



**COUNTY OF NASSAU
DEPARTMENT OF PUBLIC WORKS**
1194 PROSPECT AVENUE
WESTBURY, NEW YORK 11590-2723

JUN 17 2008

June 10, 2008

Great Neck Water Pollution Control District
236 East Shore Road
Great Neck, New York 11023

Att: E. Jane Rebhuhn, Commissioner
Deena Lesser, Commissioner
Jerry Landsberg, Commissioner

Re: Sewage Flow Diversion

Gentlemen:

We are in receipt of your letter dated May 22, 2008. We were disappointed to read of your decision to discontinue any further discussions regarding possible diversion of sewage from the District's Sewage Treatment Plant to the County's facility. As your proposed project to upgrade your plant entails significant capital costs (not to mention the loss of approximately \$15 million of grant funding) and as diversion proposes potential significant environmental benefits, we believe a full and complete dialog regarding diversion, including an analysis of the costs, is in all of our best interest.

At the conclusion of our meeting of May 21, 2008, we believed that progress had been made in reconciling the construction cost differences. As you are aware, the sewage diversion project is comprised of two main components, the sewage pumping station and the force main. As it regards the sewage pumping station, we believed that as a result of discussions at the meeting, we all generally agreed as to the approximate value of the construction cost for the pump station. The following summarizes the recent construction cost estimates for the pump station component of the diversion project (earlier cost estimates are escalated to 2008 costs):

Sewage Pump Station Construction Cost Estimates

<u>Firm/Client</u>	<u>Cost Est (Est Date)</u>	<u>2008 Cost Est</u>	<u>Contingency</u>	<u>Total Cost Est</u>
Nautilus/GNWPCD	\$9,692,583 (2008)	\$9,692,583	\$2,907,775	\$12,600,358
MPI-D&B/County	\$10,000,000 (2007)	\$10,350,000	\$1,035,000	\$11,385,000
Cosulich/GNWPCD	\$10,940,000 (2006)	\$11,719,202	(included)	\$11,719,202

Regarding the force main component of the project, as agreed at the meeting, we have prepared a summary of the Nautilus/GNWPCD construction cost estimate as compared with the estimate prepared by the Department of Public Works (see attached). You should note that for the single item of highest cost, the 30" diameter ductile iron pipe, both estimates are in general agreement. However, we find that there are several general site work items which have significant cost differences. These differences may be a result of your consultant's lack of understanding as it regards the Department's construction contract standard specifications. The County has completed or has in progress in excess of \$100 million (for years 2006 to 2008) of similar construction work (excavation, roadway construction, piping installation, etc.). By utilizing our extensive database of actual current contractor bid prices, we are able to develop highly accurate cost estimates. As such, it is recommended that your consultant reevaluate their estimated costs for the highlighted items indicated within the attached summary.

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The single largest cost difference between your consultants estimate and the Department's, is your consultant's use of a large contingency factor (30%). The use of such a large contingency factor is usually necessary when the project scope is not clearly defined and to also account for significant unforeseen conditions. As your consultant was able to develop a detailed unit price construction cost estimate, it is assumed that they have a clear understanding of the project scope. We would agree that there is the potential to encounter unforeseen subsurface conditions dependent upon the exact routing of the force main. As such, we have included a contingency of 5% in our cost estimate. This difference in contingency factors results in a \$9.2 million difference in the cost estimates. This difference is not based upon the actual scope of work, but rather the level of confidence that your consultant has in their estimate.

The following summarizes the recent construction cost estimates for the force main component of the diversion project (earlier cost estimates are escalated to 2008 costs):

Force Main Construction Cost Estimates

<u>Firm/Client</u>	<u>Cost Est (Est Date)</u>	<u>2008 Cost Est</u>	<u>Cost Per Lf of Force Main</u>
Nautilus/GNWPCD	\$45,273,992 (2008)	\$45,273,992	\$1,339.47
MPI-D&B/County	\$24,750,000 ¹ (2007)	\$25,616,250	\$757.88
Cosulich/GNWPCD	\$25,325,790 (2006)	\$27,129,619	\$802.65
DPW/County	\$25,781,303 (2008)	\$25,781,303	\$762.76

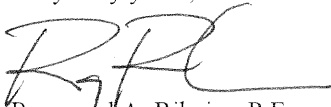
(1) Cost estimate adjusted for the use of 30" diameter ductile iron pipe.

As is readily apparent from the above, all of the force main construction cost estimates are consistent with the exception of the most recent estimate prepared by Nautilus Consulting on behalf of the Great Neck Water Pollution Control District.

It is hoped that based upon this additional information, you will reconsider your position to discontinue discussions regarding sewage flow diversion.

Should you have any questions or comments regarding the foregoing or wish to discuss this matter further, please contact the undersigned or Joseph L. Davenport, Deputy Commissioner of Public Works, at (516) 571-9604 or (516) 571-9608, respectively.

Very truly yours,



Raymond A. Ribeiro, P.E.
Commissioner of Public Works

RAR:JLD:las
Attachments

c: Hon. Thomas Dinapoli, NYS Comptroller
Hon. Craig Johnson, NYS Senator
Hon. Michelle Schimel, NYS Assemblywoman
Hon. Thomas R. Suozzi, County Executive
Hon. Jon Kaiman, Supervisor, Town of North Hempstead
Hon. Ralph Kreitzman, Mayor, Village of Great Neck
Ian R. Siegel, Deputy County Executive for Parks, Public Works and Partnerships
William Spitz, Regional Water Engineer, NYSDEC
Matthew Millea, NYSEFC

**Nassau County Department of Public Works
Sewage Flow Diversion**

Comparison of Construction Cost Estimates

Item Description	Nautilus/GNWPCD Constr Cost Est	Nassau County Dept of Public Works Constr Cost Est	Difference Above/(Below) Engineers Estimate
Mobilization With Trailer	0	800,000	(800,000)
Survey	400,171	300,000	100,171
MPT (incl traffic contrl, flagging, temp plates, etc.)	1,922,053	1,000,000	922,053
Saw Cut Pavement	522,277	983,580	(461,303)
Remove Pavement (Assume 11" Depth)	458,402	293,700	164,702
Temp Support Existing Utility Lines	910,389	0	910,389
Relocate Existing Utility Lines	384,780	0	384,780
Temp Sheeting & Bracing	475,896	80,000	395,896
Excavation (includes disposal of unsuitable mat'l)	2,856,870	2,234,556	622,314
Erosion Control	123,130	80,000	43,130
Backfill New	2,476,233	919,560	1,556,673
Backfill Rehandled	1,230,757	0	1,230,757
Crushed Stone Base	426,058	204,834	221,224
Manholes All Types (Assume 5 CY Per Unit)	339,653	92,025	247,628
Concrete Pavement (Assume 9" Depth)	1,788,410	1,117,200	671,210
Asphalt Pavement (Assume 11" Depth)	1,658,209	1,261,367	396,843
Curbs (including removal of existing)	1,275,065	608,400	666,665
Repaint Double Yellow Traffic Lines	5,141	500	4,641
Repaint White Traffic Lines	173,754	16,900	156,854
Ped Xing (Assume 200lf per Xing)	120,051	60,000	60,051
Restore Street Sidewalk	615,648	595,000	20,648
Pipe Jacking (incl mobilization, pits, demobil.)	2,279,745	1,400,000	879,745
Premium Time	2,308,680	0	2,308,680
30" DIP w/ Mechical Joint (incl fittings)	12,074,772	12,506,000	(431,228)
Sub-Total	34,826,145	24,553,622	10,272,524
Design Contingency (30%/5%)	10,447,844	1,227,681	9,220,163
Total	\$45,273,989	\$25,781,303	19,492,686