

November 28, 2017

Robert M. Agostisi, Corporation Counsel
City of Long Beach
One West Chester Street
Long Beach, NY 11561

Re: Proposal for Construction Management Services
City of Long Beach
CSF No.: 94:1701

Dear Mr. Agostisi:

Pursuant to our conversation of November 21, 2017, Cashin Spinelli & Ferretti, LLC is prepared to assist the City of Long Beach with Construction Management Consulting Services, including all subfields and specialties.

Attached please find all appropriate resumes. Cashin Spinelli & Ferretti, LLC bills in increments of 1/10th of an hour, and our current rates are:

Michael W. Spinelli, AIA - \$185 per hour
Michael Anderson, P.E. - \$150 per hour
Jim Thompson, P.E. - \$150 per hour
Joseph LaValle - \$150 per hour
Bruce J. Strum, AIA - \$150 per hour

Please acknowledge your receipt of the rates presented above by signing at the appropriate location below and returning this proposal to us.

If you have any questions or comments, please feel free to contact the undersigned.

Sincerely,

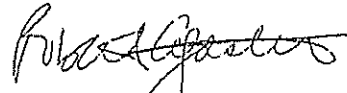
CASHIN SPINELLI & FERRETTI, LLC

Stephen P. Ferretti

Enc.

Accepted by:

CITY OF LONG BEACH



Robert M. Agostisi

AGREEMENT

The City of Long Beach ("City") hereby retains Cashin, Spinelli & Ferretti, LLC ("CSF") to perform all engineering and related consulting services, as needed, and to otherwise advise and assist in the preparation, presentation and adjustment of the claim for the loss or damage caused by Hurricane Sandy, sustained at various buildings located in Long Beach on or around October 29, 2012, New York (as set forth in the applicable Lexington Insurance Company ("Lexington") policy schedule). In exchange, the City agrees to pay CSF for such services a contingency fee of four percent (4.0%) of the aggregate amount of the monies received from Lexington on account of the loss, regardless to whom said loss is payable or when such loss is paid, even in the event of litigation. Notwithstanding the foregoing, should the City receive notification from Lexington that it will receive a sum certain of insurance proceeds prior to the close of business on November 23, 2012, then CSF shall be entitled only to one-and-one-half percent (1.5%) of whatever monies Lexington agrees to pay to the City prior to November 23, 2012. All monies that Lexington agrees to pay, or actually pays, after the close of business on November 23, 2012, shall be subject to the four percent (4.0%) contingency fee set forth above.


Should the City recoup any payments from Lexington prior to final claim adjustment, the City and CSF agree to use best efforts to arrive at a mutually beneficial payment schedule for CSF. However, in light of the devastation wrought by Hurricane Sandy, CSF acknowledges the City's urgent need for funding to conduct emergency repairs, and further acknowledges that this Agreement does not require the City to pay all of CSF's contingency fees as proceeds are gradually recouped from Lexington. Rather, the City and CSF agree to formulate a payment schedule, after each payment is received from Lexington, which considers and reflects: (1) the City's immediate needs; and (2) CSF's costs, and services rendered to date, at the time any payment is received. Should Lexington indicate that it will provide just one, lump sum payment to the City, then the City shall pay the entire share of CSF's contingency fee five (5) business days after receipt of said payment.

The City, in turn, understands and agrees that it is ultimately required to pay CSF's entire contingency fee (subject to the terms and conditions set forth above), regardless of the payment schedule negotiated by and between the parties.

CSF understands and agrees that the City's retention of it is premised on CSF's representation that it is qualified to conduct engineering ~~and related~~ consulting services. Similarly, CSF represents that it (in conjunction with its team of consultants) is qualified and properly certified to, and will, conduct competent claims adjustment services and advocacy. To the extent CSF retains outside consultants, engineers, attorneys, or other experts to assist in the foregoing, CSF bears sole responsibility for their attendant fees. To that end, the City expressly disclaims any and all liability for fees generated by outside consultants, engineers, attorneys, or other experts retained by CSF in connection with this Agreement. CSF also bears sole responsibility for all other costs and expenses it incurs to fulfill its commitments under this Agreement.

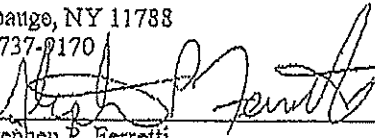
This Agreement is limited to the City's insurance policy with Lexington, and shall *not* extend to any other policies that the City may or does hold with any other insurance carriers, for any type of insurance coverage whatsoever.

COREY E. KLEIN
Corporation Counsel
City of Long Beach
1 West Chester Street
Long Beach, NY 11561
(516) 431-1003

By: 
Corey E. Klein
Corporation Counsel

Date: 11/20/12

CASHIN, SPINELLI & FERRETTI, LLC
801 Long Island Motor Parkway
Suite 103
Hauppauge, NY 11788
(631) 737-9170

By: 
Stephen P. Ferretti
Principal

Date: 11/19/12

December 5, 2017

Item No. 6
Resolution No. 114/17

The following Resolution was moved by Mr. Eramo
and seconded by Pres. Torres :

Resolution Authorizing the Retention of Expert Consultants and Witnesses.

WHEREAS, the Court has ordered a damages inquest (a/k/a damages trial) in the matter of *Sinclair Haberman and Belair Building, LLC against the Zoning Board of Appeals of the City of Long Beach et. al.* (Index No. 1138/04); and

WHEREAS, the Plaintiffs/Petitioners have alleged that they are entitled to damages in excess of \$50 million; and

WHEREAS, to date, Plaintiffs/Petitioners have adduced no evidence that substantiates, or purports to substantiate, this otherwise conclusory allegation; and

WHEREAS, the sheer size of the foregoing claim has nonetheless forced the City to meticulously examine its defenses thereto; and

WHEREAS, the City has determined that it possesses many viable defenses in this matter, which extend across multiple fields and subject matter areas; and

WHEREAS, the City has determined that its long-term financial interests are best served by engaging a large firm that possesses both the expertise and resources, in a broad array of disciplines, to manage and present these defenses at trial; and

WHEREAS, to promote the effective communication of its defenses at trial, the City has further determined that its interests are advanced by retaining an expert witness who, aside from possessing sufficient subject matter expertise, has testified previously; and

WHEREAS, after careful consideration, the City has determined that KPMG LLP, 1350 Avenue of the Americas, New York, New York 10019 possesses the optimal blend of qualifications to serve as its lead expert consultants and witnesses in this matter; and

WHEREAS, during its review, the City also determined that it possesses one or more defenses that require technical expertise in the various subfields associated with construction management; and

WHEREAS, the City previously utilized the firm of Cashin Spinelli & Ferretti LLP ("CSF"), 801 L.I. Motor Parkway, Hauppauge, New York 11788, as its consultant in connection with its insurance claim (for property damages) following Superstorm Sandy; and

WHEREAS, CSF possessed the broad-based expertise needed to survey and prepare separate analyses for over forty (40) distinct and diverse City properties, including but not limited to the boardwalk, Waste Water Treatment Plant, and Water Purification Plant; and

WHEREAS, CSF's exemplary services led to the City's recovery of the full, \$10 million insurance sublimit (for flood-related damages) within thirty (30) days of the storm; and

WHEREAS, CSF was instrumental in securing an additional \$800,000 in insurance proceeds, for business interruption expenses, despite the fact that the City's carrier had initially disclaimed coverage for same (see Resolution #104/16); and

WHEREAS, consequently, CSF has already demonstrated that it possesses the unique mixture of technical knowledge and highly-specialized expertise needed to successfully convey the City's defenses at trial; and

WHEREAS, to promote the effective communication of those defenses, the City has further determined that its interests are advanced by retaining an expert witness who, aside from possessing sufficient subject matter expertise, has testified previously; and

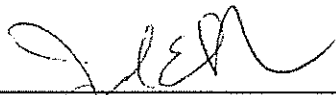
WHEREAS, after careful consideration, the City has determined that CSF possesses the optimal blend of qualifications needed to serve as its technical consultants and witnesses in this matter;

NOW, THEREFORE, be it

RESOLVED, by the City Council of the City of Long Beach, New York that the Corporation Counsel be and he hereby is authorized to retain the firm of KPMG LLP, 1350 Avenue of the Americas, New York, New York 10019 to provide expert consultant and witness services on behalf of the City of Long Beach, on an as-needed basis, at discounted government rates; and be it further

RESOLVED, by the City Council of the City of Long Beach, New York that the Corporation Counsel be and he hereby is authorized to retain the firm of Cashin Spinelli & Ferretti, LLP, 801 L.I. Motor Parkway, Hauppauge, New York 11788 to provide expert consultant and witness services on behalf of the City of Long Beach, on an as-needed basis. Funds are available in Account No. A1420.54453 (Corporation Counsel-Consultants).

APPROVED:



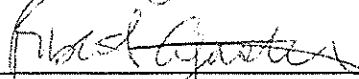
City Manager

APPROVED AS TO FUNDS:



City Comptroller

APPROVED AS TO FORM & LEGALITY:



Corporation Counsel

VOTING:

- Council Member Diamond - RECUSED
- Council Member Mandel - AYE
- Council Member Moore - AYE
- Vice President Eramo - AYE
- President Torres - AYE