



February 12, 2015

Gary S. Bowitch, Esq.
Bowitch & Coffey, LLC
17 Elk Street
Albany, New York 12207

And

Hayley Carlock, Esq.
Scenic Hudson, Inc.
One Civic Center Plaza, Suite 200
Poughkeepsie, New York 12601

**Re: Proposal for Environmental Review Services
Scenic Hudson – Alternating Current Transmission Upgrades
Columbia and Dutchess Counties, New York
AECC Proposal Number: 15-034rev**

Dear Mr. Bowitch and Ms. Carlock:

AECC has prepared this proposal to perform limited environmental review services (endangered species and wetlands) associated with the proposed Alternating Current Transmission Upgrade project in Columbia and Dutchess Counties, New York. This proposal was created in response to your request for proposal, and addresses AECC's understanding of the scope of work, schedule, reporting, and fees.

PURPOSE

As we understand, there is a need and interest to review and assess natural assets and associated ecological services along the proposed transmission line corridor in these two counties and to evaluate potential impacts to significant natural communities including wetlands and state and federal listed plant and animal species that could result from the proposed transmission line upgrades. Our expertise in ecological and environmental assessments; public communication, education, and outreach; graphic design; and project management and coordination position us well to assist you with the objectives we discussed.

SCOPE OF SERVICES

Since the scope of services is not well-defined at this point in time, AECC is offering the following phased approach based on similar, completed projects. Each phase provides a more in-depth review. The Client can select which phases suit their needs.

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Task 1, Existing Conditions – Review and confirmation of ecological data provided in existing reports and contractor proposals within the proposed project area including: general description; maps and figures including aerial, land use/land cover, topography, soils, mapped state and federal wetlands, floodplains, location of state significant, natural communities, critical habitats, protected areas, and rare plants and animals; and a provide a summary of existing conservation plans/priorities at ecoregion, state, and local levels

Deliverables: One hard copy and one digital copy of existing conditions report

Task 2, Potential Impacts – Review, analysis and report of potential impacts associated with proposed transmission lines based on existing, available information developed in Task 1 above including: analysis of potential wetland impacts and associated loss of ecological services; identification and discussion of potential impacts to habitat possibly utilized by state and federal listed species including state and federal threatened and endangered species, migratory birds of concern, species of special concern, and critical habitats; interviews and coordination with private, state and federal conservation agencies and organizations; and analysis of the ways in which potential ecological impacts intersect with social and economic assets, plans and priorities in the region.

Deliverables: One presentation, one hard copy, and one digital copy of potential impacts report

Task 3, Draft Ecological Assessment – Targeted field assessments, onsite data collection, and key species surveys to advance, support, and / or confirm habitat and species presence and potential impacts reviewed in Task 2 above. Development and presentation of a draft final report, including a copy of field data, data analysis, reviews, conclusions, and professional opinions. Assumes 2 teams of 2 biologists spending up to three weeks in the field.

Deliverables: One hard copy and one digital copy of Draft Ecological Assessment Report

Task 4, Assistance with Comment Preparation – Assist with the review of findings in contractor proposals as they pertain to significant natural communities, critical habitats, mapped wetlands, and state and federal listed species and the development of comments and position statements.

Deliverables: One meeting to provide assistance with development of comments / position statements

Task 5, Final Ecological Assessment – Coordinate review by project partners and provide requested revisions (up to two rounds of revisions) to facilitate report review and final approval. Assumes one meeting and up to two revisions.

Deliverables: One presentation, five (5) hard copies, and five (5) digital copies of Final Ecological Assessment Report

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FEES

AECC will perform the described scope of services on a lump sum basis, in accordance with the following phased fee schedule:

- Task 1 - \$ 11,500
- Task 2 - \$ 20,000
- Task 3 - \$ 55,000
- Task 4 - \$ 2,500
- Task 5 - \$ 10,000

If additional assessment efforts are requested, a separate scope of services, schedule, and budget will be prepared and submitted for your approval.

Services will be billed in accordance with the attached Terms & Conditions and the assumptions listed below and in the attachment. All the terms and conditions attached to this proposal will be considered by both parties to be in effect from the effective date of the executed contract through completion of the project.

SCHEDULE

Work can begin immediately upon formal authorization of this proposal. Please let us know of any benchmark or deadline dates as they are finalized.

ASSUMPTIONS

The following assumptions were made in preparing this proposal:

1. The Client and the project team will provide appropriate, timely access to contacts and information and provide requested feedback necessary to complete the scope of services as scheduled.
2. All parties will make every effort to ensure timely answers to questions as related to the scope of services and progress.
3. All parties will inform each other immediately of any unforeseen changes, new developments, or other issues that affect and influence this project so necessary adjustments can be made.
4. Client will provide updated project information including project purpose, description of project, project details, and site design drawings in digital and hard copy versions.
5. Additional services outside the stated scope will require negotiation and written consent of both parties.

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LIMITATIONS

AECC offers a range of environmental consulting services to meet our Client's needs. Although risk can never be eliminated, more detailed and extensive investigations yield more information, which may help understand and manage the degree of risk. Since such detailed services involve greater expense, our clients participate in determining the level of service which provides adequate information for their purposes at acceptable levels of risk. We will perform our services in a manner consistent with the standards of care and skill ordinarily exercised by members of the profession practicing under similar conditions in the geographic vicinity and at the time the services will be performed. No warranty or guarantee, expressed or implied, is part of the services offered by this proposal, nor does it create any fiduciary responsibility to the client.

The following items are excluded from this proposal:

1. Site access coordination. Delays in site access may alter the proposed Schedule.
2. Interim, final review or progress meetings.
3. Geotechnical design, engineering, or investigation; site engineering; environmental consulting or engineering; traffic consulting or evaluation; wetlands delineation; utility identification, delineation, or investigation; storm water design, modeling, or sampling; hydrogeology investigations or design; noise sampling or mitigation; SEQRA, boundary, topographic, or site surveying; hazardous material testing (asbestos, lead paint, etc.), and architectural / engineering services, aside from those services not specifically included herein.
4. Permit applications or presentations to any municipal or regulatory agencies.

STATEMENT OF CONFIDENTIALITY / RELIANCE

This report may be used only by the Client for the purposes stated within a reasonable time from its issuance, but in no event later than one (1) calendar year from the date of the report. Land or facility use, on-site and off-site conditions, regulations, or other factors may change over time, and additional work may be required with the passage of time. Any party other than the client who wishes to use this report shall notify AECC of such intended use. Based on the intended use of the report, AECC may require that additional work be performed and that an updated report be issued. Non-compliance with any of these requirements by the Client or anyone else will release AECC from any liability resulting from the use of this report by any unauthorized party and client agrees to defend, indemnify, and hold harmless AECC from any claim or liability associated with such unauthorized use or non-compliance.

Provided the AECC's report is still reliable (as determined by AECC), AECC may issue a third-party reliance letter to a party that Client identifies in writing under the following conditions: that the third party, including Client's successors and assigns, by such reliance,

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(1) agrees in writing to be bound by the attached Terms and Conditions and (2) agrees to pay AECC's then-current fees for issuing such letters.

KEY PERSONNEL QUALIFICATIONS AND EXPERIENCE

Lead Ecologist – Sheila Hess

Ms. Hess works with communities, corporations, economic developers, and conservation organizations to integrate natural resource conservation into land use planning and economic development strategies. Sheila leverages her 18 years of experience in ecology, natural resource conservation and aquatic resource restoration and mitigation, along with the relationships she has developed, to create new opportunities for landscape level ecosystem restoration and protection. She facilitates collaborative and interdisciplinary problem solving processes and focuses on solutions that serve as catalysts for sustainable change. Sheila joined New York Green in 2011, a non-profit organization emphasizing sustainable growth and development, where she serves as Executive Director.

Ms. Hess works at regional and local levels to advance the integration of resilience into community and land-use planning. She participated extensively in the public review process that helped guide development of the Finger Lakes Regional Sustainability Plan, she serves on the Sustainability Workgroup for the Finger Lakes Regional Economic Development Council, and was successful in building a partnership that launched Green Genesee / Smart Genesee – one of the first Cleaner Greener Communities funded planning projects.

Ms. Hess holds the following certifications and technical training:

- Wetland / Stream Restoration and Mitigation
- Green Infrastructure and Landscape Design
- Watershed Assessment and Planning
- Wetland Classification, Assessment and Delineation
- Business Negotiation and Executive Leadership
- Geographic Information Systems (GIS) and Global Positioning Systems (GPS)
- Wildlife Trapping, Marking and Radio Telemetry
- Level I Firefighting Certification
- First Aid and CPR Certification
- Program Management
- Grant Writing

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Ms. Hess has served as lead ecologist for the following related projects:

Conesus Lake Watershed Stream Remediation Project

The goal of the project is the design, permitting, and construction of sustainable, long-term restoration / remediation measures along several priority stream reaches for the purpose of reducing delivery of excessive sediment loads to Conesus Lake. The project is coordinated by the Livingston County Planning Department and supported by several partners including the Towns of Conesus, Livonia and Geneseo, and the Village of Livonia. Subsequent to a Streambank Remediation Study conducted in 2005 and in accordance with the Conesus Lake Watershed Management Plan's purpose of improving lake water quality, the Livingston County Planning Department developed a Streambank Remediation Engineering Services project. These priority reaches occupy portions of five tributary streams draining to directly to Conesus Lake. Projects have been designed and are currently being permitted with construction planned for summer 2015. Services provided include:

- Assistance with geomorphological and ecological surveys and assessments
- Remediation design reviews and meetings with project partners and landowners
- Environmental review (SEQR) coordination including cultural resource and T&E species investigations
- Development of permit applications and coordination of permit reviews
- Presentations and completion of final reports

Green Genesee / Smart Genesee

The project is an innovative sustainable land use and energy conservation effort supported by a partnership that includes Genesee County Planning, Genesee County Economic Development Center, New York Green, and four municipalities: Towns of Batavia, Oakfield, Alabama, and the Village of Oakfield. Green Genesee is a county-wide road map that supplies a science-based, community-based tool for making sustainable land use decision in Genesee County; while Smart Genesee integrates sustainability through green infrastructure and energy conservation strategies into municipal comprehensive planning and land use regulation codes. Services provided include:

- Lead consultant coordinating all aspects of project execution including grant administration
- Review and analysis of existing conditions, collection of ecological and energy data
- Lead for community-based review and visioning
- Development and coordination of stakeholder groups and leadership plans
- Identification and analysis of key ecological features, creation of sustainability base maps
- Coordinate development of energy conservation strategies
- Development of GIS-based tool to identify key natural asset cores, hubs, corridors and create county eco-logical network maps, agricultural areas and outdoor recreation priorities

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- Coordination of comprehensive plan and zoning regulation updates
- Design of interpretive, educational and outreach materials
- Presentations and completion of final reports

CLOSING

If you have any questions pertaining to this proposal, please do not hesitate to call. We thank you for the opportunity to provide AECC's professional environmental services and look forward to working with you on this project.

Sincerely,
Asbestos & Environmental Consulting Corporation



Richard D. "Rico" McKenna
Project Manager

Attachments: Proposal Acceptance & Authorization
 AECC Terms & Conditions

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PROPOSAL ACCEPTANCE AND AUTHORIZATION

By signing below, the Client understands the scope of work, fee structure, and Terms & Conditions associated with this proposal (AECC Proposal Number: P15-034rev).

By: _____

Company: _____

Title: _____

Date: _____

CLIENT/BILLING INFORMATION

The invoice should be mailed to the following:

Name: _____

Company: _____

Address: _____

Phone Number: _____ Fax Number: _____

Purchase Order Number (if applicable): _____

ASBESTOS & ENVIRONMENTAL CONSULTING CORPORATION (AECC)
TERMS & CONDITIONS

1. **Services.** This Agreement is entered into between Client and Asbestos & Environmental Consulting Corporation ("Consultant") wherein Client engages Consultant to provide professional services ("Services") in connection with the project described in the proposal ("Project") to which these Terms & Conditions are attached. Client agrees that services not specifically described in the Scope of Services identified in Consultant's proposal are not the responsibility of the Consultant. This Agreement, including the contents of the proposal and the Terms & Conditions, represents the entire Agreement between the parties and supersedes any and all agreements between the parties, either oral or in writing, including any purchase or work order issued by Client.
2. **Payment.** Client shall pay invoices within fifteen (15) days of receipt. Invoices not paid within fifteen (15) days of the invoice date shall be subject to a late payment fee of 1½% per month from the date of invoice. For municipal Clients in New York State, late payment fees shall be incurred up to 9% annually.
3. **Work Product.** Services provided under this Agreement, including all reports, information, recommendations, or opinions ("Reports") prepared or issued by Consultant, are for the exclusive use and benefit of Client or its agents in connection with the Project, are not intended to inform, guide or otherwise influence any other entities or persons with respect to any particular business transactions, and should not be relied upon by any entities or persons other than Client or its agents for any purpose other than the Project. Client will not distribute or convey such Reports to any other persons or entities without Consultant's prior written consent which shall include a release of Consultant from liability and indemnification by the third party. Consultant's Reports, field data, drawings, test results and other work products are part of Consultant's professional services, do not constitute goods or products and are copyrighted works of Consultant. However, such copyright is not intended to limit the Client's use of its work product in connection with the Project.
4. **Standard of Care.** Consultant will strive to perform the Services in a manner consistent with that level of care and skill ordinarily exercised by members of the Consultant's profession practicing in the same locality under similar circumstances at the time the services are performed. This Agreement creates no other representation, warranty or guarantee, express or implied.
5. **Limitation of Liability.** Consultant's potential liability to Client and others is grossly disproportionate to Consultant's fee due to the size, scope, and value of the Project. Therefore, unless Client and Consultant otherwise agree in writing in consideration for an increase in Consultant's fee, Client, including its directors, officers, partners, employees, agents, contractors and their respective assigns, agree to limit Consultant's liability (whether arising from contract, statutory violation or tort) to the greater of \$25,000 or the amount of Consultant's fee. This limitation of liability shall apply to all phases of Services performed in connection with this Project, whether subsequent to or prior to the execution of this Agreement. In no event shall Consultant be liable for consequential, incidental or special damages.
6. **Certifications.** Consultant shall sign certifications only if (a) Consultant approves the form of such certification prior to the commencement of Services, (b) such certification is included in Consultant's Services, (c) the certification is limited to a statement of professional opinion and does not constitute a warranty or guarantee, express or implied. Any certification shall not relieve any entity of its obligations.
7. **Samples.** All samples shall remain the property of the Client. Consultant shall preserve samples obtained no longer than sixty (60) days after the issuance of any document that includes the data obtained from those samples. After that date, Consultant may dispose of the samples.
8. **Client Responsibilities.** Client shall bear sole responsibility for (a) overall jobsite safety; (b) notifying third parties including any governmental agency or prospective purchaser, of the existence of any hazardous or dangerous materials located in or around the Project site; and (c) providing and updating Consultant with accurate information regarding existing conditions, including the existence of hazardous or dangerous materials, proposed Project site uses, the correct location of Project property boundaries, any change in Project plans, and all subsurface installations, such as pipes, tanks, cables and utilities within the Project site. Client shall cooperate with all requests by Consultant, including obtaining permission for access to the Project site. Client releases Consultant from liability for any incorrect advice, judgment or decision based on inaccurate information furnished by Client or others. If reasonable precautions will be inadequate to prevent foreseeable bodily injury or death to persons resulting from a material or substance, including hazardous materials, encountered on the site, Consultant shall immediately stop work in the affected area and report the condition to Client.
9. **Electronic Media.** Because data stored on electronic media can deteriorate undetected or be modified without Consultant's knowledge, the Client accepts responsibility for the completeness or readability of the electronic media after an acceptance period of 30 days from delivery of the electronic files.
10. **Indemnification.** To the fullest extent permitted by law, Client, including its directors, officers, partners, employees, agents, contractors and their respective assigns, agrees to indemnify, defend, and hold harmless Consultant, its directors, officers, employees and subcontractors from and against all claims, liability, damages, or expenses ("Claims") arising out of, in connection with or relating to any alleged act, failure to act, or other conduct of Consultant, including but not limited to, Claims alleging the negligence or other fault of Consultant, but specifically excepting Claims arising out of Consultant's sole negligence or willful misconduct. Client shall indemnify Consultant even if Client is partially or wholly without fault for such Claims.
11. **Attorneys' Fees.** Client agrees to pay upon demand all of Consultant's costs and expenses, including Consultant's reasonable attorneys' fees and disbursements, incurred in connection with the enforcement of this Agreement.
12. **Changed Conditions.** If during the course of performance of this Agreement conditions or circumstances are discovered which were not contemplated by Consultant at the commencement of this Agreement, Consultant shall notify Client of the newly discovered conditions or circumstances, and Client and Consultant shall renegotiate, in good faith, the terms and conditions of this Agreement. If amended terms and conditions cannot be agreed upon within thirty (30) days after notice, Consultant may terminate this Agreement and Consultant shall be paid for its services through the date of termination. This shall include weather related conditions.
13. **Governing Law and Venue.** This Agreement will be governed by the laws of the State of New York. If any term herein is deemed unenforceable, the remainder of the Agreement shall remain in full force and effect. If there is a lawsuit, Client hereby submits to the jurisdiction of the courts of and located within in Onondaga County, New York. Nothing herein shall affect the right of the Consultant to bring any action or proceeding against the Client or its property in the courts of any other jurisdiction.
14. **Additional Provisions.** Neither party may assign its interest in this Agreement without the prior written consent of the other. Any modification to this Agreement will be effective only if it is in writing signed by the party to be bound, except that if Consultant has performed services in reliance on Client's verbal approval to proceed, Client shall be bound by such verbal approval. One or more waivers of any term, condition or covenant by either party shall not be construed as a waiver of any other term, condition or covenant. This Agreement may be signed in counterpart.