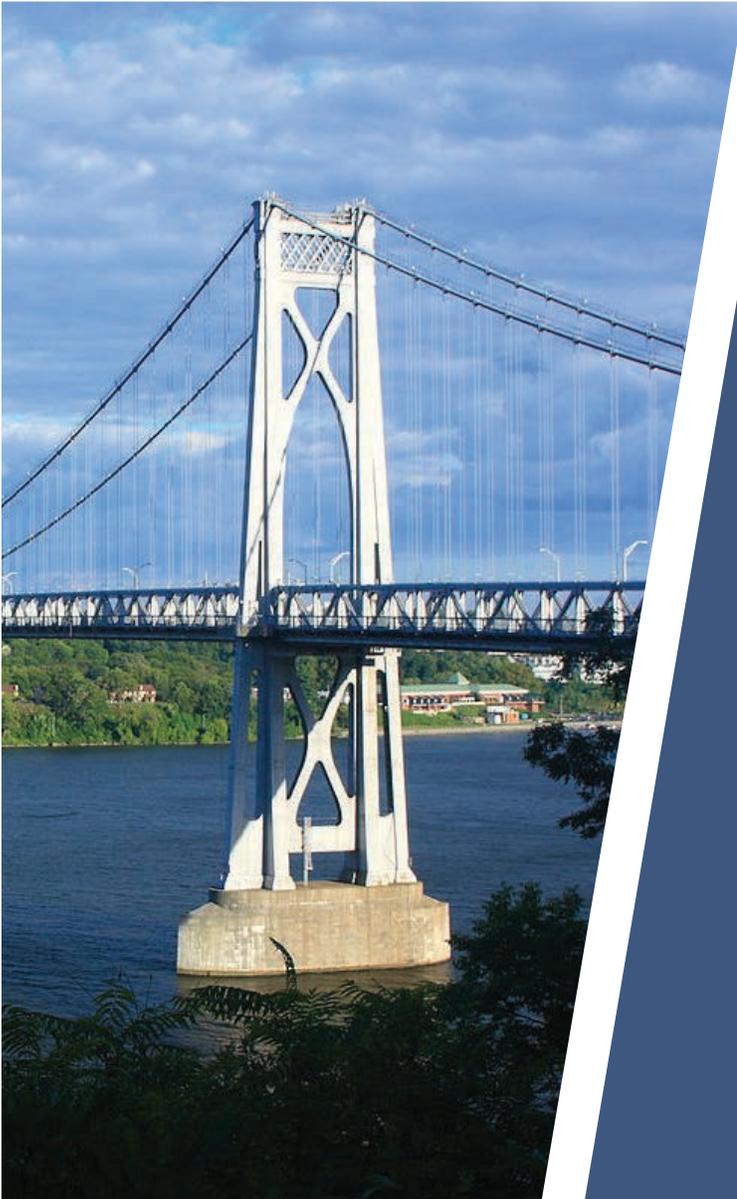


**AUDIT**  
**RECONSTRUCTION**  
**& EXPANSION OF**  
**230 NORTH ROAD**  
**POUGHKEEPSIE**



**OFFICE OF THE**  
**DUTCHESS COUNTY**  
**COMPTROLLER**

**ROBIN L. LOIS**  
**COMPTROLLER**

**OCTOBER 2018**

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Robin L. Lois  
Comptroller

Karl G. Schlegel  
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Dear County Officials & Taxpayers,

An audit report of the \$5.658 million in renovation costs for the County-owned building at 230 North Road, which primarily houses Mental Health programs, was completed for the period 2014 through 2018. Capital project funding totaling \$4.848 million for this building was requested for Phase 1 and Phase 2 renovations, which included the build out of the new Stabilization Center. Most of this funding has been expended on Phase 1, with additional funding being required in the future to complete this project.

We found that many of these cost overages resulted from a lack of due diligence in assessing and estimating the project scope and cost. In addition to the overages of costs assessed to the approved project funding, we noted the use of monies appropriated for other capital projects. Specifically, we found that \$832,813 in HVAC costs were funded by a 2006 capital bond that did not list this project as part of its funding request.

Our report recommends that every effort be made to accurately define projects, their scopes, and estimate their potential costs to taxpayers. We also recommend that funds only be spent as originally requested and approved by the County Legislature, and that unexpended Capital Project funds not be used for purposes beyond their intended authorization from the Legislature.

The recommendations in this report and the adherence to the newly adopted Capital Projects - Building Policy, implemented in April 2018, should result in improved accuracy, transparency and accountability to the taxpayers of Dutchess County.

The purpose and scope of this audit was not to assess the effectiveness of the Stabilization Center located within the 230 North Road building. I personally support the mental health, detox and life-saving services offered to the residents of Dutchess County, and strongly believe in the intent of diversion from local hospitals and the County jail. Interest in the Stabilization Center expressed to me by the public, however, has resulted in the inclusion of the latest visitation statistics available from the Dutchess County Department of Behavioral & Community Health.

I thank the DPW Commissioner and his staff for their courtesy and professionalism during this audit process. Please feel free to contact my office with any questions or concerns related to this audit report.

Respectfully submitted,

Robin L. Lois  
Dutchess County Comptroller

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## Scope and Objective

The purpose of this audit is to examine the costs of the renovations at 230 North Road, a county owned building, which primarily has housed the Department of Mental Hygiene and its funded programs. It was originally built in the late 1960's as a Community Mental Health Center.

Costs associated with the renovation were grossly underestimated; therefore, this audit was conducted to provide an understanding of what comprised the overages. During the period of January 2014 through July 2018, a total of \$5,658,753.38 was expended primarily for Phase 1, which represents the renovation of only a portion of the entire building. Capital funds appropriated for Phase 1 and Phase 2 renovations for the 230 North Road Building totaled \$5,252,000 from two separate resolutions: Resolution 2014123 for \$404,000 for asbestos abatement, and Resolution 2015264 for the \$4,848,000 reconstruction. An additional \$832,813.14 was expended from Resolutions 206183 and 206217.

This report provides information regarding: requests for funding and corresponding documentation for this project; primary contracts and their respective bid/proposal review; and a detail of expenditures incurred for 230 North Road.

We have included statistics from the Dutchess County Department of Behavioral and Community Health (DCDBCH) for the Stabilization Center. DCDBCH provided the current and cumulative Profile and Visitation Statistics for the Stabilization Center as of September 2018. Cumulative statistics begin at the opening of the Stabilization Center in April 2017. Since the Center opened less than two years ago, it is premature to analyze its impact on diversion. Statistics are shown as Exhibit I.

## Methodology

Our review consisted of reviewing funding resolutions and their respective descriptions; requests for proposals and bids for selected vendors; contracts with various vendors; contract amendments; and financial records, which included transactions designated for 230 North Road and the Stabilization Center. Information regarding the purpose of annual expenditures was prepared with the assistance of the Dutchess County Department of Public Works.



*230 North Road Complex, as seen from North Road (Photo Courtesy of Google Maps)*

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## 230 North Road Renovation Funding Request

A memorandum dated October 8, 2015 from then Commissioner of Public Works, Noel Knille, accompanied Resolution 2015264 for the \$4.848 million in funding for renovations to 230 North Road for both Phase 1 and Phase 2.

The Commissioner's memorandum explained the need for the Stabilization Center as follows:

**“In addressing the needs of Dutchess County related to diverting people from incarceration and treating urgent medical and addiction needs, one of the initial essential programs is the establishment of a Crisis Stabilization Center to address urgent needs, stabilizing and treating to avert incarceration.”**

The center is a walk-in facility that is open 24 hours a day, 7 days a week, 365 days a year and provides services to address mental health and substance use crises.

An additional memorandum dated October 13, 2015 from the Acting Commissioner of Mental Hygiene, Margaret Hirst, provided additional justification for the 'community-based' care center to deliver healthcare services, stating: “The completion of these renovations at 230 North Road will be important to the future delivery of healthcare services. The healthcare delivery system is shifting focus away from hospital-based care to community-based care.”

The Commissioner of Public Works described the project details:

**Phase 1** – Comprised of **A-Wing, B-Wing** and **Training/Multipurpose Room**.

- **A-Wing** – Completely renovated to serve as a Crisis Stabilization Center as well as house the Helpline, Mobile Crisis, health services space and support space
- **B-Wing** – Renovation for Partial Hospital functions.
- **Multipurpose Room** – The current space would be renovated to house a 100-person Training/Multipurpose Room.

The Public Works Commissioner's memorandum stated renovations for Phase 1, comprising these three areas, would entail significant asbestos abatement, all new ceiling, floors, HVAC and lighting, as well as significant functional changes. The estimated cost of the renovations was **\$3 million**. The Commissioner stated that a previous resolution, Resolution 2014123 authorizing \$400,000 for asbestos abatement, would be applied to assist in funding the \$3 million cost of Phase I.

**Phase 2** – Related renovations necessary to provide for more functional and expanded programs in the remainder of the building with an estimated cost of \$2.2 Million:

- Expansion of Hudson Valley Mental Health
- Relocation and redesign of Lexington Center for Recovery Methadone Program
- Programmatic Administrative Services and Coordinated Services for the Division of Behavioral Health
- Support spaces for the entire building



Entrance to the Stabilization Center



Nurse's Station at the Stabilization Center

(Photos Courtesy of Dutchess County Department of Public Works)

Funding request was included as follows:

Phase 1:	\$3,000,000
Phase 2:	<u>\$2,200,000</u>
Total Requested	\$5,200,000
(Less Resolution 2014123 Amount)	<u>(\$400,000)</u>
Total Bond Funding request	\$4,800,000
Bond Issuing Cost	<u>\$48,000</u>
Total Resolution Request	\$4,848,000

Resolution 2015264 was approved by the County Legislature on December 3, 2015 and signed by the County Executive on December 14th of that year. The resolution detailed that the \$4.848 million in funds would cover “reconstruction” as well as “original furnishings, equipment, machinery, apparatus, appurtenances and incidental improvements and expenses in connection therewith...” for Phase 1 and Phase 2.

A complete floor plan of the 230 North Road Site is included as Exhibit III of this report.

## Expenditures Reported for 230 North Road

As of July 31, 2018, \$5,658,753.38 was spent as follows:

Capital or Operating Account / Purpose	Resolution Number / Resolution Date	Resolution Amount(s)	Amount Utilized for 230 North Road	Amount Spent as of 7/31/18	Amount Remaining for Phase II
Capital – H0368 Reconstruction of County Buildings - HVAC funding	206183 / July 11, 2006 & 206217 / Sept 11, 2006	\$9,029,120 & \$2,312,380	\$832,813.14	\$832,813.14	N/A
Capital – H0463 Asbestos Abatement	2014123 / June 9, 2014	\$404,000	\$404,000.00	\$403,999.41	N/A
Capital – H0486 Reconstruction 230 North Road	2015264 / Dec 3, 2015	\$4,848,000	\$4,848,000.00	\$4,331,775.73	\$516,227.27
Operating funds 2016 – 2018			\$90,165.10	\$90,165.10	N/A
<b>TOTALS</b>			<b>\$6,174,978.24</b>	<b>\$5,658,753.38 *</b>	<b>\$516,227.27</b>

\*Of this total amount, only \$12,100 was spent on Phase 2 for architectural services.

**Account H0368** – A portion of the HVAC costs were charged to Account H0368 (\$832,813.14), with the remaining costs (\$704,346.01) paid from Account H0486.

*Observation:*

- Although not listed as one of the buildings in the original funding request, HVAC work associated with the 230 North Road Building was charged to this account and approved by the prior Comptroller.

*Recommendation:*

- Funds should not be charged to accounts if not part of the detailed funding requests approved by the Legislature.

**Account H0463** - For **asbestos abatement** and related costs at the Mental Hygiene Facility, which were appropriated at a maximum estimated cost of \$404,000.

In March 2014, the Commissioner of Public Works requested funding for the asbestos abatement and reconstruction of the Multipurpose Room at 230 North Road. The Commissioner indicated and approximated the need for \$400,000 to design and provide abatement of the asbestos containing building materials within the two areas of the Multipurpose Room. Work would entail an asbestos project design (as required by law) and would identify the ceiling soffits and pipe insulation abatement and re-insulation of pipe and installation of new gypsum board soffit material. Also indicated in the memorandum, “it is presumed that there is significant additional asbestos with 230 North Road.” It was also stated the additional asbestos would be identified in a future Haz Mat Survey; but was not necessary at this time as the material was not friable (loose and fragmenting).

*Observation:*

- A portion of funds for abatement by Jupiter Environmental Services, Inc. (totaling \$308,436.52) was initially paid from Account H0486. A corrective accounting entry was made to charge Account H0463 for this amount in December 2016. These funds are appropriately charged to this account, based upon authorizing documentation provided to the Legislature.

Public Works staff that processed the original payments erroneously charged the incorrect account. Since the cost of abatement exceeded the \$404,000 authorized for Account H0463, the additional \$23,529.48 owed to Jupiter was charged to Account H0486.



23-Hour Beds at the Stabilization Center



Adult Common Room at the Stabilization Center

(Photos Courtesy of Dutchess County Department of Public Works)

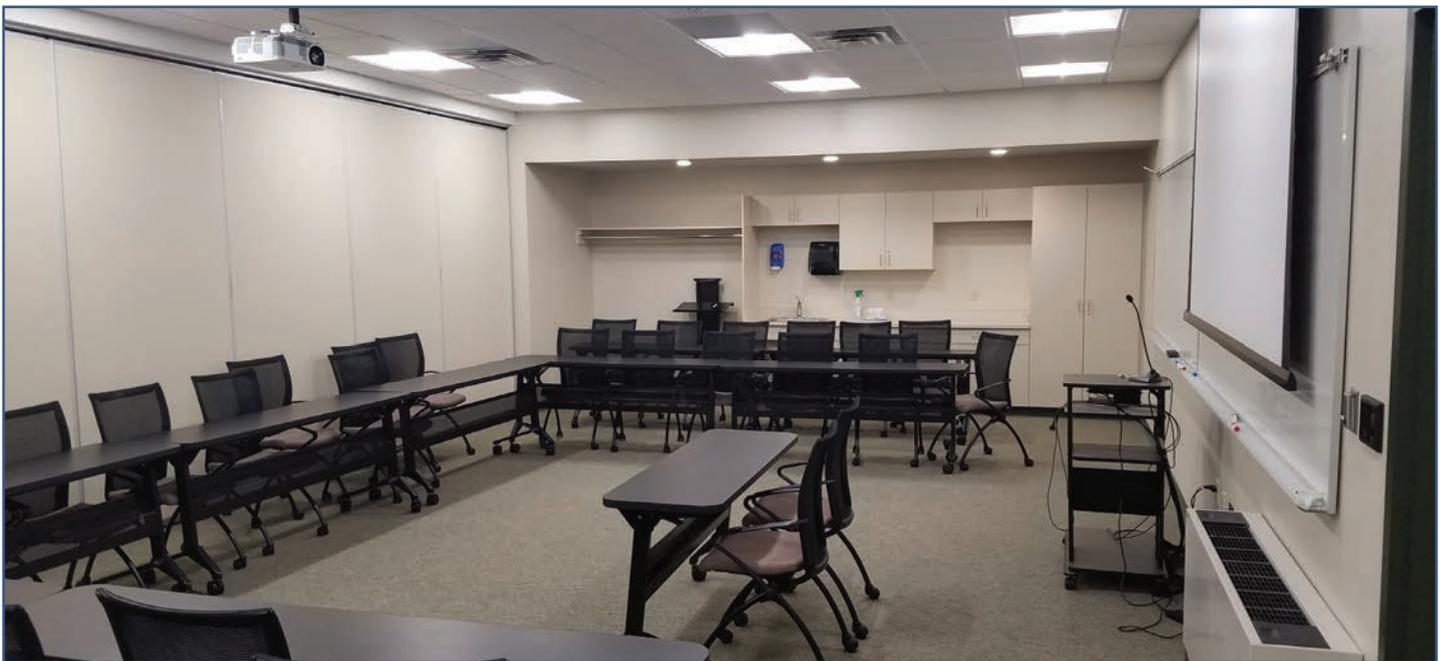
**Account H0486** - Authorized the issuance of bonding for the cost of the reconstruction of 230 North Road including the establishment of the Dutchess County Stabilization Center, at a maximum cost of \$4,848,000.

*Observation:*

The initial bond request indicated the cost for Phase 1 was \$2,600,000 (with an additional \$400,000 from H0463 for asbestos abatement), Phase 2 was estimated at \$2,200,000, and the remaining \$48,000 was allocated for bond issuing costs. As shown in the previous *Expenditures Reported for 230 North Road* chart, \$4,331,775.73 was predominantly paid from H0486 for Phase 1. Additional funding will have to be requested for Phase 2.

**Operational expenses** were reported in the appropriation accounts. Expenses from Department A1620 (DPW Buildings) were typically building related expenses.

*A detail of funds expended by capital and operating funds may be found as Exhibit II.*



*Half of the Multipurpose / Conference Room, with the room divider in place.  
(Photo Courtesy of Dutchess County Department of Public Works)*

## Oversight

The Buildings Division of the Dutchess County Department of Public Works has the responsibility for overseeing the rehabilitation and maintenance of county-owned buildings. Capital projects are identified from on-going assessments and annual reviews of anticipated projects which necessitate safety, physical, and technical infrastructure improvements. Funding is provided from capital improvement resolutions (either general or specific to the project), or occasionally appropriated from operating funds. Capital project funding must be approved by the County Legislature. “The Department of Public Works follows a policy and process that presents viable estimates for projects, defines funding sources, provides periodic updates, and closes out capital project accounts when completed.”<sup>1</sup>

<sup>1</sup> Dutchess County Manual of Policies and Procedures, Capital Projects-Buildings, Policy 00.06, Page 1 (Policy Statement).

The Department of Public Works is responsible for the preparation of all proposals for solicitation of construction. In accordance with the County's procurement policy, the Commissioner of Public Works acts on behalf of the County Executive as the designated procurement officer for Public Works contracts.

## OBSERVATIONS/FINDINGS

- There was a lack of due diligence regarding the level of judgement, care, prudence, and determination that would reasonably be expected under this circumstance. The cost estimate of the project was not accurately defined and detailed by management, and - as a result - time, effort, and cost of the project were grossly underestimated.
- As Phase 1 of the project progressed and the reconstruction of the various areas proceeded, additional asbestos was found, major structural issues were noted, and other unforeseen concerns arose; all of which drove the costs up for additional engineering and construction related costs.
- Phase 2 was projected to be part of the total bond cost, with \$2.2 million allocated in the resolution request to the Legislature. Given the costs expended on Phase 1, this is not a reliable estimate.

## DISCUSSION

We inquired what may have caused the additional engineering and subsequent construction changes. In discussion with DPW management, it was acknowledged that the architect and engineers did not have full access to the building prior to doing their design work due to asbestos abatement that was concurrently going on and a previous tenant occupying a large portion of the space. In addition, unforeseen issues arose during the demolition and reconstruction phase.

## RECOMMENDATIONS

- The County should perform full due diligence when estimating project costs prior to submitting funding requests for the impending Phase 2 of 230 North Road and all other reconstruction projects. Investigating facts, conditions, and other matters - including financial considerations - would assist the County Executive and Legislature in making an informed and transparent decision regarding a project of this size and importance.
- Bid and/or construction documents should not be drawn without full access to the building to ensure accuracy and completeness. Sampling of areas where demolition is planned should be included in the process to assess the underlying conditions of the building and related structure.



*The Cafe*



*Staff Break Room & Kitchen*

*(Photos Courtesy of Dutchess County Department of Public Works)*

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## Dutchess County’s Capital Projects Process

The County has developed a written policy for the handling of Capital Projects, specifically for buildings projects, effective April 20, 2018. **This newly-written policy addresses some of the concerns this report raises regarding due diligence.** The Capital Projects – Buildings Policy currently states “For capital building projects that are expected to have a total project cost of greater than \$1,000,000, the Department of Public Works shall employ consultant services to prepare a cost estimate based on an accurate project definition, prevailing market conditions, institutional knowledge and professional judgment. The cost estimate shall include a narrative project definition, preliminary plans (floor plans, elevations, site plan) necessary to visually define the scope of the project, a line item estimate identifying construction costs, contingency or allowance costs, demolition costs, professional service fees, consultant expenses, furnishing and equipment cost, environmental remediation, construction management costs, and other notable expenses.... The consultant developed estimate shall be included as part of a resolution request.”<sup>2</sup>

The policy goes on to state that “Once adopted, capital projects will proceed with the design phase [including preliminary work necessary to finalize the RFB (Request for Bid) for construction] but no construction will begin until all RFB responses for construction have been received and the total cost of the project is confirmed to be within the approved project cost or is within the \$100,000 threshold and operating funds are available to supplement the project (see Capital Project Updates, Overages, Revenue Shortfalls and Timeline Changes Section 7).”<sup>3</sup>

### Review of Request for Proposals for Design (RFP-DCB-10-15)

As part of the procurement process, Dutchess County issues a Request for Proposal (RFP) to seek detailed proposals for professional services. Because of the nature of these proposals, cost is not necessarily the only deciding factor in selecting the appropriate provider. Each RFP describes a specific weighted rating system based on the tasks of the project. The evaluation criteria used for this project was:

Project Understanding & Approach.....	20 pts
Experience of firm or team in providing proposed service(s)....	30 pts
Experience, Qualifications and Availability of Key Personnel...	20 pts
Cost Effectiveness.....	20 pts
References.....	10 pts
<b>Total.....</b>	<b>100 pts</b>

A review committee of three Public Works employees, the Public Works Commissioner, Buildings Administrator, and Architectural Technician, rated the proposals based on the above criteria. It was then put into a scoring matrix and averaged for committee recommendation to the DPW Commissioner.

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2 Dutchess County Manual of Policies and Procedures, Capital Projects-Buildings, Policy 00.06, Page 2 (Procedures, 4)

3 Dutchess County Manual of Policies and Procedures, Capital Projects-Buildings, Policy 00.06, Page 2 (Procedures, 6)

A detailed review of the proposals submitted in response to the RFP issued for Professional Services was conducted as part of this audit report.

The request for professional services included “Design, Construction Documents and Construction Administration (CA) for 230 North Road – A-wing, B-wing and Multipurpose Room administration for 230 North Road” and was published on November 12, 2015 with a due date of December 1, 2015. There were 14 proposals submitted in response to the RFP, with total costs ranging from \$79,550 to \$248,960.

Firm Name	Location	Score	A-Wing	B-Wing	Multipurpose Room	Construction Admin (CA)	Total (Descending)
Swartz Architecture DPC	Poughkeepsie, NY	3.71	\$60,070	\$56,990	\$26,780	\$100,120	\$248,960*
William Taylor Architects	Syracuse, NY	2.55	\$105,000	\$67,000	\$40,000	\$35,000	\$247,000
Lothrop Associates LLP	White Plains, NY	3.11	\$72,500	\$43,500	\$29,000	\$29,900	\$174,900
C&S	Syracuse, NY	3.40	\$55,076	\$18,359	\$18,359	\$61,856	\$153,650
Clark Patterson Lee / Tinkelman Architecture	New Windsor, NY / Poughkeepsie, NY	3.44	\$44,000	\$44,000	\$14,000	\$45,000	\$147,000
LAN Associates	Goshen, NY	3.41	\$49,970	\$20,820	\$12,490	\$44,490	\$127,770
CT Male Associates	Latham, NY	3.49	\$43,625	\$26,175	\$17,450	\$35,500	\$122,750
Liscum McCormack Van Voorhis	Poughkeepsie, NY	3.48	\$45,000	\$27,000	\$18,000	\$30,000	\$120,000
H2M Architects & Engineers	White Plains, NY	3.39	\$42,000	\$26,600	\$17,200	\$34,000	\$119,800
J. Paul Vosburgh, Architect	Rhinebeck, NY	3.09	\$38,600	\$28,200	\$10,000	\$23,000	\$99,800
Peter F. Gaito & Assoc	White Plains, NY	3.15	\$38,436	\$26,903	\$11,542	\$10,481	\$87,362
Greenman-Pedersen, Inc	Babylon, NY	2.79	\$29,000	\$17,000	\$11,000	\$22,900	\$79,900
The Musial Group Architecture	Mountainside, NJ	3.53	\$26,000	\$17,000	\$11,050	\$25,500	\$79,550
Ronnette Riley**	New York, NY	2.96	N/A	N/A	N/A	N/A	N/A

\*The proposal from Swartz included \$5,000 of reimbursable expenses.

\*\*Ronnette Riley’s bid did not provide a fee summary proposal.

## OBSERVATIONS/DISCUSSION

The award was made to Swartz Architecture, the highest bidder as shown above. A memorandum from the Public Works Commissioner - dated December 15, 2015 to the Architect/Engineering Consultant Review Committee<sup>4</sup> - was provided and detailed the rationale for awarding the project. Included in this memorandum was a listing of the top four proposals based on the evaluating committee’s scoring, as shaded in the above chart.

**We noted a discrepancy: As shown above, Liscum, McCormack Van Voorhis was one of the top four in the committee scoring, however it was not included in this memorandum; the joint proposal from Clark Patterson Lee/Tinkelman Architecture was included instead.**

The Commissioner’s memorandum states that Swartz provided the most comprehensive proposal, reflecting a detailed understanding of the project; the Commissioner provided concerns with each of the other vendors. The Commissioner also stated the proposed fees from each firm “were well below the estimate of \$320,000 for design, bidding and construction administration. The final fee would be negotiated with the selected firm.”

4 County Administrative Code Article XXX – 8, Section 30.05. Architect, Engineer and Construction Management Consultant Selection Committee. (<https://www.co.dutchess.ny.us/CountyGov/Code.pdf>) Commissioner of Finance, Commissioner of Planning and Development, Commissioner of Public Works, Legislature Majority Leader or Designee, Legislature Minority Leader or Designee, Chairman of the Public Works and Capital Projects Committee or Designee, County Attorney or Designee, Chairman of the Budget, Finance, and Personnel Committee or Designee, Legislature Chairman or Designee, Appointee to be appointed by Legislature Chairman

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After the project was awarded to Swartz, the original contract was negotiated with the term of January 15, 2016 through September 30, 2016 and a total cost not to exceed \$234,180. This represented a negotiated decrease of only \$14,780 from the original proposal.

The Commissioner's justification memorandum stated:

*"The [Construction Administration] fee proposed was \$100,000, while a fee of \$25,000 would be more appropriate. This was discussed with [Swartz] and there was a misunderstanding as to what they would be needed for during CA; this would be negotiated down."*

The amount for Construction Administration (CA) was negotiated down from \$100,000 to \$85,340, which was still higher than all other responses. **A question arises whether this should have been a lower amount.**

The original contract with Swartz was amended to accommodate an extended term to January 15, 2017 and increase the total compensation by \$63,827 for additional services. A total of \$298,007 was paid under the contract. Justification provided for the amendment was a letter from Swartz to the Public Works Commissioner, stating:

*"During the destructive demolition phase of this project a wide range of substandard conditions have been exposed in the as-built structure. These conditions have required either modification of the original design documents or additional (restorative) designs to be produced and implemented via the Request for Information / Change Order process. Simultaneously, the county has modified the original scope (specifically via the recent acceptance of the Bid Alternates regarding wholesale replacement of the B Wing and Multi-Purpose Room HVAC systems) within several weeks of the project's anticipated completion date. Cumulatively, these events have protracted the project duration."*

## Review of the Bid Processes for Prime Contractors

The design engineer and the owner (Dutchess County) determine the services the county will procure to prepare the bid documents for construction. Documents for the services bid included: the general construction, plumbing, HVAC, and electric.

The Department of Public Works adheres to the New York Consolidated Laws, General Municipal Law § 101 (known as Wicks Law), which states that when the total cost of contract work for the erection, construction, reconstruction or alteration of a public building exceeds \$500,000 or more, independent contractors must be used for:

- a. Plumbing and gas fitting
- b. Steam, heating hot water heating, ventilating and air condition apparatus
- c. Electric wiring and standard illuminating fixtures.

Prior to the review and award of the construction bids; a bid solicitation for the asbestos abatement was conducted. Bid submittals are provided on the following chart, with the awarded bid to Jupiter Environmental Services, Inc. As shown, Jupiter Environmental Services, Inc. was the low bidder.

**BID RESULTS REPORT - ASBESTOS ABATEMENT**

PROJECT NAME: Asbestos Abatement @ 230 North Road Stabilization Center

RFB-DCP-21-16

BID DATE: March 21, 2016 @2:30PM

Name	Base Bid	Alternate	Totals
<b>Jupiter Environmental Services, Inc.</b>	<b>\$326,000</b>	<b>\$1,500</b>	<b>\$327,500</b>
Unitech Services Group	\$377,700	\$6,000	\$383,700
Environmental Maintenance Contractors(EMC)	\$413,225	\$0	\$413,225
NSC Abatement Services	\$632,000	\$1,500	\$633,500

Bid submittals for General Construction are provided on the following chart, with the award to Meyer Contracting, Inc. As shown Meyer was the low bidder for the base and GC-1, GC-2, and GC-3 alternates.

**BID RESULTS REPORT - GENERAL CONSTRUCTION**

PROJECT NAME: Dutchess County Stabilization Center

TRADE: General Construction (GC)

RFB-DCB-04-16

BID DATE: June 2, 2016 @1PM

Name	Base Bid	Alternates			
		GC-1	GC-2	GC-3	GC-4
Key Construction Services, Inc.	\$1,190,000	\$1,970	no change	\$31,000	\$24,000
<b>Meyer Contracting Corp.</b>	<b>\$1,153,000</b>	<b>\$1,800</b>	<b>no change</b>	<b>\$28,100</b>	<b>\$34,700</b>
Arris Contracting Co., Inc.	\$1,291,658	\$2,192	\$0	\$50,763	\$35,836
Ferrari & Sons	\$1,728,000	\$3,500	\$3,000	\$42,000	\$63,000

Bid Submittals for Plumbing Construction are provided on the following chart, with the award to Dutchess Mechanical, Inc. As shown, Dutchess Mechanical was the low bidder for Plumbing.

<b>BID RESULTS REPORT - PLUMBING</b>	
PROJECT NAME: Dutchess County Stabilization Center	
TRADE: Plumbing	
RFB-DCB-04-16	
BID DATE: June 2, 2016 @1PM	
Name	Base Bid
Dutchess Mechanical, Inc.	\$252,200
Pittsfield Pipers, Inc.	\$255,400

Bids for Heating, Ventilation and Air Conditioning Construction were done twice with the first results rejected as shown due to the cost coming in above what was budgeted. The results of the additional bid are shown, with the award to Ashley Mechanical, Inc. The amounts for the base bid and HVAC-1 are lower than all other bids.

<b>BID RESULTS REPORT - REJECTED - HVAC</b>			
PROJECT NAME: Dutchess County Stabilization Center			
TRADE: Heating/Ventilation/Air Conditioning (HVAC)			
RFB-DCB-04-16			
BID DATE: June 2, 2016 @1PM			
Name	Base Bid	Alternates	
		HVAC-1	HVAC-2
UAP, Inc.	\$1,246,000	\$547,000	\$157,000

<b>BID RESULTS REPORT - REBID - HVAC</b>			
PROJECT NAME: HVAC Rebid for the Dutchess County Stabilization Center			
TRADE: Heating/Ventilation/Air Conditioner (HVAC)			
RFB-DCB-08-16			
BID DATE: June 29, 2016 @2:30PM			
Name	Base Bid	Alternates	
		HVAC-1	HVAC-2
Clean Air Quality Service, Inc.	\$1,198,609	\$514,000	\$85,000
<b>Ashley Mechanical, Inc.</b>	<b>\$979,500</b>	<b>\$325,900</b>	<b>\$85,340</b>
HT Lyons, Inc.	\$1,211,000	\$440,000	\$95,000
Vamco Sheet Metal, Inc.	\$1,178,131	\$437,977	\$115,113
UAP, Inc.	\$1,326,000	\$552,000	\$148,000

Bids submitted for Electrical Construction are provided on the following chart, with the award to J&J Sass Electric, Inc. As shown, J&J Sass was the only bidder.

**BID RESULTS REPORT - ELECTRICAL**

PROJECT NAME: Dutchess County Stabilization Center

TRADE: Electrical Construction (EC)

RFB-DCB-04-16

BID DATE: June 2, 2016 @1PM

Name	Base Bid	Alternates	
		E-1	E-2
J&J Sass Electric, Inc.	\$897,000	\$12,500	\$9,000

**OBSERVATION/DISCUSSION**

In compliance with Wicks Law, all prime contracts for the respective services were bid. All the prime contractors were chosen based on the lowest bid. Our review of bid files maintained by the Department of Public Works found no discrepancies.

## Review of the Major Expenses by Vendor

The following accounting represents more than 88% of the costs expended for 230 North Road (\$5.006 of \$5.658 million). The additional 12% of costs may be found in Exhibit II which provides a detail of all costs of the project by capital account. The following vendors represent the major contractors for most of the reconstruction. Below is an analysis of the contract change orders and final contract amounts.

Vendor	Total # of Changes	Total cost of Changes	Percentage of Increase	Original Contract Amount	Final Contract Amount
Meyer Contracting Corp.	60	\$391,061.02	32.16%	\$1,215,800.00	\$1,606,861.02
Unlimited Technology, Inc.	2	\$11,738.72	10.61%	\$110,650.45	\$122,389.17
Ashley Mechanical, Inc.	13	\$557,659.15	56.93%	\$979,500.00	\$1,537,159.15
Swartz Architecture, DPC	1	\$63,827.00	27.26%	\$234,180.00	\$298,007.00
J&J Sass Electric, Inc.	15	\$56,931.24	7.33%	\$776,795.00	\$833,726.24
Jupiter Environmental Services, Inc. *	1	\$5,966.00	1.83%	\$326,000.00	\$331,966.00
Dutchess Mechanical, Inc.	5	\$23,960.50	9.50%	\$252,200.00	\$276,160.50
	<b>97</b>	<b>\$1,111,143.63</b>	<b>28.53%</b>	<b>\$3,895,125.45</b>	<b>\$5,006,269.08</b>

\* Asbestos related - QUEST design

Additional specific information regarding the change orders was requested during audit by the Comptroller's Office. DPW Management defined the reasons for the change orders using the criteria: "unforeseen", "architect error", and "owner requested".

Vendor	Unforeseen		Architect Error		Owner Requested	
	# of Changes	Cost of Changes	# of Changes	Cost of Changes	# of Changes	Cost of Changes
Meyer Contracting Corp.	29	\$306,249.64	9	\$18,836.00	22	\$65,975.38
Unlimited Technology, Inc.	0	\$0.00	0	\$0.00	2	\$11,738.72
Ashley Mechanical, Inc.	7	\$15,575.84	0	\$0.00	6	\$542,083.31
Swartz Architecture, DPC	1	\$63,827.00	0	\$0.00	0	\$0.00
J&J Sass Electric, Inc.	3	\$5,000.73	0	\$0.00	12	\$51,930.51
Jupiter Environmental Services, Inc. *	0	\$0.00	1	\$5,966.00	0	\$0.00
Dutchess Mechanical, Inc.	3	\$20,412.23	1	\$2,688.27	1	\$860.00
	<b>43</b>	<b>\$411,065.44</b>	<b>11</b>	<b>\$27,490.27</b>	<b>43</b>	<b>\$672,587.92</b>

\* Asbestos related - QUEST design

# EXHIBIT I - September 2018 Monthly Statistics Report

DCDBCH - DIVISION OF MENTAL HYGIENE

## STABILIZATION CENTER - SUs 1110 & 1120 -- PROFILES - MONTHLY & CUMULATIVE

s:\OITS\SR\IOS-SCTR\weekly & cum rep\SCTR MO & CUM STAT REPORT w res profile 09-SEP 2018\cks\R&E\10-3-2018

### SCTR - MONTHLY STAT REPORT - SEPTEMBER 2018

**TOTAL # VISITS = 244**      *number of Registrations (openings) for the month. May contain duplicates.*  
 Total registrations for SU 1110 SCTR = 165; Total for SU 1120 Sobering/Detox = 79

**UNDUP. # IND. REG. = 191**      *unduplicated number of individuals who were opened during the month*

**SERVICE VOLUME = 568**      *number of services provided, entered in Cerner*

**NO. OF VISITS WITH LAW ENFORCEMENT INVOLVEMENT = 18 (represents 7.4% of the total 244 visits)**  
 And, 13 of the 18 were by police officers who had been CIT trained.

For the 191 individuals registered:

**GENDER**

	freq.	percent
FEMALE	103	54%
MALE	88	46%
	191	100%

**AGE in years**

	freq.	percent
0-12	9	5%
13-17	19	10%
18-21	14	7%
22-39	76	40%
40-59	61	32%
60 +	12	6%
	191	100%

(Age range is 6-81 years old.)

**PRIMARY DIAGNOSIS CATEGORY:**

	freq.	percent
MH DISORDER	136	71%
ALCOHOL DISORDER	15	8%
OPIOID DRUG DISORDER	24	13%
DRUG DISORDER (Non-Opioid)	15	8%
COGNITIVE/ DD DIS	1	0.5%
	191	100%

**SUBSTANCE ABUSE DX on any priority level:**

TOTAL = 81 Represents 42% of the 191 Total Individuals

**COGNITIVE/DD DX on any priority level:**

TOTAL = 11 Represents 5.8% of the 191 Total Individuals

### SCTR - CUMULATIVE STAT REPORT - FEB 13, 2017 - SEP 30, 2018

**TOTAL # VISITS = 4182**      *number of Registrations (openings) for the cumulative time period*  
 (Total registrations for SU 1110 SCTR = 2679; Total for SU 1120 Sobering/Detox = 1503)

**UNDUP. # IND. REG. = 2520**      *unduplicated number of individuals who were opened*

**SERVICE VOLUME = 9602**      *number of services provided, entered in Cerner*

For the 2520 Individuals Registered:

**GENDER**

	freq.	percent
FEMALE	1190	47%
MALE	1330	53%
	2520	100%

**AGE in years:**

	freq.	percent
0-12	140	6%
13-17	290	12%
18-21	226	9%
22-39	1013	40%
40-59	663	26%
60 +	188	7%
	2520	100%

(Age range is 5-92 years old.)

**PRIMARY DIAGNOSIS CATEGORY:**

	freq.	percent
MH DISORDER	1662	66%
ALCOHOL DISORDER	362	14%
OPIOID DRUG DISORDER	332	13%
DRUG DISORDER (Non-Opioid)	155	6%
COGNITIVE/ DD DIS	9	0.4%
	2520	100%

**SUBSTANCE ABUSE DX on any priority level:**

TOTAL = 1190 Represents 47% of the Total 2520 Individuals

**COGNITIVE/DD DX on any priority level:**

TOTAL = 100 Represents 4% of the Total 2520 Individuals

**SCTR -- RESIDENCE PROFILE**

**INDIVIDUALS REGISTERED FEB 13, 2017 - SEP 30, 2018 (N = 2520)**

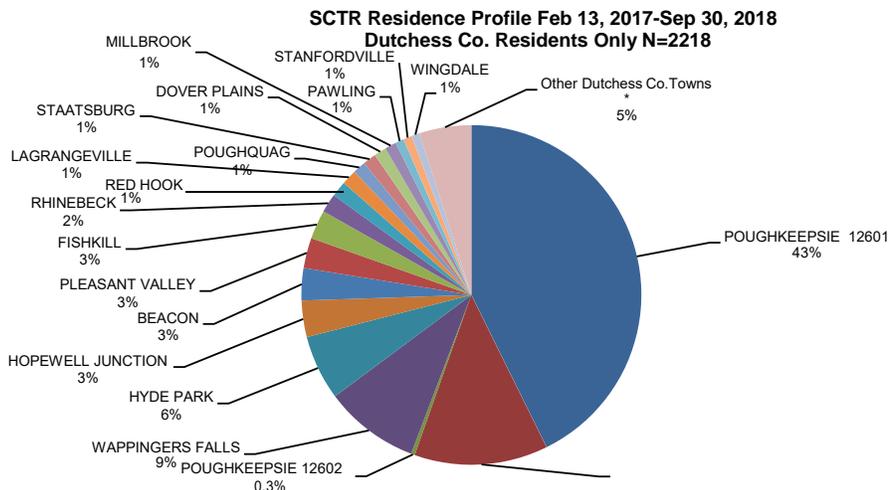
**RESIDENCE SUMMARY:**

	<u>freq.</u>	<u>percent</u>
<b>DUTCHESS CO.</b>	<b>2218</b>	<b>88%</b>
ULSTER CO.	119	5%
ORANGE CO.	55	2%
PUTNAM CO.	32	1%
OUT-OF-STATE (CT; PA; RI; NJ; CA)	22	1%
WESCHESTER CO.	17	1%
COLUMBIA CO.	12	0.5%
Other NY Counties*	45	2%
	<hr/>	<hr/>
(*Suffolk, Greene, Sullivan, Rensel.etc.)	<b>2520</b>	<b>100%</b>

**DUTCHESS COUNTY TOWNS (N=2218)**

	<u>freq.</u>	<u>percent</u>
POUGHKEEPSIE 12601	947	43%
POUGHKEEPSIE 12603	282	13%
POUGHKEEPSIE 12602	8	0.4%
WAPPINGERS FALLS	201	9%
HYDE PARK	137	6%
HOPEWELL JUNCTION	77	3%
BEACON	68	3%
PLEASANT VALLEY	64	3%
FISHKILL	61	3%
RHINEBECK	40	2%
RED HOOK	33	1%
LAGRANGEVILLE	32	1%
POUGHQUAG	27	1%
STAATSBURG	28	1%
DOVER PLAINS	26	1%
MILLBROOK	24	1%
PAWLING	18	1%
STANFORDVILLE	18	1%
WINGDALE	17	1%
Other Dutchess Co.Towns *	110	5%
	<hr/>	<hr/>
	<b>2218</b>	<b>100%</b>

(\*Nine or fewer from: Amenia, Barrytown, Clinton Cnrs, Holmes, Millerton, Milan, Stormville, Tivoli, Verbank, Wassaic, etc.)



## EXHIBIT II - Expenditures Reported by Capital Fund

**Account H0368** – Resolution 206183, dated July 11, 2006, authorized the issuance of \$9,029,120 in serial bonds to pay the cost of construction of additions to, and reconstruction of *various county buildings*. Additional funding was added via Resolution 206217, dated September 11, 2006, totaling \$2,312,380.

\$1,958,000 from Resolution 206183 was estimated for use on HVAC systems and components for the Airport Terminal Building, the Social Services Building, the Loop Bus Facility, the Sheriff's Building, the 1986 Jail Facility, and 47 Cannon Street.

An additional \$1,046,000 from Resolution 206217 was authorized for HVAC improvements as well. This included additional funds for the Airport Terminal Building, the Social Services Building, the Sheriff's Building, and 47 Cannon Street.

As shown below, a portion of the HVAC costs were charged to Account H0368 (\$832,813.14), with the remaining costs (\$704,346.01) paid from Account H0486.

Vendor/Purpose	Terms/Explanation of Amendments, Assignments & Purchases	Contract or invoice totals	Total Expended
<b>Ashley Mechanical, Inc.</b>	Term: 6/30/16-6/21/17		
(HVAC Construction)	Original amount	\$979,500.00	
<i>Amendment 1</i>	Change orders	24,316.11	
<i>Amendment 2</i>	Change orders	493,099.20	
<i>Amendment 3</i>	Change orders	40,243.84	
<i>Amendment 4</i>	Term extension to 6/21/17	0	
	<b>Final Total</b>	<b>\$1,537,159.15</b>	<b>\$832,813.14</b>

**Account H0463** - Resolution 2014123, dated June 9, 2014, authorized the issuance of bonding for **asbestos abatement** and related costs at the Mental Hygiene Facility, at a maximum estimated cost of \$404,000.

A review of the payments for this bond follows:

Vendor	Purpose	Contract Term	Total Expended
Greenleaf Environmental Services, LLC	On-call abatement and/or remediation of asbestos, lead, microbiological contaminated structures	8/7/15-8/6/17	\$34,594.88
Jupiter Environmental Services, Inc.	Asbestos abatement	4/4/16-6/17/16	\$308,436.52
Quality Environmental Solutions & Technologies, Inc. (QUEST)	As needed asbestos abatement project visual inspections, one-time service for A Wing air sampling	4/25/13-12/31/15	\$2,072.00
Quality Environmental Solutions & Technologies, Inc. (QUEST)	On-call surveying and testing of hazardous materials	8/15/14-12/31/17	\$14,525.00
Quality Environmental Solutions & Technologies, Inc. (QUEST)	Asbestos/lead surveying, sampling, testing, asbestos abatement project design and project management, project air monitoring for A Wing, B Wing, and Multipurpose Room	12/20/15-7/1/16	\$36,730.50
Quality Environmental Solutions & Technologies, Inc. (QUEST)	On-call surveying, sampling, testing and reporting hazmat design, project management and air monitoring.	12/17/15-12/19/18	\$2,622.50
Morris Associates, PLLC	On-call professional services for the development of scope, effort level and cost for specific tasks.	6/21/13-6/1/17	\$874.93
GK Contractors, LLC	Asbestos abatement	9/29/14-1/31/15	\$2,062.59
Bond Issuing Costs	Legal ads, issuing costs, analytical services and bond counsel fees		\$1,426.87
Miscellaneous Expenses	Ads for bidder notices and plumbing/hardware equipment and supplies		\$653.62
	H0463 Total Paid		\$403,999.41
*Interfund Adjustment	H0463.1629.9000		\$0.59
	<b>Final Total</b>		<b>\$404,000.00</b>

**Account H0486** - Resolution 2015264, dated December 3, 2015, authorized the issuance of bonding for the cost of the reconstruction of 230 North Road, including the establishment of the Dutchess County Stabilization Center, at a maximum cost of \$4,848,000.

Vendor	Purpose	Contract Term	Total Expended
Swartz Architecture, DPC	Professional services for design, construction documents & construction administration for A Wing, B Wing, and Multipurpose Room	1/15/16 - 1/15/17	\$297,807.00
Swartz Architecture, DPC	On-call professional architectural services for individual assignments (Phase 2)	11/13/15 - 11/12/18	\$12,100.00
Meyer Contracting Corp.	Building renovation	6/10/16 - 3/8/17	\$1,607,866.92
Dutchess Mechanical, Inc.	Plumbing work	6/10/16 - 1/31/17	\$276,160.50
Ashley Mechanical, Inc.	HVAC Construction	6/30/16 - 6/21/17	\$704,346.01
J&J Sass Electric, Inc.	Electrical work	6/10/16 - 1/31/17	\$833,726.24
Unlimited Technology, Inc.	Project under NYS contract to provide and install new wall field system, wing badging station, and access-controlled doors	5/1/16 - 4/15/17	\$122,389.17
Global Industries, Inc.	Purchase orders under NYS contract to provide furniture		\$100,470.99
Global Industries, Inc.	Purchase order under NYS for chairs		\$2,495.96
Arnoff Moving & Storage	Delivery, pickup, and rental of 40" ground container	4/6/16 - 2/28/17	\$1,550.00
PSH Corp d/b/a John Herbert Company	On-call removal of existing and installation of new carpet	9/1/13 - 2/28/18	\$7,095.00
BSB Construction, Inc.	On-call services for asbestos, lead and microbiological abatement/remediation for individual assignments.	3/15/16 - 3/14/19	\$19,684.00
BSB Construction, Inc.	On-call asbestos, lead and microbiological abatement/remediation	1/15/16 - 12/31/16	\$3,237.88
Sandhu Contracting, Inc.	On-call commercial/industrial general contractor construction renovation and repairs for various county facilities	11/1/15 - 10/31/17	\$22,153.60
Advanced Window Solutions, LLC	Installation of Llumar R-20, Llumar DR15, & perforated vinyl window film	3/22/17 - 5/15/17	\$8,591.00
Kenny's Carpet One	Installation of blinds	2/15/17 - 6/30/17	\$4,061.25
Jupiter Environmental Services, Inc.	Asbestos abatement	4/4/16 - 6/17/16	\$23,529.48
Quality Environmental Solutions & Technologies, Inc. (QUEST)	Surveying, sampling, testing, and reporting hazardous materials; hazmat abatement design & project management; project air monitoring	12/17/15 - 12/19/17	\$400.00
Hudson Valley Office Furniture, Inc.	Shelving		\$10,684.72
Hudson Valley Office Furniture, Inc.	Purchase order under NYS for four way posts		\$208.00

**Account H0486 (Continued)**

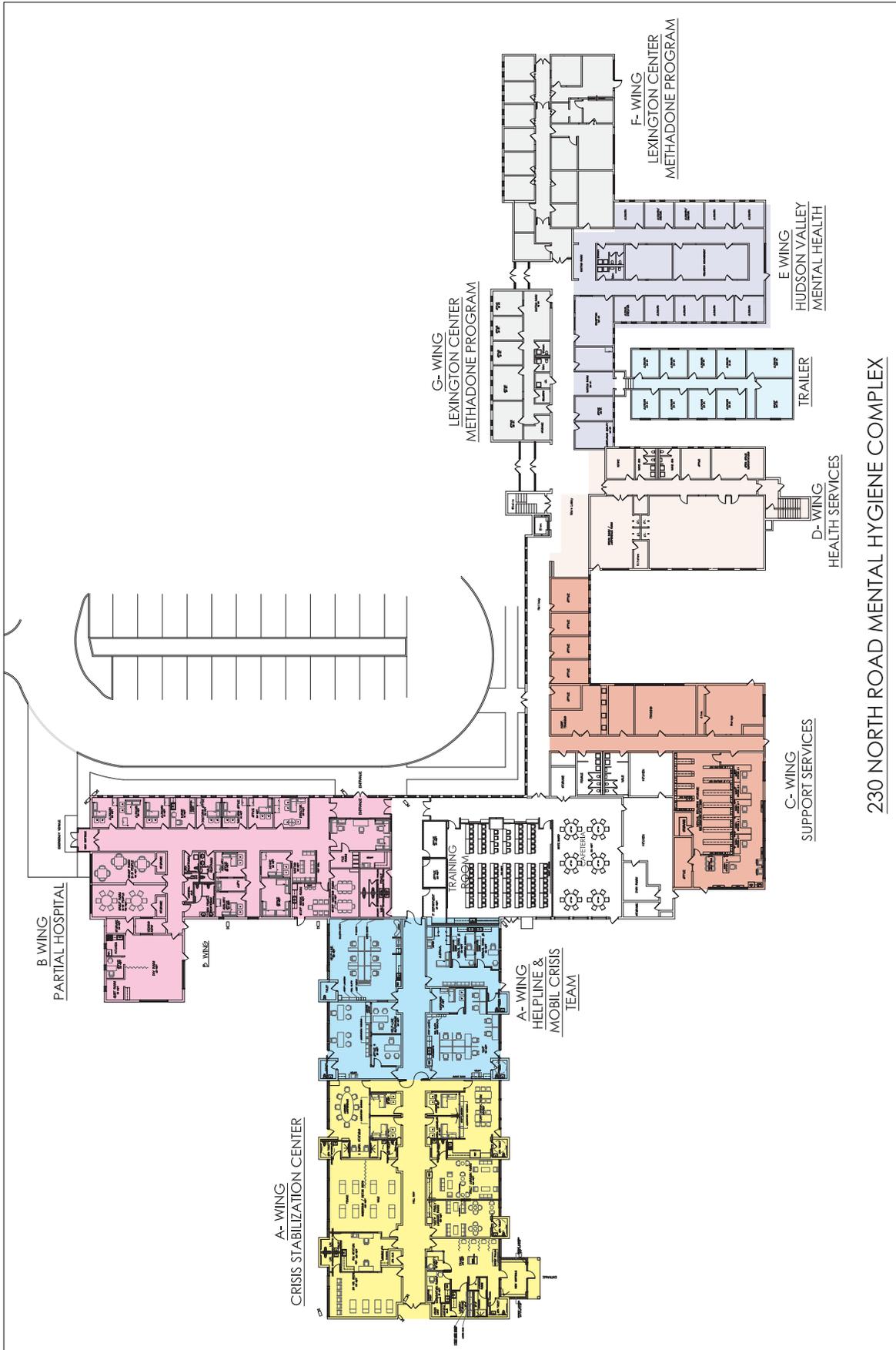
Vendor	Purpose	Contract Term	Total Expended
Audio Visual Sales & Service, Inc.	Purchase order under NYS for A/V Equipment	10/24/16 - 12/31/16	\$24,554.36
Peckham Materials Corp.	Rental of machinery and equipment as needed	4/1/16 - 3/31/17	\$5,700.00
Peckham Materials Corp.	Purchase of hot mix asphalt for as needed		\$4,547.42
Logiflex	Purchase order under NYS for purchase and assembly of furniture		\$27,676.95
One Time Carpentry	On-call services for construction, renovation and repairs	11/1/15 - 10/31/18	\$2,494.00
Commercial Instruments & Alarm Systems, Inc. (CIA)	On-call repair services to security alarm systems	1/1/15 - 12/31/16	\$2,146.25
Commercial Instruments & Alarm Systems, Inc. (CIA)	Installation of new intrusion detection system	2/15/17 - 6/30/17	\$9,667.68
International Bronze Plaque Co.	Dr. Glatt bronze plaque		\$1,990.00
Excalibur General Contractors, Inc.	As needed general contractor construction, renovation and repair	11/1/15 - 10/31/18	\$20,293.00
Vinco Builders, LLC	On-call general contractor construction, renovation and repair with work not limited to windows, doors, roofs, ceilings, etc.	11/1/15 - 10/31/18	\$7,176.72
C & S Architects Engineers & Landscape Architect, PLLC	On-call professional architectural and engineering services, A/V installation in training room	11/13/15 - 11/12/18	\$2,600.00
Mayline	Purchase order under NYS for purchase, delivery and installation of furniture		\$40,252.98
Expanded Supply Products, Inc.	Catch basin and related supplies		\$1,068.50
Home Depot Credit Services	Miscellaneous washers, dryers, tools, hardware, etc.		\$10,232.76
J&J Sass Electric, Inc.	On-call commercial/industrial electrical contractor for construction, renovation and repairs	1/1/16 - 12/31/18	\$3,228.46
JD Johnson Co., Inc.	Plumbing parts and supplies		\$1,170.81
S & O Construction Services, Inc.	Refrigerator/cooler replacement	10/4/17 - 12/21/17	\$36,100.00
United Refrigeration, Inc.	HVAC heating and air conditioning parts and supplies		\$9,295.52
Grainger	Purchase order under NYS for the purchase of building hardware, tools, tarps, ladders etc.		\$6,812.16
Morris Associates, PLLC	On-call professional services for the development of scope, effort level and cost for specific tasks, E Wing Modular HVAC, C Wing File Room HVAC	6/21/13 - 6/1/17	\$6,914.78
ScreenFlex Portable Partitions, Inc.	Partitions		\$1,672.17
Storeroom Purchases	Toilet paper dispensers		\$2,347.38
Bond Issuing Costs	Legal ads, issuing costs, analytical services and bond counsel fees		\$38,386.67
Miscellaneous Expenses	Ads for bidder notices, plan printing materials, refuse removal, concrete and miscellaneous electrical, plumbing, hardware products, equipment & supplies		\$6,889.44
<b>FINAL TOTAL</b>			<b>\$4,331,775.73</b>

## Operational Expenditures

Operational expenses were reported in the appropriation accounts. Expenses from Department A1620 (DPW Buildings) were typically building related expenses.

Vendor	Description	2016	2017	2018
Commercial Card Solutions	Computer items	\$2,266.74		
	Computer and office items	\$1,785.75		
Flags for America	Dutchess County flag		\$110.00	
Southern Computer Warehouse, Inc.	Phased Laptops - Lenovo Thinkpad (4)	\$3,056.68		
	Phased Laptops - Lenovo 3 year onsite (4)	\$401.52		
Enterprise Technology Solutions	Phased Replacement Monitors (28)	\$3,496.64		
Computech International, Inc.	Signature pads (5)	\$1,850.65		
CMS Communications, Inc.	Network Equipment - Cisco Stackwise (2)	\$357.88		
	Network Equipment - Various items, Cisco expansion module (3)	\$9,826.28		
Netlocity VA, Inc.	Document Scanner (3)	\$2,382.36		
GovConnection, Inc.	Equipment - Desktop TC M700 (14)	\$7,518.00		
Jefri Woe d/b/a Hujaya Supply, LLC	Network Switches with warranty (6)	\$40,989.00		
Acoustimac, LLC	Acoustic Panels for sound deadening		\$3,148.71	
HP, Inc. (Formerly Hewlett-Packard)	Laptop			\$598.67
Annesse & Associates, Inc.	Phones	\$11,946.00		
B&H Foto Electronics d/b/a B&H Photo Video	Samsung TV and Sony DVD Player		\$430.22	
	<b>Annual Totals</b>	<b>\$85,877.50</b>	<b>\$3,688.93</b>	<b>\$598.67</b>
	<b>GRAND TOTAL</b>			<b>\$90,165.10</b>

# EXHIBIT III - 230 North Road Site Plan



230 NORTH ROAD MENTAL HYGIENE COMPLEX

## EXHIBIT IV - Department Response

MARCUS J. MOLINARO  
COUNTY EXECUTIVE



ROBERT H. BALKIND, P.E.  
COMMISSIONER

DAVID C. WHALEN  
DEPUTY COMMISSIONER

### COUNTY OF DUTCHESS DEPARTMENT OF PUBLIC WORKS

October 23, 2018

Robin Lois, Comptroller  
County Office Building, 4<sup>th</sup> Floor  
22 Market Street  
Poughkeepsie, NY 12603

RE: Audit of Dutchess County Reconstruction and Expansion of 230 North Road, Poughkeepsie, NY

Dear Comptroller Lois:

DPW offers the following response to the Draft Audit of Dutchess County Reconstruction and Expansion of 230 North Road, Poughkeepsie, NY. I wish to thank you and your staff for conducting a thorough audit. While collecting data from and interviewing DPW personnel your staff demonstrated professionalism and respect throughout the process. The capital project to reconstruct and improve the facility at 230 North Road was commenced under the former DPW Commissioner's leadership and was completed under my oversight. The Department faced many challenges during design and construction of this complex reconstruction project. The Department and its design consultant did not enjoy the benefit of building record plans, and the scant information on file for this building did not reflect actual conditions of the building structure or mechanical systems that were present prior to the reconstruction work. Other significant challenges included the widespread presence of asbestos containing materials throughout the project area and occupancy of the project area by a health service provider. These conditions severely limited the design consultant's ability to thoroughly examine the existing building conditions as plans and specifications were developed.

Your audit report stated that "Since the [Stabilization] Center has been open for less than two years, it is premature to analyze its impact on diversion." While I agree that it may be premature to identify long-term trends in the Stabilization Center's impact on diversion, it is clear that a significant number of individuals who were brought to the Stabilization Center for treatment during a mental health or substance abuse crisis would more than likely have been brought to a local hospital or would have been booked into the criminal justice system. The Stabilization Center in concert with many other intervention and preventative initiatives and programs developed by Dutchess County and other local partners has been successful in diverting many individuals away from the criminal justice system and area hospitals, and towards needed treatment and assistance programs.

Regarding your Observations/Findings on oversight of the project, it is not disputed that the overall cost of the work to design and construct Phase I and Phase II of the 230 North Road campus was underestimated. However I do not believe that this was the result of a "Lack of full due diligence regarding the level of judgement, care, prudence, and determination that would reasonably be expected..." as your report states. Rather, the Department, through its design consultant attempted to perform the requisite investigations to clearly understand the existing building conditions prior to the reconstruction project. In some instances, this was simply not possible for the following reasons: the presence of asbestos prevented the design consultant from performing destructive or invasive testing and observations, a large portion of the project area was occupied by a health service provider that prevented the design consultant from performing

626 Dutchess Turnpike, Poughkeepsie, New York 12603

[www.dutchessny.gov](http://www.dutchessny.gov)  
Page 1 of 2

destructive testing of the non-visible portions of the building, and record plans for the building either did not exist or did not accurately reflect the existing building conditions and systems within the project area. As a result of limited information about the building's structure and systems, it was extremely difficult to account for the many unknown conditions as plans and specifications were developed. Your recommendations suggest that the Department should exercise greater diligence in obtaining the required information about a building prior to developing plans and specifications for a capital improvement project. I agree with this recommendation whenever possible, however you should note that in many instances it is simply not possible to obtain all of the desired information about a building.

Additionally, the construction phase of this project was only one part of many programmatic pieces that had to come together at the same time. It was important that construction on Phase 1 continue, as our agency partners Astor, MARC, and People, Inc. were hiring staff and beginning to train while DSRIP funded positions were being recruited at the same time the department was filing all of the licensing requirements and paperwork necessary with OASAS and OMH. If the project was delayed, multiple agencies would have been negatively impacted.

Regarding consultant selection for the planning and design of the reconstruction project, your report identified that one of the top-scoring firms was not included on a memo forwarded from the former DPW Commissioner to the Legislature's Architect, Engineer and Construction Management Consultant Selection Committee. I am not aware of why this occurred however the DPW rating committee carefully reviewed each proposal and the former Commissioner, acting under her authority as the County's procurement officer for capital projects, forwarded the four preferred candidates to the Legislature for consideration. While your report noted that the consultant with the highest cost was selected, this selection was vetted by the DPW Commissioner and the Legislative Committee charged with making a recommendation to the County Executive.

Since Phase I of this project was completed, the Department implemented a new policy effective April 20, 2018 to improve its process for establishing a clear project scope and estimating total project costs before a funding request is presented for consideration to the Legislature. I am confident that this new Capital Projects – Buildings Policy will address many of the items noted in your audit report.

In closing, the audit appears to be comprehensive and the fiscal data appears to be accurate. Thank you for the opportunity to offer this response to the Dutchess County Reconstruction and Expansion of 230 North Road, Poughkeepsie, NY Draft Audit.

Sincerely,



Robert H. Balkind, P.E.  
Commissioner

- c: D. Whalen, DPW Deputy Commissioner
- C. Boston, DPW Building Design Administrator
- M. Aldrich, DPW Director of Budget and Finance

**OFFICE OF THE DUTCHESS COUNTY COMPTROLLER**  
*ROBIN L. LOIS, COMPTROLLER*

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POUGHKEEPSIE, NEW YORK 12601

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