



*The Voice of Long Island's  
Highway & Infrastructure Professionals*

# Annual Report 2 0 1 0

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# 2010 Annual Report

It would not be an understatement to suggest that 2010 has been the most challenging year ever faced by the heavy construction industry tasked with building our nation's roads and bridges. Unlike the Great Depression, when dollars spent brought about a renaissance in public works construction that continues to serve our democracy, this economic cycle has seen infrastructure distorted as a mean-spirited political litmus test. This bizarre trashing of our infrastructure needs caught public works advocates and government officials totally off guard since it has been obvious for 75 years exactly what enormous benefits public construction has accomplished on behalf of our society.

As a result, LICA and its allies, such as the Public Works Alliance, have made common cause in the defense of the taxpayer's largest investment: the construction and maintenance of the public work projects that bind our economy together. We have used every medium available to us to tell that story and we have sought to make elected officials publicly accountable for supporting the infrastructure projects crucial to the economy, our region and our industry. We have responded to this crisis in a calculated manner, employing new social media, taking to the streets when appropriate and providing unprecedented endorsements to those public officials who appreciate that our public infrastructure is at terrible risk.

If you wish to know where LICA will be in 2011, it is best to look back at 2010 and see our insistence on accountability, responsibility and action. In the months to come this drum beat of advocacy on behalf of public works will increase across the bi-county region and throughout the state as we expand and strengthen our alliances on behalf of the taxpayers' infrastructure.

## A Mock Funeral Procession Led by Our County Executives

On a rare sunny winter morning, the mood of hundreds of frustrated construction workers assembled to protest the grim state of the construction industry couldn't have been any darker.

At its height, the year's unemployment rate was 35% among Long Island's construction workers. In response, the Long Island Contractors' Association and the Long Island Federation of Labor staged a mock funeral procession to symbolize the dire condition of the region's construction trades. The procession started in Hauppauge where Suffolk County Executive Steve Levy addressed the crowd, and concluded in Hicksville where the workers were

met by Nassau County Executive Ed Mangano, with both elected officials demonstrating solidarity with the organizers.

"Almost ten months later, the imagery is still as serious as ever, reflecting a dying industry, one that has historically been used to jump start a lagging economy, and now there are no significant dollars being made available to start projects that would prime the economic pump," stated Marc Herbst, Executive Director of the Long Island Contractors' Association (LICA).

### Continuing the fight...

County Executives Steve Levy and Edward Mangano have since continued to fight for funding, recently joining forces to announce their bid for \$3 billion of the \$8.7 billion in federal transportation funding that was abandoned by New Jersey's Governor Christie after he cancelled the creation of the Hudson River rail tunnel, one of the most important transportation public works projects in a generation.

Just as he did during the funeral procession, Herbst has sustained his call for legislation that would forbid the state from looting public funds that had been exclusively set aside for road and bridge repair, and to forbid the transfer of funds from capital budgets intended to build and repair crumbling infrastructure to pay for routine operational expenses.

"Over 11,100 jobs have been lost in this industry alone." stated Herbst.



# A Lame Duck's Parting Shot at the Taxpayer



Governor David Paterson's decision to halt funding for all state public works projects during 2010 remains one of the most damaging policies ever enacted by a chief executive of the State of New York. His actions brought a rising sense

of outrage not only from within the state's construction trades but from every taxpayer who depends on safe and well maintained roads and bridges. Unfortunately, Mr. Paterson's decision to freeze payments impacted the

\$29-million Route 110 interchange over the Long Island Expressway in Melville.

His order impacted contractors working on existing projects as the state would not fund any work after the start of the new fiscal year on April 1 until there was a state budget in place. It was a cynical effort to force legislators to comply with his fiscal policies, using public works as a bargaining chip. Contractors were forced to decide whether to go ahead and continue work without the flow of state payments, thereby becoming, in essence, the state's banker. The firms were asked to essentially "loan" Albany money with no legal recourse to get their funds back if the state declined to pay for the work performed and material installed.

A broad-based coalition of New York heavy construction trade associations legally challenged Governor David Paterson's decision to unilaterally halt payments for hundreds of state construction projects that had already been approved and were underway.

The lawsuit, filed in Albany during the spring by the Long Island Contractors' Association (LICA), the General Contractors Association of New York (GCA), the Associated General Contractors of New York State (AGC) and the Construction Industry Council (CIC), was unprecedented in that it confronted an action by the state that could put hundreds of contractors and subcontractors out of business simply for winning state infrastructure contracts and doing their jobs.

Ultimately, the NYS Supreme Court dismissed the coalition's lawsuit noting that there is no "prompt payment" requirement for state highway contractors when the budget is overdue. However, the pressure brought to bear by the litigation and the media coverage surrounding it resulted in a resolution of this issue prior to substantial delay in contractor payments.

"The lawsuit was a crucial move by our industry because it showed the government that this industry will not submit in silence to arbitrary decisions that are destructive to the taxpayer," stated Herbst. "All told, our actions hit their mark, slowly rolling back this intolerable situation. LICA, GCA, CIC and all our partners have succeeded in supporting legislators who understand and support the role of a strong and vibrant public infrastructure."

"Looking back, there was no rational decision making that we can discern by the Paterson Administration," stated Marc Herbst, LICA's Executive Director. "The very process by which an 'emergency appropriation' was hurriedly placed before the State Legislature that was, in fact, a massive 'stop work order' for the construction trades speaks to the crisis in leadership and ethics afflicting Albany. Our industry looks forward to the Cuomo Administration and is hopeful that a decision as reckless as this will never happen again."

## Opposition to Paterson's decision to halt payments didn't end there...



## Set the Tone for Action



LICA Executive Director Marc Herbst joined Long Island Association (LIA) President Kevin Law and Suffolk and Nassau County Executives Steve Levy and Ed Mangano at a November press conference announcing Long Island's bid for a portion of the federal transportation funding previously allocated to the Hudson River rail tunnel. Also pictured left to right were representatives from LICA member E.W. Howell Co., LLC: Teddy Lavelle, Michael Walsh, Alex Vilar and Sal Brecciano.

"These are the men and women who are the fabric of the Long Island community. They are your neighbors, friends and relatives who struggle to support their families when there are budgets and funds that belong to road, bridge and infrastructure repairs and improvements but have been robbed for other uses or left behind for lack of proper administrative efforts."

# NYS Comptroller DiNapoli Champions Infrastructure Investment



*LICA Chairman James Pratt, III of Pratt Brothers, Inc. and NYS Comptroller Tom DiNapoli at LICA's October 2010 PAC Reception.*

not fully funded, New York will be unable to maintain good repair or build the large-scale capital improvements necessary to increase the capacity and effectiveness of our transportation system.

His document exposed that the Dedicated Highway and Bridge Trust Fund is consumed by debt service and operating expenses rather than capital investment. The Lt. Governor insists that dedicated revenue sources must be provided to meet New York's capital investment needs and to decrease reliance on general fund transfers.

"I understand we're in a recession. Everyone is suffering. But, we need our leaders to start leading," said Herbst. "We've been warning for some time that the looting of the Dedicated Highway and Bridge Trust Fund is destroying our state's ability to protect its own future, and now the state has produced its own smoking gun. We need to ensure that the money is not hijacked by partisan politics for uses other than protecting our infrastructure."

"What is clear to everyone who understands the threat is that Richard Ravitch has sought to create a document in the closing weeks of his public service that the next generation will look back on and say, 'He tried to warn us.' Now the question is whether anyone is listening today who can do something about it," concluded Herbst.

In 2011, LICA will continue to support those elected officials who promote and protect our region's public infrastructure. Among those who have taken a leadership position in this arena is New York State Comptroller Tom DiNapoli.

DiNapoli has singlehandedly led the crusade to stop the looting of state funds that are supposed to be allocated for infrastructure repair. He has targeted the red tape that often slows down timely payment of invoices for work performed on state projects. In addition, his office has been responsive to inquiries from the heavy construction industry whose responsibility it is to build, maintain and strengthen the state's infrastructure on Long Island and across New York.

In his most recent efforts, Comptroller Tom DiNapoli issued a call to arms to the

taxpayer, releasing a report that detailed the deteriorating condition of our state's transportation system and imploring local and state politicians to stop their dangerous approach to capital programs: allowing benign neglect.

DiNapoli is the only state politician who has been honest with the taxpayers of New York. If changes are not made and the funding for infrastructure projects continues to crumble, so will our roads and bridges.

"If New Yorkers choose to ignore this report, they are putting themselves at risk. According to the NYSDOT, 61% of the bridges on Long Island are hazardous to the public," cautioned Marc Herbst, Executive Director of the Long Island Contractors' Association (LICA). "How can an assessment as serious and dangerous as that be overlooked?"

LICA demands that our local and state officials respond to DiNapoli's call and start making the tough decisions to fix the problems before us. The preservation and maintenance of our roads and bridges must be our main priority in order to ensure the safety of the public.

DiNapoli's report comes just weeks after Lt. Governor Richard Ravitch issued his own sweeping report outlining the alarming conditions of our state's roads and bridges.

The report examines the State's capital needs and concludes that New York is not making essential investments in its deteriorating infrastructure. Huge gaps exist in the proposed New York State Department of Transportation (NYSDOT) and Metropolitan Transportation Authority (MTA) capital plans. The Ravitch report explains that if these plans are

# LICA's Growing Role as a Thought Leader and Advocate

In an era of tweets, blogs, “friends” and other instant experts, The Long Island Contractors' Association has become recognized as a thoughtful opinion leader and articulate advocate on behalf of the men and women who sustain our society through roads, bridges and other public infrastructure.

Using documented research, reams of data, economic analysis and a media relations policy that insists on answering every question, the organization has become tireless in pursuing its public policy goals. As a result, the organization has been seen as an important information resource for media including *Fox 5 New York*, *the New York Post*, *Newsday*, *Long Island Business News (LIBN)*, *News 12 Long Island*, as well as national media outlets such as *CNN*.

Social media opportunities have also been an important avenue for LICA with the group using Facebook, Twitter and other platforms to augment their website. LICA has also effectively created an independent online information network that looks at the issue of infrastructure, explores how best to fund it and who in elective office continues to advocate for this crucial component of essential services.



## LICA Receives Honors for a Job Well Done

LICA Executive Director Marc Herbst was honored as the “2010 Construction Executive of the Year” by the Construction Financial Management Association – Long Island Chapter (CFMA) at their annual dinner gala. The award was a reflection of the dedication and hard work of the Long Island Contractors' Association and all the supporting advocates from the heavy construction industry who have fought tirelessly for increased funding for the safety and greater efficiency of Long Island's public infrastructure. All proceeds from the event were designated to support Contractors for Kids (CFK), a charitable organization founded for the purpose of providing assistance to families in our communities who are overcoming unfortunate obstacles that have changed or impacted their lives through sickness, injury or death.

“Through the efforts of CFMA and their event for Contractors for Kids, we are letting Long Island know that we aren't focused exclusively on construction projects. We are letting them know that we have a positive impact on our communities beyond building our local roadways and bridges,” said Herbst. “It's the people helping people. That is what it's all about.”



# 2011 Welcomes Crucial LI

## New Canon USA Headquarters in Melville



A resounding vote of confidence in the region's future continues to be seen in the dramatic progress that is taking place on the site of the new headquarters of Canon USA in Melville. A significant portion of that effort can be found in the major infrastructure

improvements designed to support the complex. Ruttura & Sons is performing the first phase of work that will allow Canon USA to welcome its employees to a facility that will ultimately create more than 2,000 New York jobs over the next several years.

Involved in the excavation phase of construction, Ruttura & Sons is proud to be part of the construction of Canon's new state-of-the-art, five-story corporate headquarters at the southwest corner of the Long Island Expressway South Service Road and Walt Whitman Road. This location will become the center of operations for one of the largest electronics and imaging manufacturers in the world. Two multilevel parking garages totaling 500,000 square feet will also be constructed.

This project will bring Long Island what we need most right now: jobs. Canon USA's new headquarters is an important boost for our local economy and a welcome addition during such tough economic times. Construction of the new headquarters and the work that will take place here will certainly have a lasting positive impact on the region's economy.

## Hicksville Parking Garage Rises from the Ashes

Over 16,000 daily commuters and area residents can see the phoenix of a new parking garage rising at the Hicksville LIRR Station along Newbridge Road. Peter Scalamandre & Sons, Inc. is diligently performing the work that will make parking easier and more efficient for those thousands of commuters who begin their commutes west and east from the Hicksville station.



The Town of Oyster Bay awarded Scalamandre & Sons, Inc., the lowest responsible bidder, a contract to build this vital infrastructure improvement and increase the number of parking spaces from 1,100 spots to 1,500 spots.

With three-quarters of this \$32 million project already underway, Scalamandre expects the job will be finished and ready for use in the spring of 2011.

## NY Rt. 347 Groundbreaking Means Jobs for Long Island

Showing that Long Island is, in fact, capable of protecting its future, groundbreaking took place in 2010 for the start of a \$26.8-million safety, mobility and environmental road improvement project for NY Route 347 awarded to LICA member Grace Industries LLC in the Town of Smithtown.

LICA representatives were joined by Congressman Tim Bishop, New York State Department of Transportation (NYSDOT) Acting Commissioner Stanley Gee, State Senator John Flanagan and Assemblymen Steve Englebright and Michael Fitzpatrick, among others (see photo below).

This project is the first phase in a series of NY Route 347 corridor projects planned to improve safety for pedestrians, bicyclists and commuters. LICA reports this reconstruction project will ultimately reduce travel delays and enhance the environment and visual character of the area by transforming NY Route 347 into a suburban greenway. The transformation will also stimulate economic growth by providing new ways to access businesses and shopping destinations.



# Projects

## Jobs, Investment and Progress

Planned improvements for this project include a continuous third travel lane in each direction between the NY Route 454/347 "split" and NY Route 111, a separate bike and shared-use pedestrian path on the south side, high-visibility crosswalks, pedestrian countdown timers, a lower 45 mph speed limit, seven new bus stops for transit riders, raised planted medians, and a host of environmentally sustainable amenities and benefits.

## Improvement Made to NY Rt. 110 in Melville

More than 88,000 motorists who utilize the Route 110 – Melville interchange each day are eyewitnesses to the considerable progress being made to the infrastructure along this crucial corridor.



The New York State Department of Transportation (NYSDOT) awarded this \$28 million bridge

reconstruction and mobility improvement project to Posillico to repair and expand the steel and concrete bridge that spans the LIE.

Improvements include vertical clearance for trucks, three full traffic lanes and shoulders in each direction, reconfiguration of entrance and exit ramps and intersections that have improved safety and traffic flow, and new, freshly paved roadways.

"Long Islanders can breath easy that they are safe and sound when traveling over the NY Route 110 Bridge, and will no longer face the treacherous travel times caused by extreme congestion," said Marc Herbst, LICA's Executive Director.

In addition to the improvements already mentioned, the project also includes modification of drainage systems to improve the quality of storm water runoff, updating the traffic and pedestrian signals, new roadway signs and fresh pavement markings.

Fellow LICA member Island Pavement Cutting was subcontracted by Posillico to assist in the reconstruction of the Route 110 corridor. Posillico began work on this project in May 2009, and is on schedule for its estimated time of completion of November 2011.

# Creating a Common Front to Face a Common Challenge: the Public Works Alliance



**PUBLIC WORKS ALLIANCE**

During 2010, history was made. Long Island's heavy construction industry, labor and regional developers joined forces to create the Public Works Alliance for the purpose of advocating on behalf of the region's infrastructure and to ensure the region is no longer shortchanged of federal and state funds needed for crucial road and bridge improvements.

The coalition includes founding organizations Local 138 of the Operating Engineers, the Association for a Better Long Island (ABLI), the Long Island Contractors' Association (LICA) and the Laborers Local 1298 and Teamsters Local 282.

James Pratt, Chairman of LICA, believes the Public Works Alliance is a coalition long overdue. "Long Island has been shortchanged of infrastructure dollars for years and it has hurt the development community along with every sector of the Long Island economy. The decision by Local 138 to create this group and seek allies addressed a strategic problem, Long Island's unwilling role as victim to a new and corrosive brand of politics being practiced in Albany."



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## Summary

LICA intends to expand its role in 2011 as the advocate for the bridges, roads and other public works that ensure our region, our state and our nation can meet the challenges of a global economy. Failure to invest in these core projects threatens the leadership of our nation and the future of our state. We recognize that there will be cynical forces at work that seek to demonize public works, applying a political label on these much needed projects. Perhaps there should be a label on our roads and bridges, our water works and tunnels. Let's call them all by what they are: America's future.

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