.

Concerns/Findings for CT 47502- AMP Program

- Ecologic made a presentation in May 2002 at the National Water Quality Monitoring Conference in Madison, Wisconsin the OCDWEP Operations Manager and an OCDWEP Sanitary Engineer III were listed as co-authors. This may create a conflict of interest.

It is recommended in the interest of appearing independent County employees not be listed as co-authors. This may be perceived as a personal benefit, which may create a conflict of interest in the RFP process. The County should be listed as the co-author.

Contract #CT01307
Project # AMP Program
Ecologic LLC

Request for Proposal (RFP) is for technical services relating to limnology, phycology, fisheries, macroinvertebrate as well as statistical analysis of data for the Onondaga Lake Ambient Water Quality and or /Biological Monitoring Programs.

This RFP is in direct relation to the AMP (Ambient Monitoring Program) program. The AMP is required by a 1998 ACJ (Amended Consent Judgment). The objective of the improvements of the Metropolitan Syracuse Wastewater Treatment Plant and the collection system is to bring Onondaga Lake the Lake Tributaries and the Seneca River into compliance with the New York State ambient water quality standards. Design, testing and construction are outlined by the 1998 ACJ. As of 2006 the County has completed 8 years of a 15-year program, which was scheduled to end in 2012. The County's AMP program was implemented August 1998 as an expansion of an annual monitoring program in place since 1970.

Scope:

- Compared the schedules of hours for the tasks as outlined by Ecologic with the billings submitted. Ecologic appears to be within their proposed hours by task.
- Checked billings in detail by individual and budgeted line item to ensure the hourly rates charged to the County were in accordance with the bid proposal.

- Limited review of the RFP and proposal.

The RFP and proposal timeline is as follows:

- October 11th 2006 an RFP for consulting services for the Onondaga Lake Ambient Monitoring Program was mailed to 15 firms, proposals were to be submitted by November 6th 2006.

- A pre-proposal meeting was held on October 23rd 2006 with Blasland Bouck & Lee, QEA and Ecologic. Per discussion with the Sanitary Engineer a pre-meeting is unusual but was held due to a number of complex issues and an RFP had not been done in a long time for this project.

- One firm expressed a concern there was not enough time to research and submit a proposal due to the many complexities of the project.

- In response to the RFP, 1 proposal was received- from Ecologic and QEA.

Concerns/Findings

- A firm responded to the RFP expressing concern of three weeks not being enough time to develop a proposal due to its complexities. The only firm out of 15 to submit a proposal was Ecologic who had previous experience in dealing with the AMP program as they were awarded the 2002 contract for AMP.

  It is recommended the County review RFP response time allowed for complex projects and not having been RFP'ed in a few years. It is important for the County to give the appearance of fairness in the RFP and proposal processes. By giving such a short time to develop a proposal for services that had not been RFP'ed in years it may be perceived the County may be giving Ecologic an unfair advantage as they had secured the contract in 2002 and had worked on it for the previous 5 years. Hence that may be why only one firm submitted a proposal for this RFP.

- There is one claim with expenses posted to the incorrect contract year. The claim, CA104381 had $6,800 posted to the 2008 contract year but was actually related to services for the 2007 contract year.

  It is recommended the Department review the claims for the actual time period the claim was for and match it to the corresponding contract year.

Contract #CT39705
Project # Lab Services
Certified Environmental Services, Inc. (CES)

Audit reviewed the lab testing RFP's with CES (Certified Environmental Services) starting in 2001. This included verifying the vendor billings were accurate and in accordance with the RFP quantities. The County contracts lab services for the performance of a variety of scans/testing. As an example, industry outflows are tested to ensure the outflows are within the preset standards.

Scope:

- The objective was to compare what was actually listed in the 2004 RFP to the quantities the vendor billed the County from 2005 through 2008, the results of which were to validate the RFP process.

- Listed all the claim detail for CT39705 (time period April 2005 thru March 2008) in Excel. Compared the claim detail to the quantities outlined in the 2004 RFP.

A - 2001 RFP- Background
The 2001 RFP was awarded to CES in January 2001. In 2001 CES did not submit the lowest proposal, ELS was in fact lower by $4,713. The reason cited in the

recommendation as to why CES was chosen: the prior 18 months experience in areas of testing CES had done with the County.

B - *2004- RFP*

CES submitted the lowest proposal for the RFP sent out in November 2004. A contract with CES was signed for the time period 4-1-05 to 3-31-06. It was subsequently amended three times to cover the periods 4-1-06 to 3-31-07 and 4-1-07 to 3-31-08 and an extension from 4-1-08 to 6-30-08.

Concerns/Findings

- There were no lab inspections conducted by the County, which is customary before any lab contract is awarded. The lab inspections are done to access the labs working conditions etc. The Senior Lab Manager, who normally would conduct the lab inspections, was not even made aware of an RFP been issued. The Lab Director did not notify him of such action.

  It is recommended information regarding RFP's and or lab inspections be communicated within the Department to ensure all proper procedures are being followed.

- Several tests the County was billed for during CT39705 (April 2005 to March 2008) appear not to have been included in the 2004 RFP evaluation in specific quantities (i.e. Metals – Chronium 624 Tetrachlorethene).

  It is recommended the County further evaluate which of the required tests can be performed by the County's own staff and those that will need to be included as part of an RFP.

Note: Metals & Chemical scans- Per discussions with the Lab Director there has been progress, the County is moving towards doing more of the metals testing where possible. This is explained in part by the decrease in the number of metal samples billed by CES from 338 in 2005 to 71 in 2007.

- Some expected test quantities/ dollar values for SPDES and PCB's were not included in either the RFP or proposals. They were requirements in the RFP but were not listed as quantities of tests, but rather as parts per billion.

  It is recommended where possible expected actual test quantities for SPDES testing & PCB's be included in the RFP.

C - 2008- July RFP

An RFP for Lab services due to the expiration of the contact with CES was issued; proposals were submitted, however there was no contract award associated with this RFP. Due to a few concerns with this RFP the County Executive's Office requested a new RFP be issued.

Concerns/Findings

The concern was the quantities and tests requested in the July 2008 RFP. They were the same tests and quantities in the 2004 RFP despite having three years of actual billings from the previous contract and changes in the Industrial Sampling schedules.

- Quantities outlined in the July 2008 RFP appear inaccurate and had not changed since 2004. For example; The 624 and 8015 scans were RFP'ed at 130 scans however; the average billed by the vendor during a 3-year span was 77 scans. Priority pollutant tests for which the Vendor was the lowest priced versus the competitors was RFP'ed at 55 scans and the average over a 3-year span was 30 scans.

  It is recommended when preparing an RFP the Department use as a guide the historical actual billings data among other available information to aid in determining the expected quantities to be tested.

Note: The Re-issued RFP in December 2008 was based in part on the actual number of tests billed to the County during the prior three years.

- 8260 were scans not included in the RFP as they replaced the 624 & 8015 scans as requested by the engineers at Metro. The engineers did not communicate this to the Lab Director in a timely fashion. Therefore, the items were not included in the RFP as it was already written and sent to management for approval. When an item is not included in the RFP the awarded company can charge a higher rate than a quantity quoted in an RFP, which is normally quoted at a discounted rate in the proposals.

  It is recommended Department Management implement procedures ensuring timely communication between Lab Services and ELS Engineering regarding the type and quantity of tests needed through the Industrial Sampling Schedule among other items.

Note: The 8260's were included as part of the re-bid RFP in December 2008.

D - December 2008 - reissued RFP

Contract Laboratory Services RFP Meeting:

Audit attended a RFP review meeting for contract laboratory Services on 12/05/2008 at 2:00pm, Conference Room 1 – Metro Administration Bldg.

Attended: Acting Commissioner
Sanitary Engineer III, ELS
Lab Director Henry Clay
Asst Lab Director

General Procedures, prior to the meeting:

RFP sent to Contract Laboratory Firms

Proposal Received from Firms

Sanitary Engineer III and acting Commissioner did not fill out ratings sheets. Lab Director and Asst Lab Director filled in the ratings sheets and a discussion was held based on these sheets. This appears to be in violation of WEP Department procedures, which indicates that all involved in an RFP meeting must fill out ratings sheets.

Contract Laboratory Services RFP Meeting:

This RFP is for analytical services for wastewater, wastewater residuals, and process chemicals from various locations within the Consolidated Sanitary District

Four proposals were received:

CES	$ 37,842.00
Upstate Labs	$ 39,222.00
LSL	$ 46,138.50
Environmental Lab	$ 58,943.00

Discussion:

CES was the lowest bidder. It appears one of the areas of concern with Upstate Labs is the performance and condition of the Labs. It appears Upstate had been cited recently with numerous deficiencies in the testing conditions.

Additional Discussion:

The committee discussed the historical billings of CES versus the proposal submitted in July 08 as well as the July 08 proposal versus the December 08 proposal. A few of the prices quoted on the December 08 proposal were significantly lower on some scans/tests than the historical billings over the prior three years.

The Department's response as to the reasons for the drop in the rates by CES for the December 2008 proposal was the market for Lab testing had been shrinking therefore CES quoted lower rates than historically billed to obtain the County business.

Also discussed were the citations for Upstate Labs, which included what appeared to be relatively basic tests.

Conclusion of the Review Committee:

The Committee agreed on the recommendation of CES for these analytical services.

Concerns/Findings:

It is recommended all members of the Evaluation Committee fill out their own grading sheets as outlined by the Department's own procedures. The Department should review a previously contracted Vendor's bid versus the historical billings as an awareness of any potential improprieties with the new RFP pricing.

The Department may also wish to consider the historical costs versus the new proposals and discuss any differences to ensure integrity as part of the RFP process.

Contract #CT44005
Onondaga Lake Model
Quantitative Environmental Analysis (QEA)

The purpose of this RFP is to develop a water quality model for Onondaga Lake, the Onondaga Lake Water Quality Model (OLWQM). The OLWQM model needs to have the functionality to link to the Onondaga Lake Watershed model (currently under development by the USGS) and the Three Rivers quality model (TRWQM) (developed by QEA). Linking all three models together would create a quantitative management tool for water quality.

Scope:

- Limited review of the 2 proposals received in connection with this RFP (Hydroqual & QEA).
- Reviewed each of the contract claims and listed out the billings by task by individual through September 2008.
- Limited review of any amendments thru the middle of the year- 2008

A - Proposals

- RFP was sent to 8 firms, 2 of which appear to be individuals. Due to the scope of the project it appears these individuals may be unable to complete the project.
- QEA and Hydroqual were the only companies to submit proposals.

Concerns/Findings for RFP

- Of the 8 RFP recipients 2 were sent to individuals, who it appears would be unable to complete this project.

  It is recommended the Department avoid sending the RFP's to individuals who would most likely not be able to complete the required tasks.

- As stated in the RFP, respondents were required to account for average wage rates and any markups. One proposal included markups etc another did not. The proposal from Hydroqual included an inflation adjustment in the average hourly wage rate for each year of the project. QEA submitted a lower proposal without including a markup or multiplier but subsequently charged the County a 5% annually increase compounded over the span of the contract. This 5% yearly salary escalation charged by QEA but not included in QEA's proposals contributed to billing the County much higher hourly average rates than was outlined in their original proposal, see Exhibit A.

It is recommended the Department implement procedures ensuring all respondents meet the requirements outlined in the RFP, such as providing multipliers and any mark up/ inflation adjustments to salary rates as requested.

- Hydroqual did not provide their proposal at the line item task level within each phase as requested in the RFP, see Exhibit B for comparison between QEA and Hydroqual proposals.

  It is recommended in order to receive comparable proposals the *Department clearly outline in the RFP what is required for a proposal to be complete and accepted.*

- The QEA proposal indicated the average hourly rates used in calculating the total amount of labor charges were based on 2005 rates and were subject to change. The RFP clearly indicated in the timetable the project would continue through December 2007 at least. The project is ongoing as of April 2009.

  It is recommended the Department monitor the proposals received for items such as "subject to change" when referring to billing rates. The Department should also hold the vendor to the rates quoted in the RFP to ensure integrity in the proposal evaluation process.

B - CT44005 was awarded to QEA

- The Contract for OLWQM was awarded to QEA the original contract time period 4-15-05 until 12-31-07. The contract is still ongoing as of April 2009.

Concerns/Findings

- QEA's 2005 contract, CT44005, for modeling services does not place the same financial restrictions on the vendor as a previously written contract, CT88200 with QEA also for modeling services. Under the Payment for Services clause CT 88200 states the County is not liable for any amount over a stated budgeted line item or phase without prior approval from the County. However, CT44005 appears to have omitted the same limitation at the line item level. Reinstating this clause for modeling services etc. will allow better oversight and restrict vendors from overspending on line items without County prior approval. It appears that the construction unit of WEP uses the form similar to that of CT88200, which restricts monies spent at the line item level. Below is the clause from CT88200:

  The Consultant's actual hourly rates in effect at the time services are performed for personnel actually expending time on the project, times a multiplier of X plus the actual cost of reimbursable expenses and subcontractor costs incurred in connection with this project.
  The total amount payable under this agreement shall not exceed X for phase I with an option to proceed to phase I currently estimated at X upon further

definition of Scope of Services. This amount is based on the estimates shown in Schedule A.
No services shall be provided or time expended or costs incurred by the consultant on any individual task or phase or cumulatively, the value of which exceeds the above total not to exceed cost ceiling without the express, prior written authorization of the County, and it is further agreed that the county shall not be obligated to pay any amount over the amount budgeted for any individual task or phase or the above total not to exceed cost ceiling in the absence of any such prior written authorization."

It is recommended using the above phraseology for modeling/ AMP contracts. This may allow the Department to have more oversight over the monies spent. Management should challenge why the average hourly rates are higher then quoted in the proposal and document any reasons for change etc. for the file. Management should also manage the project at a line item/task level and investigate/document any reasons for discrepancies in regards to changes in budgeted/amended dollars spent.

C - Issues with Amendments CT44005

Amendment # 1 in total was $855,280. Below is the breakdown by line item:

There were five parts to Amendment 1 in the amount of $855,280
Part 1) $640,580- to bring contract amount up to awarded proposal of $998,000
Part 2) $ 73,700- to incorporate UFI data into OLWQM
Part 3) $ 16,000- penalties for delays in peer review services
Part 4) $100,000- Anticipated gaps in Data
Part 5) $ 25,000- Anticipated changes from comments made by groups other than the peer review board (NYSDEC, ACOE UFI etc…)

<u>Concerns/ Findings for Amendment 1 $855,000</u>

- Part 1) $640,580-QEA was awarded the contract based on the proposal amount of $998,000. Since OCDWEP had not received all the Federal Funding the Commissioner of OCDWEP sent a letter authorizing only $357,420 to be spent until further notice.

No Findings for part 1.

- Part 2) $73,700 for incorporating UFI Data into the OLWQM. It appears only $20,706 was spent for this line item task (See Exhibit A) and the remaining balance of $52,994 transferred to another line item in the budget.

It is recommended the Department not move unused monies designated via an amendment to other line items that may be unrelated tasks within the project. The Department should implement a tracking system to monitor changes in the budget and any charges that go against a budgeted line item. When granting an

additional amended amount via change order the Department should track the monies spent and consider any unused monies to be zeroed out and returned to the County.

- *Part 3)* $16,000 for an 8 month delay in peer review phase 1, QEA charged the County $2,000 a month for the delay. Per discussion with the Department, the delay was caused in part by inability to schedule a peer review meeting of the modeling process due to conflicting schedules.

  It is recommended the County review the contract. It does not appear the County can be charged for delays not directly caused by the County as it is believed the peer review process is under OEI /OLP. Wherever possible the Department should include a clause in the RFP that the County cannot be penalized for delays in the project. In addition, Department management should implement a scheduling process with related parties to avoid delays in the review process.

- Part 4) $100,000. Similar to the TRWQM project, the OLWQM model is expected to reveal potential data gaps that warrant addressing to better constrain the modeling (including the County efforts to conduct sampling and analysis). There are two concerns; 1) how these monies and hourly rates would be tracked due to the fact there was no schedule of hours and rates submitted by the Vendor 2) It is Audit's understanding changes in modeling derived from the Peer Review process were funded by OLP, with a (budget of $425,000) separate from the proposal (see letter from QEA 2-3-2006). It appears to be unclear whether this $100,000 falls under peer review or is changes needed to be made and should have been covered under the original proposal.

  It is recommended the Department consider amending contracts in smaller amount when the request for monies is based on potential needs, in order to prevent monies designated for a particular purpose from being spent on unrelated tasks or the Vendor charging excessive hourly rates. This is not to say the Department should impede the process but rather monitor the spending of the amended monies to prevent any unspent monies from being transferred to an unrelated task within the project. When granting amended monies the Department should also require a detailed schedule similar to those submitted in the proposals with number of hours spent, average hourly rates to be charged etc. In addition, the Department should clearly distinguish in the amendment whether the monies are granted as part of the Peer Review process or are part of a modification from the proposal.

- Part 5) $25,000-The original project called for comments by peer review but other interested parties including the NYSDEC, UFI, ACOE, USGS and others *MAY* present comments and initiate discussions that would require formal responses. It appears that NYSDEC, the Army Corp of Engineers and the USGS are part of the peer review board. It is not clear whether this may be something considered part of the RFP or whether it is part of the peer review process governed by OLP.

It is recommended when granting amended monies the Department also require a detailed schedule similar to those submitted in the proposals with number of hours spent, average hourly rates to be charged etc. In addition the Department should clearly distinguish in the amendment whether the monies are granted as part of the Peer Review process or are part of a modification from the proposal. The Department should research whether these are duplicate monies of Amendment 1 ($100,000) and Amendment 2 ($150,000).

D - Amendment #2 $150,000

Amendment #2 was based on a letter from the QEA Technical Review Panel. Recommendations were made for several changes to improve the OLWQM. OLP (Onondaga Lake Partnership) admitted in the resolution that there was no money in the budget for these changes recommended by the peer review panel and approved by the OLP project committee. March 5th 2008, the OLP Executive Committee adopted a resolution providing an additional $105,000 in federal funds from the US Army Corps of Engineers to spend on improvements to the OLWQM recommended by the Technical Peer Review and approved by the OLP Project committee. The County is also expected to pay 30% of the total cost or $45,000, which would be offset, by part of a settlement with Pepsi Bottling Company.

Concerns/ Findings Amendment #2

- There are two concerns; this may be a duplicate of Amendment 1 items 4&5 and it appears from reading the RFP these peer review costs should be tracked under a different contract, keeping the costs separate for those outlined in the proposal, as it appears the peer review is overseen by an outside agency. The RFP under Scope of Services Section 3.0 states as follows, " the peer review process will be conducted by an independent party using a structure and format similar to that used during the development of the TRWQM. That is supported under a separate contract through the OLP and managed by an independent agency or entity."

  It is recommended the Department consider whether this amendment is a duplicate of Amendment 1 parts 4&5 and should tracks costs, which appear to be outside the scope of the RFP and under the supervision of another party (OEI, OLP) as a separate contract for monitoring purposes.

E - 5% Escalation

Concerns/Findings Contract

- 5% escalation charge based on the first year rates compounded annually in years two, three and four. It appears from the limited review of the RFP that any increase should be accounted for in the proposals as an inflation adjustment. The Contractor that was awarded the contract did not include this 5% adjustment, which contributed to contractor submitting a lower proposal amount than the other respondent. The other respondent did include a yearly inflation adjustment of 4%.

It is recommended Department Management review the RFP responses for compliance in an effort to protect the County's interest.

- There is a subcontractor used for both Ecologic (who has a contract with the County) and for QEA charging lower rates as QEA's consultant then the subcontractor charges Ecologic
- Ecologic also subcontracts for QEA. Ecologic charges QEA lower hourly rates then what Ecologic charges the County directly.

It is recommended the Department be aware of firms/contractors who contract with the County directly and may be a subcontractor on another contract. The Department should check the rates charged if different, mainly to ensure there are no excessive charges.

QEA CT44005 OLWQM
Actual Billings Thru Sept 08

		Senior Managing Scienctist/ Engineer						Managing Scienctist/ Engineer					
		Budget Hours	Actual Hours	Budget $	Actual $	Budget Avg. Hr. $	Actual Avg. Hr. $	Budget Hours	Actual Hours	Budget $	Actual $	Budget Avg. Hr. $	Actual Avg. Hr. $
	PHASE 1												
111	Assessment of Modeling Tools & Data	12	33	$2,040	$6,012	$170	$185	8	2	$880	$158	$110	$105
112	Conceptual model and work plan development	8	20	$1,360	$3,366	$170	$168	8	0	$880	$0	$110	$0
131	Assessment of Modeling Tools Report	4	15	$680	$2,098	$170	$145	2	0	$220	$0	$110	$0
132	Detailed Work Plan	16	60	$2,720	$10,538	$170	$177	16	0	$1,760	$0	$110	$0
133	Response to Phase 1 Peer review & work plan revision	8	69	$1,360	$11,608	$170	$169	12	0	$1,320	$0	$110	$0
141	Project Kickoff and Phase 1 Routine meetings	18	42	$3,060	$7,887	$170	$190	4	0	$440	$0	$110	$0
142	Onondaga Lake Modeling Workshop	24	75	$4,080	$12,685	$170	$170	8	0	$880	$0	$110	$0
143	OLTAC Meetings- Phase 1	20	62	$3,400	$10,656	$170	$173	4	0	$440	$0	$110	$0
144	Phase 1 peer review	40	99	$6,800	$19,688	$170	$199	40	0	$4,400	$0	$110	$0
190	UFI Data Transfer	0	40	$0	$7,356	$170	$184	0	0	$0	$0	$110	$0
191	Interactions with stake holders	0	55	$0	$11,677	$170	$214	0	0	$0	$0	$110	$0
	Totals Phase 1	**150**	**566**	**$ 25,500**	**$ 103,569**	**$170**	**$183**	**102**	**2**	**$ 11,220**	**$ 158**	**$110**	**$105**
	PHASE 2												
221	Model Development and Initial Calibration -Hydrodynamica	70	81	$11,900	$14,114	$170	$174	90	0	$9,900	$0	$110	$0
222	Model Development and Initial Calibration -Sediments	16	17	$2,720	$2,872	$170	$169	32	15	$3,520	$2,115	$110	$141
223	Model Development and Initial Calibration -Water Column	36	174	$6,120	$32,035	$170	$184	72	0	$7,920	$0	$110	$0
224	Model Development and Initial Calibration -Biological	28	107	$4,760	$21,063	$170	$197	36	4	$3,960	$504	$110	$126
225	Model User Interface Development	24	17	$4,080	$2,893	$170	$175	40	9	$4,400	$1,080	$110	$120
226	Development of Linkages to TRWQM	16	50	$2,720	$9,861	$170	$199	32	2	$3,520	$180	$110	$90
227	Linked Model Calibration	80	87	$13,600	$19,148	$170	$221	120	6	$13,200	$869	$110	$145
228	Initial Model Application to assess Metro Diversion	16	4	$2,720	$857	$170	$214	32	0	$3,520	$0	$110	$0
229	Model updates and revisions to calibration	0	232	$0	$50,132	$170	$217	0	0	$0	$0		$0
231	Interim Model Development Report	0	29	$0	$4,782	$170	$168	0	0	$0	$0		$0
232	Model Development and Calibration Report	40	172	$6,800	$36,545	$170	$212	40	0	$4,400	$0	$110	$0
233	Preliminary Model Application Report	8	0	$1,360		$170	$0	16	0	$1,760	$0	$110	$0
234	Response to Phase 2 Peer review & work plan revision	40	152	$6,800	$32,611	$170	$215	40	0	$4,400	$0	$110	$0
241	Phase 2 Routine Project Meeting	24	65	$4,080	$12,717	$170	$197	24	0	$2,640	$0	$110	$0
242	OLTAC Meetings- Phase 2	20	70	$3,400	$13,740	$170	$196	4	0	$440	$0	$110	$0
243	Additional Interactions with Peer Review Panel	0	0	$0	$0	$170	$0	0	0	$0	$0	$110	$0
244	Preparation and Attendance at Phase 2 Peer Review Session	48	44	$8,160	$8,543	$170	$196	48	0	$5,280	$0	$110	$0
250	Field Sampling Support	0	73	$0	$13,182	$170	$182	0	0	$0	$0	$110	$0
	Totals Phase 2	**466**	**1,370**	**$79,220**	**$275,094**	**$170**	**$201**	**626**	**36**	**$68,860**	**$4,748**	**$110**	**$132**
	PHASE 3												
311	Outlet Flow Data Assessment	24	18	$4,080	$3,686	$170	$211	24	0	$2,640	$0	$110	$0
321	Linkage to USGS Watershed Model/ Finalize User Interface	24	5	$4,080	$855	$170	$171	32	36	$3,520	$4,161	$110	$117
322	Model Validation	80	59	$13,600	$13,000	$170	$220	120	0	$13,200	$0	$110	$0
323	Development of Modeling Scenarios	40	24	$6,800	$5,064	$170	$211	80	0	$8,800	$0	$110	$0
324	Model Projections	80	39	$13,600	$8,882	$170	$228	80	0	$8,800	$0	$110	$0
331	Model Validation and Application Report	40	0	$6,800	$0	$170	$0	40	0	$4,400	$0	$110	$0
332	Response to Phase 3 Peer Review Comments/ Revision of Modeling Report	40	0	$6,800	$0	$170	$0	40	0	$4,400	$0	$110	$0
341	Routine Project Meetings	24	40	$4,080	$8,641	$170	$216	24	0	$2,640	$0	$110	$0
342	OLTAC Meetings- phase 3	20	61	$3,400	$12,359	$170	$204	4	0	$440	$0	$110	$0
343	Preparation and Attendance at Phase 3 Peer Review Session	48	0	$8,160	$0	$170	$0	48	0	$5,280	$0	$110	$0
344	Model Training	8	0	$1,360	$0	$170	$0	40	0	$4,400	$0	$110	$0
	Totals Phase 3	**428**	**245**	**$72,760**	**$52,486**	**$170**	**$214**	**532**	**36**	**$58,520**	**$4,161**	**$110**	**$117**
Totals All Phases		**1,044**	**2,181**	**$177,480**	**$431,149**	**$170**	**$198**	**1,260**	**73**	**$138,600**	**$9,067**	**$110**	**$124**

Does Not Include Subcontracts
Items Where 0 or blank under Budget Hours appear not be part or original proposal
Budgeted $ tie to proposal submitted by QEA excluding Subcontractor charges

QEA CT44005 OLWQM
Actual Billings Thru Sept 08

		Senior Project Scienctist/ Engineer						Project Scienctist/ Engineer					
		Budget Hours	Actual Hours	Budget $	Actual $	Budget Avg. Hr. $	Actual Avg. Hr. $	Budget Hours	Actual Hours	Budget $	Actual $	Budget Avg. Hr. $	Actual Avg. Hr. $
	PHASE 1												
111	Assessment of Modeling Tools & Data	16	12	$1,600	$1,173	$100	$102	20	20	$1,600	$1,660	$80	$83
112	Conceptual model and work plan development	16	0	$1,600	$0	$100	$0	8	18	$640	$1,453	$80	$83
131	Assessment of Modeling Tools Report	16	0	$1,600	$0	$100	$0	8	24	$640	$1,992	$80	$83
132	Detailed Work Plan	40	7	$4,000	$663	$100	$102	40	55	$3,200	$4,531	$80	$83
133	Response to Phase 1 Peer review & work plan revision	16	6	$1,600	$690	$100	$115	16	3	$1,280	$332	$80	$102
141	Project Kickoff and Phase 1 Routine meetings	8	11	$800	$1,082	$100	$98	4	4	$320	$332	$80	$83
142	Onondaga Lake Modeling Workshop	24	0	$2,400	$0	$100	$0	16	0	$1,280	$0	$80	$0
143	OLTAC Meetings- Phase 1	0	0	$0	$0	$100	$0	0	0	$0	$0	$80	$0
144	Phase 1 peer review	24	0	$2,400	$0	$100	$0	8	6	$640	$484	$80	$88
190	UFI Data Transfer	0	0	$0	$0	$100	$0	0	68	$0	$7,599	$80	$111
191	Interactions with stake holders	0	1	$0	$49	$100	$97	0	0	$0		$80	$0
	Totals Phase 1	**160**	**36**	**$ 16,000**	**$ 3,657**	**$100**	**$103**	**120**	**197**	**$ 9,600**	**$ 18,381**	**$80**	**$93**
	PHASE 2												
221	Model Development and Initial Calibration -Hydrodynamica	140	72	$14,000	$8,301	$100	$115	140	534	$11,200	$54,940	$80	$103
222	Model Development and Initial Calibration -Sediments	120	52	$12,000	$5,256	$100	$101	80	130	$6,400	$14,471	$80	$112
223	Model Development and Initial Calibration -Water Column	100	14	$10,000	$1,530	$100	$111	142	534	$11,360	$57,116	$80	$107
224	Model Development and Initial Calibration -Biological	50	95	$5,000	$9,781	$100	$103	96	72	$7,680	$7,554	$80	$106
225	Model User Interface Development	120	72	$12,000	$7,731	$100	$108	120	35	$9,600	$3,878	$80	$111
226	Development of Linkages to TRWQM	80	6	$8,000	$662	$100	$110	80	106	$6,400	$11,606	$80	$110
227	Linked Model Calibration	200	23	$20,000	$2,397	$100	$107	240	478	$19,200	$52,125	$80	$109
228	Initial Model Application to assess Metro Diversion	32	0	$3,200		$100	$0	80	1	$6,400	$42	$80	$83
229	Model updates and revisions to calibration	0	23	$0	$2,458	$100	$108	0	366	$0	$44,526	$80	$122
231	Interim Model Development Report	0	17	$0	$1,808	$100	$105	0	48	$0	$4,732	$80	$99
232	Model Development and Calibration Report	80	26	$8,000	$3,099	$100	$122	160	305	$12,800	$32,863	$80	$108
233	Preliminary Model Application Report	16	0	$1,600		$100	$0	32		$2,560		$80	$0
234	Response to Phase 2 Peer review & work plan revision	120	12	$12,000	$1,269	$100	$108	80	76	$6,400	$9,367	$80	$124
241	Phase 2 Routine Project Meeting	16	13	$1,600	$1,438	$100	$115	8	14	$640	$1,308	$80	$97
242	OLTAC Meetings- Phase 2	0	3	$0	$366	$100	$122	0	30	$0	$3,309	$80	$110
243	Additional Interactions with Peer Review Panel	0	0	$0	$0	$100	$0	0	0	$0	$0	$80	$0
244	Preparation and Attendance at Phase 2 Peer Review Session	32	0	$3,200	$0	$100	$0	16	40	$1,280	$4,424	$80	$112
250	Field Sampling Support	0	5	$0	$540	$100	$108		80	$0	$7,139	$80	$89
	Totals Phase 2	**1,106**	**430**	**$110,600**	**$46,634**	**$100**	**$108**	**1,274**	**2,845**	**$101,920**	**$309,398**	**$80**	**$109**
	PHASE 3												
311	Outlet Flow Data Assessment	80	8	$8,000	$770	$100	$99	80	19	$6,400	$2,092	$80	$110
321	Linkage to USGS Watershed Model/ Finalize User Interface	120	0	$12,000	$0	$100	$0	120	4	$9,600	$409	$80	$102
322	Model Validation	200	22	$20,000	$2,376	$100	$108	240	100	$19,200	$12,500	$80	$125
323	Development of Modeling Scenarios	60	0	$6,000	$0	$100	$0	24	14	$1,920	$1,750	$80	$125
324	Model Projections	120	0	$12,000	$0	$100	$0	120	40	$9,600	$4,938	$80	$123
331	Model Validation and Application Report	80	0	$8,000	$0	$100	$0	160	0	$12,800	$0	$80	$0
332	Response to Phase 3 Peer Review Comments/ Revision of Modeling Report	120	0	$12,000	$0	$100	$0	80	0	$6,400	$0	$80	$0
341	Routine Project Meetings	16	3	$1,600	$270	$100	$108	8	2	$640	$250	$80	$125
342	OLTAC Meetings- phase 3	0	0	$0	$0	$100	$0	0	0	$0	$0	$80	$0
343	Preparation and Attendance at Phase 3 Peer Review Session	32	0	$3,200	$0	$100	$0	16	0	$1,280	$0	$80	$0
344	Model Training	48	0	$4,800	$0	$100	$0	0	0	$0	$0	$80	$0
	Totals Phase 3	**876**	**32**	**$87,600**	**$3,416**	**$100**	**$106**	**848**	**179**	**$67,840**	**$21,938**	**$80**	**$123**
Totals All Phases		**2,142**	**498**	**$214,200**	**$53,707**	**$100**	**$108**	**2,242**	**3,221**	**$179,360**	**$349,716**	**$80**	**$109**

Does Not Include Subcontracts
Items Where 0 or blank under Budget Hours appear not be part or original proposal
Budgeted $ tie to proposal submitted by QEA excluding Subcontractor charges

QEA CT44005 OLWQM
Actual Billings Thru Sept 08

		Scienctist/ Engineer						Totals					
		Budget Hours	Actual Hours	Budget $	Actual $	Budget Avg. Hr. $	Actual Avg. Hr. $	Budget Hours	Actual Hours	Budget $	Actual $	Budget Avg. Hr. $	Actual Avg. Hr. $
	PHASE 1												
111	Assessment of Modeling Tools & Data	40	2	$2,800	$154	$70	$77	96	68	$8,920	$9,157	$93	$136
112	Conceptual model and work plan development	8	3	$560	$206	$70	$75	48	40	$5,040	$5,025	$105	$125
131	Assessment of Modeling Tools Report	16		$1,120	$0	$70	$0	46	39	$4,260	$4,090	$93	$106
132	Detailed Work Plan	40	13	$2,800	$818	$70	$65	152	133	$14,480	$16,549	$95	$124
133	Response to Phase 1 Peer review & work plan revision	16	3	$1,120	$237	$70	$79	68	81	$6,680	$12,867	$98	$159
141	Project Kickoff and Phase 1 Routine meetings	8	0	$560	$0	$70	$0	42	57	$5,180	$9,301	$123	$165
142	Onondaga Lake Modeling Workshop	16	0	$1,120	$0	$70	$0	88	75	$9,760	$12,685	$111	$170
143	OLTAC Meetings- Phase 1	8		$560		$70	$0	32	62	$4,400	$10,656	$138	$173
144	Phase 1 peer review	16	21	$1,120	$1,370	$70	$66	128	125	$15,360	$21,542	$120	$172
190	UFI Data Transfer	0	70	$0	$5,771	$70	$82	0	178	$0	$20,726	$0	$116
191	Interactions with stake holders	0	0	$0	0	$70	$0	0	55	$0	$11,725	$0	$213
	Totals Phase 1	**168**	**111**	**$ 11,760**	**$ 8,556**	**$70**	**$77**	**700**	**911**	**$ 74,080**	**$ 134,320**	**$106**	**$147**
	PHASE 2												
221	Model Development and Initial Calibration -Hydrodynamica	250	298	$17,500	$21,957	$70	$74	690	986	$64,500	$99,312	$93	$101
222	Model Development and Initial Calibration -Sediments	80	1	$5,600	$32	$70	$63	328	214	$30,240	$24,745	$92	$116
223	Model Development and Initial Calibration -Water Column	270	226	$18,900	$16,430	$70	$73	620	948	$54,300	$107,111	$88	$113
224	Model Development and Initial Calibration -Biological	92	60	$6,440	$3,824	$70	$64	302	337	$27,840	$42,726	$92	$127
225	Model User Interface Development	120	4	$8,400	$330	$70	$83	424	136	$38,480	$15,911	$91	$117
226	Development of Linkages to TRWQM	120	162	$8,400	$13,814	$70	$86	328	325	$29,040	$36,123	$89	$111
227	Linked Model Calibration	240	86	$16,800	$6,778	$70	$79	880	678	$82,800	$81,316	$94	$120
228	Initial Model Application to assess Metro Diversion	80	1	$5,600	$52	$70	$69	240	5	$21,440	$951	$89	$181
229	Model updates and revisions to calibration		276	$0	$24,244	$70	$88	0	896	$0	$121,359	$0	$136
231	Interim Model Development Report		0	$0		$70	$0	0	94	$0	$11,322	$0	$121
232	Model Development and Calibration Report	240	20	$16,800	$1,531	$70	$78	560	522	$48,800	$74,038	$87	$142
233	Preliminary Model Application Report	32		$2,240		$70	$0	104	0	$9,520	$0	$92	$0
234	Response to Phase 2 Peer review & work plan revision	80	2	$5,600	$176	$70	$88	360	242	$35,200	$43,423	$98	$180
241	Phase 2 Routine Project Meeting	8	0	$560		$70	$0	80	91	$9,520	$15,463	$119	$171
242	OLTAC Meetings- Phase 2	8	3	$560	$210	$70	$70	32	106	$4,400	$17,625	$138	$166
243	Additional Interactions with Peer Review Panel	0	0	$0	$0	$70	$0	0	0	$0	$0	$0	$0
244	Preparation and Attendance at Phase 2 Peer Review Session	24	0	$1,680	$0	$70	$0	168	83	$19,600	$12,967	$117	$156
250	Field Sampling Support		18	$0	$1,114	$70	$62	0	176	$0	$21,975	$0	$125
	Totals Phase 2	**1,644**	**1,155**	**$115,080**	**$90,491**	**$70**	**$78**	**5,116**	**5,836**	**$475,680**	**$726,364**	**$93**	**$124**
	PHASE 3												
311	Outlet Flow Data Assessment	160	77	$11,200	$5,522	$70	$72	368	121	$32,320	$12,070	$88	$100
321	Linkage to USGS Watershed Model/ Finalize User Interface	120	96	$8,400	$7,373	$70	$77	416	140	$37,600	$12,797	$90	$91
322	Model Validation	240	609	$16,800	$52,359	$70	$86	880	790	$82,800	$80,235	$94	$102
323	Development of Modeling Scenarios	24	0	$1,680	$0	$70	$0	228	38	$25,200	$6,814	$111	$179
324	Model Projections	240	22	$16,800	$1,892	$70	$88	640	101	$60,800	$15,711	$95	$156
331	Model Validation and Application Report	240	0	$16,800	$0	$70	$0	560	0	$48,800	$0	$87	$0
332	Response to Phase 3 Peer Review Comments/ Revision of Modeling Report	80	0	$5,600	$0	$70	$0	360	0	$35,200	$0	$98	$0
341	Routine Project Meetings	8		$560		$70	$0	80	45	$9,520	$9,161	$119	$206
342	OLTAC Meetings- phase 3	8	6	$560	$506	$70	$88	32	66	$4,400	$12,865	$138	$194
343	Preparation and Attendance at Phase 3 Peer Review Session	24	0	$1,680	$0	$70	$0	168	0	$19,600	$0	$117	$0
344	Model Training	60	0	$4,200	$0	$70	$0	156	0	$14,760	$0	$95	$0
	Totals Phase 3	**1,204**	**809**	**$84,280**	**$67,652**	**$70**	**$84**	**3,888**	**1,301**	**$371,000**	**$149,652**	**$95**	**$115**
Totals All Phases		**3,016**	**2,075**	**$211,120**	**$166,699**	**$70**	**$80**	**9,704**	**8,048**	**$920,760**	**$1,010,336**	**$95**	**$126**

Does Not Include Subcontracts
Items Where 0 or blank under Budget Hours appear not be part or original proposal
Budgeted $ tie to proposal submitted by QEA excluding Subcontractor charges

QEA vs Hydroqual

QEA- Employee Enginnering Charges-CT 44005 Thru 9/08

Charges do Not include Subcontractors

Senior Managing Scienctist/ Engineer

		QEA Budget Hours	Hydroqual Budget Hours	Actual Hours	QEA Budget $	Hydroqual Budget $	Actual $	QEA Avg. Hr. Budget $	Hydro Avg. Hr. Budget $	Avg. Hr. Actual $
	PHASE 1									
111	Assessment of Modeling Tools & Data	12		33	$2,040		$6,012	$170		$185
112	Conceptual model and work plan development	8		20	$1,360		$3,366	$170		$168
131	Assessment of Modeling Tools Report	4		15	$680		$2,098	$170		$145
132	Detailed Work Plan	16		60	$2,720		$10,538	$170		$177
133	Response to Phase 1 Peer review & work plan revision	8		69	$1,360		$11,608	$170		$169
141	Project Kickoff and Phase 1 Routine meetings	18		42	$3,060		$7,887	$170		$190
142	Onondaga Lake Modeling Workshop	24		75	$4,080		$12,685	$170		$170
143	OLTAC Meetings- Phase 1	20		62	$3,400		$10,656	$170		$173
144	Phase 1 peer review	40		99	$6,800		$19,688	$170		$199
190	UFI Data Transfer			40			$7,356	$170		$184
191	Interactions with stake holders			55			$11,677	$170		$214
	Totals Phase 1	**150**	**192**	**566**	**$ 25,500**	**$ 35,824**	**$ 103,569**	**$170**	**$187**	**$183**
	PHASE 2									
221	Model Development and Initial Calibration -Hydrodynam	70		81	$11,900		$14,114	$170		$174
222	Model Development and Initial Calibration -Sediments	16		17	$2,720		$2,872	$170		$169
223	Model Development and Initial Calibration -Water Colum	36		174	$6,120		$32,035	$170		$184
224	Model Development and Initial Calibration -Biological	28		107	$4,760		$21,063	$170		$197
225	Model User Interface Development	24		17	$4,080		$2,893	$170		$175
226	Development of Linkages to TRWQM	16		50	$2,720		$9,861	$170		$199
227	Linked Model Calibration	80		87	$13,600		$19,148	$170		$221
228	Initial Model Application to assess Metro Diversion	16		4	$2,720		$857	$170		$214
229	Model updates and revisions to calibration			232	$0		$50,132	$170		$217
231	Interim Model Development Report			29	$0		$4,782	$170		$168
232	Model Development and Calibration Report	40		172	$6,800		$36,545	$170		$212
233	Preliminary Model Application Report	8			$1,360			$170		
234	Response to Phase 2 Peer review & work plan revision	40		152	$6,800		$32,611	$170		$215
241	Phase 2 Routine Project Meeting	24		65	$4,080		$12,717	$170		$197
242	OLTAC Meetings- Phase 2	20		70	$3,400		$13,740	$170		$196
243	Additional Interactions with Peer Review Panel				$0			$170		
244	Preparation and Attendance at Phase 2 Peer Review Se	48		44	$8,160		$8,543	$170		$196
250	Field Sampling Support			73	$0		$13,182	$170		$182
	Totals Phase 2	**466**	**864**	**1,370**	**$79,220**	**$132,060**	**$275,094**	**$170**	**$153**	**$201**
	PHASE 3									
311	Outlet Flow Data Assessment	24		18	$4,080		$3,686	$170		$211
321	Linkage to USGS Watershed Model/ Finalize User Interfa	24		5	$4,080		$855	$170		$171
322	Model Validation	80		59	$13,600		$13,000	$170		$220
323	Development of Modeling Scenarios	40		24	$6,800		$5,064	$170		$211
324	Model Projections	80		39	$13,600		$8,882	$170		$228
331	Model Validation and Application Report	40			$6,800			$170		
332	Response to Phase 3 Peer Review Comments/ Revision	40			$6,800			$170		
341	Routine Project Meetings	24		40	$4,080		$8,641	$170		$216
342	OLTAC Meetings- phase 3	20		61	$3,400		$12,359	$170		$204
343	Preparation and Attendance at Phase 3 Peer Review Se	48			$8,160			$170		
344	Model Training	8			$1,360			$170		
Totals Phase 3		**428**	**672**	**245**	**$72,760**	**106,405**	**$52,486**	**$170**	**$158**	**$214**
Totals		**1,044**	**1,728**	**2,181**	**177,480**	**274,289**	**$431,149**	**$170**	**$159**	**$198**

Exhibit B

QEA vs Hydroqual

QEA- Employee Enginnering Charges-CT 44005 Thru 9/08

Charges do Not include Subcontractors

		Managing Scienctist/ Engineer									Senior Project Scienctist/ Engineer								
		QEA Budget Hours	Hydroqual Budget Hours	Actual Hours	QEA Budget $	Hydroqual Budget $	Actual $	QEA Avg. Hr. Budget $	Hydro Avg. Hr. Budget $	Avg. Hr. Actual $	QEA Budget Hours	Hydroqual Budget Hours	Actual Hours	QEA Budget $	Hydroqual Budget $	Actual $	QEA Avg. Hr. Budget $	Hydro Avg. Hr. Budget $	Avg. Hr. Actual $
	PHASE 1																		
111	Assessment of Modeling Tools & Data	8		2	$880		$158	$110		$105	16		12	$1,600		$1,173	$100		$102
112	Conceptual model and work plan development	8			$880			$110			16			$1,600			$100		
131	Assessment of Modeling Tools Report	2			$220			$110			16			$1,600			$100		
132	Detailed Work Plan	16			$1,760			$110			40		7	$4,000		$663	$100		$102
133	Response to Phase 1 Peer review & work plan revision	12			$1,320			$110			16		6	$1,600		$690	$100		$115
141	Project Kickoff and Phase 1 Routine meetings	4			$440			$110			8		11	$800		$1,082	$100		$98
142	Onondaga Lake Modeling Workshop	8			$880			$110			24			$2,400			$100		
143	OLTAC Meetings- Phase 1	4			$440			$110			0			$0			$100		
144	Phase 1 peer review	40			$4,400			$110			24			$2,400			$100		
190	UFI Data Transfer				$0			$110					0	$0			$100		
191	Interactions with stake holders				$0			$110					1	$0		$49	$100		$97
	Totals Phase 1	**102**	**120**	**2**	**$ 11,220**	**$ 13,032**	**$ 158**	**$110**	**$109**	**$105**	**160**	**328**	**36**	**$ 16,000**	**$ 39,797**	**$ 3,657**	**$100**	**$121**	**$103**
	PHASE 2																		
221	Model Development and Initial Calibration -Hydrodynam	90			$9,900			$110			140		72	$14,000		$8,301	$100		$115
222	Model Development and Initial Calibration -Sediments	32		15	$3,520		$2,115	$110		$141	120		52	$12,000		$5,256	$100		$101
223	Model Development and Initial Calibration -Water Colum	72			$7,920			$110			100		14	$10,000		$1,530	$100		$111
224	Model Development and Initial Calibration -Biological	36		4	$3,960		$504	$110		$126	50		95	$5,000		$9,781	$100		$103
225	Model User Interface Development	40		9	$4,400		$1,080	$110		$120	120		72	$12,000		$7,731	$100		$108
226	Development of Linkages to TRWQM	32		2	$3,520		$180	$110		$90	80		6	$8,000		$662	$100		$110
227	Linked Model Calibration	120		6	$13,200		$869	$110		$145	200		23	$20,000		$2,397	$100		$107
228	Initial Model Application to assess Metro Diversion	32			$3,520			$110			32			$3,200			$100		
229	Model updates and revisions to calibration				$0								23	$0		$2,458	$100		$108
231	Interim Model Development Report				$0								17	$0		$1,808	$100		$105
232	Model Development and Calibration Report	40			$4,400			$110			80		26	$8,000		$3,099	$100		$122
233	Preliminary Model Application Report	16			$1,760			$110			16			$1,600			$100		
234	Response to Phase 2 Peer review & work plan revision	40			$4,400			$110			120		12	$12,000		$1,269	$100		$108
241	Phase 2 Routine Project Meeting	24			$2,640			$110			16		13	$1,600		$1,438	$100		$115
242	OLTAC Meetings- Phase 2	4			$440			$110			0		3	$0		$366	$100		$122
243	Additional Interactions with Peer Review Panel				$0			$110						$0			$100		
244	Preparation and Attendance at Phase 2 Peer Review Se	48			$5,280			$110			32			$3,200			$100		
250	Field Sampling Support				$0			$110					5	$0		$540	$100		$108
	Totals Phase 2	**626**	**564**	**36**	**$68,860**	**$50,173**	**$4,748**	**$110**	**$89**	**$132**	**1106**	**1520**	**430**	**$110,600**	**$151,072**	**$46,634**	**$100**	**$99**	**$108**
	PHASE 3																		
311	Outlet Flow Data Assessment	24			$2,640			$110			80		8	$8,000		$770	$100		$99
321	Linkage to USGS Watershed Model/ Finalize User Interfa	32		36	$3,520		$4,161	$110		$117	120		0	$12,000			$100		
322	Model Validation	120			$13,200			$110			200		22	$20,000		$2,376	$100		$108
323	Development of Modeling Scenarios	80			$8,800			$110			60		0	$6,000			$100		
324	Model Projections	80			$8,800			$110			120		0	$12,000			$100		
331	Model Validation and Application Report	40			$4,400			$110			80			$8,000			$100		
332	Response to Phase 3 Peer Review Comments/ Revision	40			$4,400			$110			120			$12,000			$100		
341	Routine Project Meetings	24			$2,640			$110			16		3	$1,600		$270	$100		$108
342	OLTAC Meetings- phase 3	4			$440			$110			0			$0			$100		
343	Preparation and Attendance at Phase 3 Peer Review Se	48			$5,280			$110			32			$3,200			$100		
344	Model Training	40			$4,400			$110			48			$4,800			$100		
Totals Phase 3		**532**	**520**	**36**	**$58,520**	**$47,932**	**$4,161**	**$110**	**$92**	**$117**	**876**	**1,248**	**32**	**$87,600**	**$128,508**	**$3,416**	**$100**	**$103**	**$106**
Totals		**1,260**	**1,204**	**73**	**138,600**	**111,137**	**$9,067**	**$110**	**$92**	**$124**	**2,142**	**3,096**	**498**	**214,200**	**319,377**	**$53,707**	**$100**	**$103**	**$108**

Exhibit B

QEA vs Hydroqual

QEA- Employee Enginnering Charges-CT 44005 Thru 9/08

Charges do Not include Subcontractors

		Project Scienctist/ Engineer									Scienctist/ Engineer								
		QEA Budget Hours	Hydroqual Budget Hours	Actual Hours	QEA Budget $	Hydroqual Budget $	Actual $	QEA Avg. Hr. Budget $	Hydro Avg. Hr. Budget $	Avg. Hr. Actual $	QEA Budget Hours	Hydroqual Budget Hours	Actual Hours	QEA Budget $	Hydroqual Budget $	Actual $	QEA Avg. Hr. Budget $	Hydro Avg. Hr. Budget $	Avg. Hr. Actual $
	PHASE 1																		
111	Assessment of Modeling Tools & Data	20		20	$1,600		$1,660	$80		$83	40		2	$2,800		$154	$70		$77
112	Conceptual model and work plan development	8		18	$640		$1,453	$80		$83	8		3	$560		$206	$70		$75
131	Assessment of Modeling Tools Report	8		24	$640		$1,992	$80		$83	16			$1,120			$70		
132	Detailed Work Plan	40		55	$3,200		$4,531	$80		$83	40		13	$2,800		$818	$70		$65
133	Response to Phase 1 Peer review & work plan revision	16		3	$1,280		$332	$80		$102	16		3	$1,120		$237	$70		$79
141	Project Kickoff and Phase 1 Routine meetings	4		4	$320		$332	$80		$83	8			$560			$70		
142	Onondaga Lake Modeling Workshop	16			$1,280			$80			16			$1,120			$70		
143	OLTAC Meetings- Phase 1	0			$0			$80			8			$560			$70		
144	Phase 1 peer review	8		6	$640		$484	$80		$88	16		21	$1,120		$1,370	$70		$66
190	UFI Data Transfer			68	$0		$7,599	$80		$111			70	$0		$5,771	$70		$82
191	Interactions with stake holders				$0			$80					0	$0			$70		
	Totals Phase 1	**120**		**197**	**$ 9,600**		**$ 18,381**	**$80**		**$93**	**168**	**264**	**111**	**$ 11,760**	**$ 18,408**	**$ 8,556**	**$70**	**$70**	**$77**
	PHASE 2																		
221	Model Development and Initial Calibration -Hydrodynam	140		534	$11,200		$54,940	$80		$103	250		298	$17,500		$21,957	$70		$74
222	Model Development and Initial Calibration -Sediments	80		130	$6,400		$14,471	$80		$112	80		1	$5,600		$32	$70		$63
223	Model Development and Initial Calibration -Water Colum	142		534	$11,360		$57,116	$80		$107	270		226	$18,900		$16,430	$70		$73
224	Model Development and Initial Calibration -Biological	96		72	$7,680		$7,554	$80		$106	92		60	$6,440		$3,824	$70		$64
225	Model User Interface Development	120		35	$9,600		$3,878	$80		$111	120		4	$8,400		$330	$70		$83
226	Development of Linkages to TRWQM	80		106	$6,400		$11,606	$80		$110	120		162	$8,400		$13,814	$70		$86
227	Linked Model Calibration	240		478	$19,200		$52,125	$80		$109	240		86	$16,800		$6,778	$70		$79
228	Initial Model Application to assess Metro Diversion	80		1	$6,400		$42	$80		$83	80		1	$5,600		$52	$70		$69
229	Model updates and revisions to calibration			366	$0		$44,526	$80		$122			276	$0		$24,244	$70		$88
231	Interim Model Development Report			48	$0		$4,732	$80		$99			0	$0			$70		
232	Model Development and Calibration Report	160		305	$12,800		$32,863	$80		$108	240		20	$16,800		$1,531	$70		$78
233	Preliminary Model Application Report	32			$2,560			$80			32			$2,240			$70		
234	Response to Phase 2 Peer review & work plan revision	80		76	$6,400		$9,367	$80		$124	80		2	$5,600		$176	$70		$88
241	Phase 2 Routine Project Meeting	8		14	$640		$1,308	$80		$97	8		0	$560			$70		
242	OLTAC Meetings- Phase 2	0		30	$0		$3,309	$80		$110	8		3	$560		$210	$70		$70
243	Additional Interactions with Peer Review Panel				$0			$80						$0			$70		
244	Preparation and Attendance at Phase 2 Peer Review Se	16		40	$1,280		$4,424	$80		$112	24		0	$1,680			$70		
250	Field Sampling Support			80	$0		$7,139	$80		$89			18	$0		$1,114	$70		$62
	Totals Phase 2	**1274**	**120**	**2,845**	**$101,920**	**$10,623**	**$309,398**	**$80**	**$89**	**$109**	**1644**	**2360**	**1,155**	**$115,080**	**$134,784**	**$90,491**	**$70**	**$57**	**$78**
	PHASE 3																		
311	Outlet Flow Data Assessment	80		19	$6,400		$2,092	$80		$110	160		77	$11,200		$5,522	$70		$72
321	Linkage to USGS Watershed Model/ Finalize User Interfa	120		4	$9,600		$409	$80		$102	120		96	$8,400		$7,373	$70		$77
322	Model Validation	240		100	$19,200		$12,500	$80		$125	240		609	$16,800		$52,359	$70		$86
323	Development of Modeling Scenarios	24		14	$1,920		$1,750	$80		$125	24		0	$1,680			$70		
324	Model Projections	120		40	$9,600		$4,938	$80		$123	240		22	$16,800		$1,892	$70		$88
331	Model Validation and Application Report	160			$12,800			$80			240			$16,800			$70		
332	Response to Phase 3 Peer Review Comments/ Revision	80			$6,400			$80			80			$5,600			$70		
341	Routine Project Meetings	8		2	$640		$250	$80		$125	8			$560			$70		
342	OLTAC Meetings- phase 3				$0			$80			8		6	$560		$506	$70		$88
343	Preparation and Attendance at Phase 3 Peer Review Se	16			$1,280			$80			24			$1,680			$70		
344	Model Training				$0			$80			60			$4,200			$70		
Totals Phase 3		**848**	**120**	**179**	**$67,840**	**11,006**	**$21,938**	**$80**		**$123**	**1,204**	**1,820**	**809**	**$84,280**	**$107,688**	**$67,652**	**$70**	**$59**	**$84**
Totals		**2,242**	**240**	**3,221**	**179,360**	**21,629**	**$349,716**	**$80**	**$90**	**$109**	**3,016**	**4,444**	**2,075**	**211,120**	**260,880**	**$166,699**	**$70**	**$59**	**$80**

Exhibit B

QEA vs Hydroqual

QEA- Employee Enginnering Charges-CT 44005 Thru 9/08

Charges do Not include Subcontractors

		Totals									
		QEA Budget Hours	Hydroqual Budget Hours	Actual Hours	QEA Budget $	Hydroqual Budget $	Actual $	QEA Avg. Hr. Budget $	Hydro Avg. Hr. Budget $	Avg. Hr. Actual $
	PHASE 1									
111	Assessment of Modeling Tools & Data	96	0	68	$8,920		$9,157	$93		$136
112	Conceptual model and work plan development	48		40	$5,040		$5,025	$105		$125
131	Assessment of Modeling Tools Report	46		39	$4,260		$4,090	$93		$106
132	Detailed Work Plan	152		133	$14,480		$16,549	$95		$124
133	Response to Phase 1 Peer review & work plan revision	68		81	$6,680		$12,867	$98		$159
141	Project Kickoff and Phase 1 Routine meetings	42		57	$5,180		$9,301	$123		$165
142	Onondaga Lake Modeling Workshop	88		75	$9,760		$12,685	$111		$170
143	OLTAC Meetings- Phase 1	32		62	$4,400		$10,656	$138		$173
144	Phase 1 peer review	128		125	$15,360		$21,542	$120		$172
190	UFI Data Transfer	0		178	$0		$20,726			$116
191	Interactions with stake holders	0		55	$0		$11,725			$213
	Totals Phase 1	**700**	**904**	**911**	**$ 74,080**	**107,060**	**$ 134,320**	**$106**	**$118**	**$147**
	PHASE 2									
221	Model Development and Initial Calibration -Hydrodynam	690		986	$64,500		$99,312	$93		$101
222	Model Development and Initial Calibration -Sediments	328		214	$30,240		$24,745	$92		$116
223	Model Development and Initial Calibration -Water Colum	620		948	$54,300		$107,111	$88		$113
224	Model Development and Initial Calibration -Biological	302		337	$27,840		$42,726	$92		$127
225	Model User Interface Development	424		136	$38,480		$15,911	$91		$117
226	Development of Linkages to TRWQM	328		325	$29,040		$36,123	$89		$111
227	Linked Model Calibration	880		678	$82,800		$81,316	$94		$120
228	Initial Model Application to assess Metro Diversion	240		5	$21,440		$951	$89		$181
229	Model updates and revisions to calibration	0		896	$0		$121,359			$136
231	Interim Model Development Report	0		94	$0		$11,322			$121
232	Model Development and Calibration Report	560		522	$48,800		$74,038	$87		$142
233	Preliminary Model Application Report	104		0	$9,520		$0	$92		
234	Response to Phase 2 Peer review & work plan revision	360		242	$35,200		$43,423	$98		$180
241	Phase 2 Routine Project Meeting	80		91	$9,520		$15,463	$119		$171
242	OLTAC Meetings- Phase 2	32		106	$4,400		$17,625	$138		$166
243	Additional Interactions with Peer Review Panel	0		0	$0		$0			
244	Preparation and Attendance at Phase 2 Peer Review Se	168		83	$19,600		$12,967	$117		$156
250	Field Sampling Support	0		176	$0		$21,975			$125
	Totals Phase 2	**5116**	**5,428**	**5,836**	**$475,680**	**$478,712**	**$726,364**	**$93**	**$88**	**$124**
	PHASE 3									
311	Outlet Flow Data Assessment	368		121	$32,320		$12,070	$88		$100
321	Linkage to USGS Watershed Model/ Finalize User Interfa	416		140	$37,600		$12,797	$90		$91
322	Model Validation	880		790	$82,800		$80,235	$94		$102
323	Development of Modeling Scenarios	228		38	$25,200		$6,814	$111		$179
324	Model Projections	640		101	$60,800		$15,711	$95		$156
331	Model Validation and Application Report	560		0	$48,800		$0	$87		
332	Response to Phase 3 Peer Review Comments/ Revision	360		0	$35,200		$0	$98		
341	Routine Project Meetings	80		45	$9,520		$9,161	$119		$206
342	OLTAC Meetings- phase 3	32		66	$4,400		$12,865	$138		$194
343	Preparation and Attendance at Phase 3 Peer Review Se	168		0	$19,600		$0	$117		
344	Model Training	156		0	$14,760		$0	$95		
Totals Phase 3		**3,888**	**4,380**	**1,301**	**$371,000**	**$401,539**	**$149,652**	**$95**	**$92**	**$115**
Totals		**9,704**	**10,712**	**8,048**	**920,760**	**987,311**	**1,010,336**	**$95**	**$92**	**$126**

Exhibit B

Onondaga County Department of
WATER ENVIRONMENT PROTECTION

Joanne M. Mahoney, County Executive
Patricia M. Pastella, P.E., BCEE, Commissioner
650 Hiawatha Blvd. West
Syracuse, NY 13204-1194
(315) 435-2260 or (315) 435-6820
FAX (315) 435-5023
http://www.ongov.net/wep/

June 12, 2009

The Honorable Robert E. Antonacci II, CPA
Onondaga County Comptroller
14th Floor Mulroy Civic Center
421 Montgomery Street
Syracuse, NY 13202

Dear Comptroller Antonacci:

As the new Commissioner of the Onondaga County Department of Water Environment Protection (OCDWEP), I am responding to the audit report from your office.

As you know, I was appointed in December of 2008 and have spent considerable time and effort to restructure the department and eliminate many of the issues raised in your report. In cooperation with Onondaga County's Administrator for Physical Services and the management team now in place at OCDWEP, I will continue to do so in the weeks and months ahead.

On behalf of the entire department and especially the new administrative team now in place at OCDWEP, I would like to express my gratitude for the thorough and specific report generated by your office. Your audit report will serve as an essential management tool for implementing additional changes at the department both immediately and in the future. I submit this correspondence in response to the audit report, as required by statute.

First and foremost, our Project Managers will improve their level of scrutiny of contracts and change orders, including but not limited to written justifications for change orders. The Commissioner's Office will not sign off on change orders or cost increases without specific written justification citing the contract language for same. If there is additional work to be done with associated additional costs, it must be justified in writing and reasonable. This is now the practice at OCDWEP and has been reinforced with all Project Managers and administrative staff.

For all Requests for Proposals (RFPs) issued by the department, the RFP Committee will consist of all Division Managers plus one senior staff member from the division initiating the RFP. RFP review grading sheets will be kept on file in the Commissioner's Office. The RFP process will be standardized department-wide and the department will adhere to the components of each RFP.

Further, Lab RFPs will be properly vetted through the Department RFP Committee, communicated throughout the department, and assessed for consistency with prior year sampling needs. RFPs will become more standardized regarding budgeting details. The new RFP process will be cleaner and more efficient.

Project Management will no longer be contracted out. Existing department employees will be used as contract managers. There are no longer any outside contract managers and tbere will not be unless and until there is some documented, substantial lack of expertise which is absolutely required.

Moreover, contract time extensions must be fully justified with specific details explaining why given work cannot be completed within an existing contract duration.

The foregoing will serve to make the Onondaga County Department of Water Environment Protection a model for government efficiency in contracting.

Once again, on behalf of the entire department, I would like to thank you and your staff for the comprehensive review and subsequent recommendations in the audit report.

If you have any questions or concerns, please do not hesitate to contact ıne at (315) 435-6820.

Sincerely,

Patricia M. Pastella, PE, BCEE
Commissioner

PMP/ng

h:audit 2009 reply ltr.6-10-09