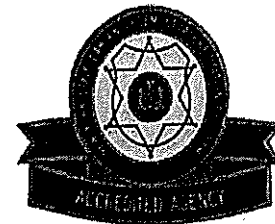




ALBANY COUNTY SHERIFF'S OFFICE

County Court House Albany, New York 12207 (518) 487-5400
WWW.ALBANYCOUNTYSHERIFF.COM



MICHAEL S. MONTELEONE
EXECUTIVE UNDERSHERIFF

CRAIG D. APPLE, SR.
SHERIFF

WILLIAM M. RICE
UNDERSHERIFF

SHAWN P. NOONAN
CHIEF DEPUTY

LEON A. BORMANN
CHIEF DEPUTY

August 2, 2021

Honorable Andrew Joyce
Legislative Clerk's Office
112 State Street, Room 710
Albany, New York 12207

Andrew

Dear Mr. Joyce:

The attached correspondence is forwarded for presentation to the Albany County Legislature.

I am respectfully requesting legislative action in the form of a resolution authorizing Albany County to enter into agreements with the below listed vendors for the new construction of our E911 Center located at the Clarksville Public Safety Building, 26 Olive Street, Clarksville, NY:

AOW Associates (General Contractors):	\$4,799,162.00
John W. Danforth Company (Mechanical Construction):	1,083,500.00
Campito Plumbing & Heating (Plumbing Construction):	854,613.00
DLC Electrical Services (Electrical Construction):	1,589,000.00

Bonding has been approved and this project will be funded under the 2020/2021 Albany County Capital Plan. The Request For Bid (RFB#2021-082) process was completed and following an evaluation of all bids that were received, these companies were successfully chosen by the Albany County Engineering Department.

Should there be any questions, do not hesitate to call.

Sincerely,

Craig D. Apple, Sr.
Craig D. Apple, Sr.
Sheriff

Att.

Cc: Hon. Daniel P. McCoy, County Executive
Hon. William Clay, Public Safety Chairman
Hon. Wanda Willingham, Audit & Finance Committee
Brandon Russell, Esq., Majority Counsel
Arnis Zilgme, Esq., Minority Counsel
Christian Barnes, Minority Conference

Memo

To: Leon Bormann, Chief Deputy, Albany County Sheriff's Office
From: Michael Martin PE, Director, Facilities Engineering Division
Cc: William M. Rice, Undersheriff, Albany County Sheriff's Office
Kevin Demarest, Director of E-911, Albany County Sheriff's Office
J.T. Campbell, Inspector, Albany County Sheriff's Office
Karen Storm, Purchasing Agent
Date: August 2, 2021
Re: RFB #2021-082 - MC- Albany County Sheriff's Office New E911/EOC
Facility Project; Mechanical Construction (MC)

Recommendation for Award to John W. Danforth Company

Chief Deputy Bormann,

As you are aware, H2M Architects + Engineers, has developed construction documents and along with the Albany County Facilities Engineering Division and Purchasing Division, developed a Request for Bid (RFB) and solicited bid prices for the **Mechanical Construction** associated with the **Albany County Sheriff's Office New E911/EOC Facility**. As part of the overall project, bids for four separate prime contracts (GC, MC, EC & PC) have been received and reviewed for conformance with the bid documents.

A complete tabulation of all the **Mechanical Construction** Bids are attached for your use. After review of the quotes that were submitted, the Facilities Engineering Division recommends you proceed with a request for contract approval of the lowest responsive bidder, **John W. Danforth Company** at a cost of **\$1,083,500.00**, which includes a Contingency Allowance and accepted Alternate #1.

If you have any questions regarding this project, I can be reached at 447-7032.

Thank you

REQUEST FOR LEGISLATIVE ACTION

FOR COUNSEL USE ONLY	
DATE:	_____
RECEIVED:	_____
RECEIVED BY:	_____
METHOD:	<u>HAND</u> _____
	<u>COURIER</u> _____
	<u>MAIL</u> _____

DATE : AUGUST 4, 2021

DEPARTMENT: ALBANY COUNTY SHERIFF'S DEPT

CONTACT PERSON: CRAIG D APPLE SR

TELEPHONE: 487-5440

DEPT. REPRESENTATIVE ATTENDING

COMMITTEE MEETING: SHERIFF CRAIG D APPLE SR

PURPOSE OF REQUEST:

ADOPTION OF LOCAL LAW	_____
AMENDMENT OF PRIOR LEGISLATION	_____
APPROVAL/ADOPTION OF PLAN/PROCEDURE	_____
BOND APPROVAL	_____
BUDGET AMENDMENT(SEE BELOW)	_____
CONTRACT AUTHORIZATION (SEE BELOW)	<u>X</u>
ENVIRONMENTAL IMPACT	_____
HOME RULE REQUEST	_____
PROPERTY CONVEYANCE	_____
OTHER:(STATE BRIEFLY IF NOT LISTED ABOVE)	_____

CONCERNING BUDGET AMENDMENTS

STATE THE FOLLOWING

INCREASE ACCOUNT/LINE NO. _____

SOURCE OF FUNDS: _____

TITLE CHANGE: _____

CONCERNING CONTRACT AUTHORIZATION,

STATE THE FOLLOWING:

TYPE OF CONTRACT

CHANGE ORDER/CONTRACT AMENDMENT	_____
PURCHASE (EQUIPMENT/ SUPPLIES)	_____
LEASE (EQUIPMENT/SUPPLIES)	_____
REQUIREMENTS	_____
PROFESSIONAL SERVICES	<u>X</u>
EDUCATIONAL/TRAINING	_____
GRANT:	
NEW	_____
RENEWAL	_____
SUBMISSION DEADLINE DATE	_____

SETTLEMENT OF A CLAIM _____

RELEASE OF LIABILITY _____

OTHER: (STATE BRIEFLY) _____

CONCERNING CONTRACT AUTHORIZATION (CONT'D)

STATE THE FOLLOWING:

CONTRACT TERMS/CONDITIONS: **PARTY (NAME/ADDRESS):**

JOHN W. DANFORTH COMPANY

5 LIEBICH LANE

CLIFTON PARK, NY 12065

AMOUNT/RATE SCHEDULE/FEE:

NOT TO EXCEED \$ 1,083,500.00

TERM:

SCOPE OF SERVICES: JOHN W DANFORTH COMPANY WILL PROVIDE

MECHANICAL CONSTRUCTION SERVICES AT THE SHERIFF'S DEPT.

NEW E-911/EOC FACILITY PROJECT

CONTRACT FUNDING:

ANTICIPATED IN CURRENT BUDGET: YES _____ NO X

COUNTY BUDGET ACCOUNTS:

REVENUE:

APPROPRIATION: 2020-2021 CAPITAL PLAN

BOND(RES. NO. & DATE OF ADOPTION) 097 OF 2019, 3/11/2019

CONCERNING ALL REQUESTS:

MANDATED PROGRAM/SERVICE: YES _____ NO X

IF MANDATED CITE: AUTHORITY

ANTICIPATED IN CURRENT ADOPTED BUDGET: YES _____ X NO _____

IF YES, INDICATE REVENUE APPROPRIATION ACCOUNTS:

INCLUDED IN 2020-2021 CAPITAL PROJECT

FISCAL IMPACT - FUNDING: (DOLLARS OR PERCENTAGES)

FEDERAL

STATE

COUNTY 100%

TERM/LENGTH OF FUNDING

PREVIOUS REQUESTS FOR IDENTICAL OR SIMILAR ACTION:

RESOLUTION/LAW NUMBER:

DATE OF ADOPTION:

JUSTIFICATION: (STATE BRIEFLY WHY LEGISLATIVE ACTION IS REQUESTED)

THIS PROPOSAL WOULD ALLOW THE ALBANY COUNTY SHERIFF'S OFFICE TO

UTILIZE THE SERVICES OF JOHN W. DANFORTH COMPANY AS OUTLINED IN THE ATTACHED

PROPOSAL AND MOVE FORWARD WITH THE NEW E-911/EOC CAPITAL PROJECT AT THE

PUBLIC SAFETY BUILDING IN CLARKSVILLE NY

BACK-UP MATERIAL SUBMITTED (I.E. APPLICATION/APPROVAL NOTICES FROM FUNDING SOURCE, BID TABULATION SHEET, CIVIL SERVICE APPROVAL NOTICE, PROGRAM ANNOUNCEMENT, CONTRACTS AND/OR ANY MATERIALS WHICH EXPLAIN OR SUPPORT THE REQUEST FOR LEGISLATIVE ACTION.)

SUBMITTED BY: CRAIG D APPLE SR

TITLE: SHERIFF

Bid Summary - Mechanical Contractor
7/29/2021

Contractor	Add	Bond	Lump Sum Base Bid	5% Contingency	Total Base Bid	Alternate #1 Enclosed Walkway	Total Base Bid & Alternate #1	Alternate #2 Redundant System	Alternate #10 VRF Split System
BPI Piping	1-5	Yes	\$ 1,087,400.00	\$ 54,055.00	\$ 1,141,455.00	\$ 31,200.00	\$ 1,172,655.00	\$ 23,500.00	\$
Danforth	1-5	Yes	\$ 1,010,000.00	\$ 50,500.00	\$ 1,060,500.00	\$ 23,000.00	\$ 1,083,500.00	\$ 54,000.00	\$
Campito	1-5	Yes	\$ 1,019,459.00	\$ 50,973.00	\$ 1,070,432.00	\$ 19,767.00	\$ 1,090,199.00	\$ 38,446.00	\$
P&J	1-5	Yes	\$ 1,040,000.00	\$ 52,000.00	\$ 1,092,000.00	\$ 16,000.00	\$ 1,108,000.00	\$ 35,000.00	Add \$8000-
Collette Mechanical	1-5	Yes	\$ 1,050,000.00	\$ 52,500.00	\$ 1,102,500.00	\$ 21,000.00	\$ 1,123,500.00	\$ 39,000.00	\$
DiGesare	1-5	Yes	\$ 1,080,000.00	\$ 54,000.00	\$ 1,134,000.00	\$ 23,000.00	\$ 1,157,000.00	\$ 43,000.00	\$
								Alternate #2 & #10 NOT Accepted	

COUNTY OF ALBANY**MC- BID FORM****BID IDENTIFICATION:**

Title: **Albany County Sheriff's 911/EOC Public Safety Facility Project**
 Bid Number: **2021-082-MC - Mechanical Construction (MC)**

THIS BID IS SUBMITTED TO:

Karen A. Storm, Purchasing Agent
 Albany County Department of General Services
 Purchasing Division
 112 State Street, Room 1000
 Albany, NY 12207

1. The undersigned BIDDER proposes and agrees, if this Bid is accepted, to enter into a Contract with the owner in the form included in the Contract Documents to complete all Work as specified or indicated in the Contract Documents for the Contract Price and within the Contract Time indicated in this Bid and in accordance with the Contract Documents.
2. BIDDER accepts all of the terms and conditions of the Instructions to Bidders, including without limitation those dealing with the Disposition of Bid Security. This Bid may remain open for ninety (90) days after the day of Bid opening. BIDDER will sign the Contract and submit the Contract Security and other documents required by the Contract Documents within fifteen days after the date of OWNER'S Notice of Award.
3. In submitting this Bid, BIDDER represents, as more fully set forth in this Contract, that:

- (a) BIDDER has examined copies of all the Contract Documents and of the following addenda: (If none, so state)

Date	Number	
7/08/2021	1	7/26/2021 5
7/19/2021	2	
7/20/2021	3	
7/23/2021	4	

(Receipt of all of which is hereby acknowledged) and also copies of the Notice to Bidders and the Instructions to Bidders;

- (b) BIDDER has examined the site and locality where the Work is to be performed, the legal requirements (federal, state and local laws, ordinances, rules and regulations) and the conditions affecting cost, progress or performance of the Work and has made such independent investigations as BIDDER deems necessary;

- (c) This Bid is genuine and not made in the interest of or on behalf of any undisclosed person, firm or corporation and is not submitted in conformity with any agreement or rules of any group, association, organization or corporation; BIDDER has not directly or indirectly induced or solicited any other BIDDER to submit a false or sham Bid; BIDDER has not solicited or induced any person, firm or a corporation to refrain from bidding; and BIDDER has not sought by collusion to obtain for himself any advantage over any other Bidder or over the owner.
- 4. BIDDER will complete the Work for the following prices(s): (Attach Bid Proposal)
- 5. BIDDER agrees to commence the Work within the number of calendar days or by the specific date indicated in the Contract. BIDDER agrees that the Work will be completed within the number of Calendar days or by the specific date indicated in the contract.
- 6. The following documents are attached to and made a condition of this Bid:
Executed copies must be submitted with Bid.
 - (a) Non-Collusive Bidding Certificate (Attachment "A")
 - (b) Acknowledgment by Bidder (Attachment "B")
 - (c) Vendor Responsibility Questionnaire (Attachment "C")
 - (d) Iranian Energy Divestment Certification (Attachment "D")
 - (e) MS-4-1 Certification Statement RE: Stormwater Discharges (Attachment "E")
 - (f) Bidder Qualification Questionnaire (Attachment "F")
 - (g) Non Interruption of Work Agreement (Attachment "G")
 - (h) Required Apprenticeship Training Program Documentation (refer to RFB Section 27)
- 7. Communication concerning this Bid shall be addressed to:

Karen A. Storm, Albany County Purchasing Agent
 112 State Street – Room 1000
 Albany, NY 12207
 Email: Karen.storm@albanycountyny.gov
 Phone: (518) 447-7140
 Fax: (518) 447-5588
- 8. Terms used in this Bid have the meanings assigned to them in the Contract and General Provisions.

COUNTY OF ALBANY

MC - BID FORMBID IDENTIFICATION:

Title: Albany County Sheriff's 911/EOC Public Safety Facility Project
Bid Number: 2021-82-MC - Mechanical Construction

Conditions:

1. All lump sum bid prices must include all materials, labor, equipment, allowances other than the Contingency Allowance (Allowance #1), incidentals and other associated costs.
2. Unit Prices: NONE
3. Base Bid work shall carry a 5% Base Bid Contingency Allowance for additional work discovered during construction beyond scope of work indicated on drawings and specifications. Contractor shall receive advance approval from the County Engineer prior to performing any additional work.

LUMP SUM BASE BID: \$ 1,010,000 (a)

5 % CONTINGENCY ALLOWANCE: \$ 50,500 (b)

TOTAL BASE BID (a + b) \$ 1,060,500⁰⁰

Written Total Base Bid: (Type or Handwritten in Blue or Black Ink)

\$ 1,060,500 One million sixty thousand
five hundred Dollars 2000 Cents

4. Alternates:

PLEASE REFER TO SECTION 012300 – ALTERNATES FOR COMPLETE LIST OF ADDS/DEDUCTS FOR EACH ALTERNATE

Alternate #1 – Enclosed Pedestrian Walkway In lieu of Pre-Engineered Post Mounted Canopy.

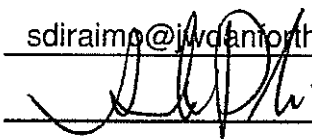
\$ 23,000 (a)

Alternate #2 – Room 121 Redundant Mechanical Systems

\$ 54,000 (b)

Alternate #10 – VRF and Small Split Heating/Cooling Systems

\$ NO BID (c)

COMPANY: John W. Danforth Company
ADDRESS: 5 Liebich Lane
CITY, STATE, ZIP: Halfmoon, New York 12065
TEL. NO.: 518-390-6300
FAX NO.: 518-406-5477
FEDERAL TAX ID NO.: 16-401910
REPRESENTATIVE: Steve DiRaimo
E-MAIL: sdiraimo@jwdanforth.com
SIGNATURE AND TITLE  Vice President
DATE 7/27/21

ATTACHMENT "A"
NON-COLLUSIVE BIDDING CERTIFICATE PURSUANT TO
SECTION 103-D OF THE NEW YORK STATE GENERAL MUNICIPAL LAW

A. By submission of this bid, each bidder and each person signing on behalf of any bidder certifies, and in the case of a joint bid, each party thereto certifies as to its own organizations, under penalty of perjury, that to the best of knowledge and belief:

(1) The prices in this bid have been arrived at independently without collusion, consultation, communication, or agreement, for the purpose of restricting competition, as to any matter relating to such prices with any other bidder or with any competitor.

(2) Unless otherwise required by law, the prices which have been quoted in this bid have not knowingly been disclosed by the bidder and will not knowingly be disclosed by the bidder, directly or indirectly, prior to opening, to any bidder or to any competitor.

(3) No attempt has been made or will be made by the bidder to induce any other person, partnership or corporation to submit or not to submit a bid for the purpose of restricting competition.

A bid shall not be considered for award, nor shall any award be made where (1), (2), and (3) above have not been complied with; provided, however, that in any case the bidder cannot make the foregoing certification, the bidder shall so state and shall furnish with the bid a signed statement which sets forth in detail the reasons thereof. Where (1), (2), and (3) above have not been complied with, the bid shall not be considered for any award nor shall any award be made unless the head of the Purchasing Unit to the political subdivision, public department, agency or official thereof to which the bid is made, or his designee, determines that such disclosure was not made for the purpose of restricting competition.

The fact that a bidder (a) has published price lists, rates, or tariffs covering items being procured, (b) has informed prospective customer of proposed or pending publication of new or revised price lists for such items, or (c) has sold the same items to other customers at the same prices being bid, does not constitute, without more, a disclosure within the meaning of paragraph "A" above.

B. Any bid hereafter made to any political subdivision of the state or any public department, agency or official thereof by a corporate bidder for work or services performed or to be performed or goods sold or to be sold, where competitive bidding is required by statute, rule, regulation, local law, and where such bid contains the certification referred to in paragraph "A" of this section, shall be deemed to have been authorized by the Board of Directors of the bidder, and such authorization shall be deemed to include the submission of the bid and the inclusion therein of the certificate as to non-collusion as the act and deed of the corporation


 Signature

Vice President
 Title

John W. Danforth Company
 Company Name

7/27/21
 Date

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ATTACHMENT "B"
ACKNOWLEDGMENT BY BIDDER

If Individual or Individuals:

STATE OF _____)
 COUNTY OF _____) SS.:

On this _____ day of _____, 202__, before me personally appeared _____
 _____ to me know and known to me to be the same person(s)
 described in and who executed the within instrument, and he/she (or they severally) acknowledged to me
 that he/she (or they) executed the same.

 Notary Public, State of _____
 Qualified in _____
 Commission Expires _____

If Corporation:

STATE OF New York)
 COUNTY OF Saratoga) SS.:

On this 27 day of JULY, 2021, before me personally appeared
Steve DiRaimo to me known, who, being sworn, did say he/she
 resides at (give address) 5 Liebich Lane, Halfmoon, New York 12065;
 That he/she is the (give title) Vice President
 Of the (name of corporation) John W. Danforth Company

The corporation described in which executed the above instrument; that he/she knows the seal of the
 corporation, and that the seal affixed to the instrument is such corporate seal; that it was so affixed by
 order of the board of directors of the corporation, and that he/she signed his name thereto by like order.

Samantha Pommer
 Notary Public, State of New York
 No. 01PO6348497
 Qualified in Albany County
 Commission Expires September 26, 2024

Samantha Pommer
 Notary Public, State of New York
 Qualified in Albany County
 Commission Expires 09/26/2024

H2M architects + engineers
 ALBANY COUNTY SHERIFF'S 911 EOC FACILITY

BID FORM ATTACHMENT "B"

If Partnership:

STATE OF _____)

COUNTY OF _____) SS,:

On the _____ day of _____, 200____, before me personally came _____, to me known to be the individual who executed the foregoing, and who, being duly sworn, did depose and say that he/she is partner of the firm of _____ and that he/she has the authority to sign the same and acknowledged that he/she executed the same as the act and deed of said partnership.

Notary Public, State of _____

Qualified in _____

Commission Expires _____

ATTACHMENT "C"
ALBANY COUNTY
VENDOR RESPONSIBILITY QUESTIONNAIRE

1. VENDOR IS: <input checked="" type="checkbox"/> PRIME CONTRACTOR			
2. VENDOR'S LEGAL BUSINESS NAME John W. Danforth Company 5 Liebich Lane Halfmoon, New York 12065		3. IDENTIFICATION NUMBERS a) FEIN # 16-401910 b) DUNS #	
4. D/B/A – Doing Business As (if applicable) & COUNTY FIELD:		5. WEBSITE ADDRESS (if applicable) www.jwdanforth.com	
6. ADDRESS OF PRIMARY PLACE OF BUSINESS/EXECUTIVE OFFICE 300 Colvin Woods Parkway Tonawanda, New York 14150		7. TELEPHONE NUMBER 518-400-1600	8. FAX NUMBER 518-406-5477
9. ADDRESS OF PRIMARY PLACE OF BUSINESS/EXECUTIVE OFFICE <i>IN NEW YORK STATE, if different from above</i>		10. TELEPHONE NUMBER	11. FAX NUMBER
12. AUTHORIZED CONTACT FOR THIS QUESTIONNAIRE Name Steve DiRaimo Title Vice President Telephone Number 518-400-1600 Fax Number 518-406-5477 e-mail sdiraimo@jwdanforth.com			
13. LIST ALL OF THE VENDOR'S PRINCIPAL OWNERS. see attached			
a) NAME	TITLE	b) NAME	TITLE
c) NAME	TITLE	d) NAME	TITLE
A DETAILED EXPLANATION IS REQUIRED FOR EACH QUESTION ANSWERED WITH A "YES," AND MUST BE PROVIDED AS AN ATTACHMENT TO THE COMPLETED QUESTIONNAIRE. YOU MUST PROVIDE ADEQUATE DETAILS OR DOCUMENTS TO AID THE COUNTY IN MAKING A DETERMINATION OF VENDOR RESPONSIBILITY. PLEASE NUMBER EACH RESPONSE TO MATCH THE QUESTION NUMBER.			
14. DOES THE VENDOR USE, OR HAS IT USED IN THE PAST FIVE (5) YEARS, ANY OTHER BUSINESS NAME, FEIN, or D/B/A OTHER THAN THOSE LISTED IN ITEMS 2-4 ABOVE? List all other business name(s), Federal Employer Identification Number(s) or any D/B/A names and the dates that these names or numbers were/are in use. Explain the relationship to the vendor.		Yes	No <input checked="" type="checkbox"/>
15. ARE THERE ANY INDIVIDUALS NOW SERVING IN A MANAGERIAL OR CONSULTING CAPACITY TO THE VENDOR, INCLUDING PRINCIPAL OWNERS AND OFFICERS, WHO NOW SERVE OR IN THE PAST ONE (1) YEARS HAVE SERVED AS:			
a) An elected or appointed public official or officer? <i>List each individual's name, business title, the name of the organization and position elected or appointed to, and dates of service</i>		Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
b) An officer of any political party organization in Albany County, whether paid or unpaid? <i>List each individual's name, business title or consulting capacity and the official political position held with applicable service dates.</i>		Yes	No <input checked="" type="checkbox"/>

16.	<p>WITHIN THE PAST (5) YEARS, HAS THE VENDOR, ANY INDIVIDUALS SERVING IN MANAGERIAL OR CONSULTING CAPACITY, PRINCIPAL OWNERS, OFFICERS, MAJOR STOCKHOLDER(S) (10% OR MORE OF THE VOTING SHARES FOR PUBLICLY TRADED COMPANIES, 25% OR MORE OF THE SHARES FOR ALL OTHER COMPANIES), AFFILIATE OR ANY PERSON INVOLVED IN THE BIDDING OR CONTRACTING PROCESS:</p>	Yes	No	X
a)	<p>1. been suspended, debarred or terminated by a local, state or federal authority in connection with a contract or contracting process;</p> <p>2. been disqualified for cause as a bidder on any permit, license, concession franchise or lease;</p> <p>3. entered into an agreement to a voluntary exclusion from bidding/contracting;</p> <p>4. had a bid rejected on an Albany County contract for failure to comply with the MacBride Fair Employment Principles;</p> <p>5. had a low bid rejected on a local, state or federal contract for failure to meet statutory affirmative action or M/WBE requirements on a previously held contract;</p> <p>6. had status as a Women's Business Enterprise, Minority Business Enterprise or Disadvantaged Business Enterprise, de-certified, revoked or forfeited;</p> <p>7. been subject to an administrative proceeding or civil action seeking specific performance or restitution in connection with any local, state or federal government contract;</p> <p>8. been denied an award of a local, state or federal government contract, had a contract suspended or had a contract terminated for non-responsibility; or</p> <p>9. had a local, state or federal government contract suspended or terminated for cause prior to the completion of the term of the contract.</p>	Yes	No	X
b)	<p>been indicted, convicted, received a judgment against them or a grant of immunity for any business-related conduct constituting a crime under local, state or federal law including but not limited to, fraud extortion, bribery, racketeering, price-fixing, bid collusion or any crime related to truthfulness and/or business conduct?</p>	Yes	No	X
c)	<p>been issued a citation, notice, violation order, or are pending an administrative hearing or proceeding or determination of violations of:</p>	<input type="checkbox"/>	<input type="checkbox"/>	X
	<p>1. federal, state or local health laws, rules or regulations.</p>	<input type="checkbox"/>	Yes	<input type="checkbox"/>
17.	<p>IN THE PAST THREE (3) YEARS, HAS THE VENDOR OR ITS AFFILIATES HAD ANY CLAIMS, JUDGMENTS, INJUNCTIONS, LIENS, FINES OR PENALTIES SECURED BY ANY GOVERNMENTAL AGENCY?</p> <p>Indicate if this is applicable to the submitting vendor or affiliate. State whether the situation(s) was a claim, judgment, injunction, lien or other with an explanation. Provide the name(s) and address(es) of the agency, the amount of the original obligation and outstanding balance. If any of these items are open, unsatisfied, indicate the status of each item as "open" or "unsatisfied."</p>	Yes	No	X
18.	<p>DURING THE PAST THREE (3) YEARS, HAS THE VENDOR FAILED TO:</p> <p>a) file returns or pay any applicable federal, state or city taxes? <i>Identify the taxing jurisdiction, type of tax, liability year(s), and tax liability amount the vendor failed to file/pay and the current status of the liability.</i></p> <p>b) file returns or pay New York State unemployment insurance? <i>Indicate the years the vendor failed to file/pay the insurance and the current status of the liability.</i></p> <p>c) Property Tax <i>Indicate the years the vendor failed to file.</i></p>	<input type="checkbox"/>	Yes	<input checked="" type="checkbox"/>
		<input type="checkbox"/>	Yes	<input checked="" type="checkbox"/>
		<input type="checkbox"/>	Yes	<input checked="" type="checkbox"/>
		<input type="checkbox"/>	Yes	<input checked="" type="checkbox"/>
19.	<p>HAVE ANY BANKRUPTCY PROCEEDINGS BEEN INITIATED BY OR AGAINST THE VENDOR OR ITS AFFILIATES WITHIN THE PAST SEVEN (7) YEARS (WHETHER OR NOT CLOSED) OR IS ANY BANKRUPTCY PROCEEDING PENDING BY OR AGAINST THE VENDOR OR ITS AFFILIATES REGARDLESS OF THE DATE OF FILING?</p> <p>Indicate if this is applicable to the submitting vendor or affiliate. If it is an affiliate, include the affiliate's name and FEIN. Provide the court name, address and docket number. Indicate if the proceedings have been initiated, remain pending or have been closed. If closed, provide the date closed.</p>	Yes	No	X
20.	<p>IS THE VENDOR CURRENTLY INSOLVENT, OR DOES VENDOR CURRENTLY HAVE REASON TO BELIEVE THAT AN INVOLUNTARY BANKRUPTCY PROCEEDING MAY BE BROUGHT AGAINST IT? Provide financial information to support the vendor's current position, for example, Current Ratio, Debt Ratio, Age of Accounts Payable, Cash Flow and any documents that will provide the agency with an understanding of the vendor's situation.</p>	Yes	No	X

21.	IN THE PAST FIVE (5) YEARS, HAS THE VENDOR OR ANY AFFILIATES:	Yes	No	X
	a) defaulted or been terminated on, or had its surety called upon to complete, any contract (public or private) awarded;			
Indicate if this is applicable to the submitting vendor or affiliate. Detail the situation(s) that gave rise to the negative action, any corrective action taken by the vendor and the name of the contracting agency.				

1 "Affiliate" meaning: (a) any entity in which the vendor owns more than 50% of the voting stock; (b) any individual, entity or group of principal owners or officers who own more than 50% of the voting stock of the vendor; or (c) any entity whose voting stock is more than 50% owned by the same individual, entity or group described in clause (b). In addition, if a vendor owns less than 50% of the voting stock of another entity but directs or has the right to direct such entity's daily operations, that entity will be an "affiliate" for purposes of this questionnaire.

State of: New)
 York) ss:
 County of:)
 Saratoga

CERTIFICATION:

The undersigned: recognizes that this questionnaire is submitted for the express purpose of assisting the County of Albany in making a determination regarding an award of contract or approval of a subcontract; acknowledges that the County may in its discretion, by means which it may choose, verify the truth and accuracy of all statements made herein; acknowledges that intentional submission of false or misleading information may constitute a felony under Penal Law Section 210.40 or a misdemeanor under Penal Law Section 210.35 or Section 210.45, and may also be punishable by a fine and/or imprisonment of up to five years under 18 USC Section 1001 and may result in contract termination; and states that the information submitted in this questionnaire and any attached pages is true, accurate and complete.

The undersigned certifies that he/she:

- Has not altered the content of the questions in the questionnaire in any manner;
- Has read and understands all of the items contained in the questionnaire and any pages attached by the submitting vendor;
- Has supplied full and complete responses to each item therein to the best of his/her knowledge, information and belief;
- Is knowledgeable about the submitting vendor's business and operations;
- Understands that Albany County will rely on the information supplied in the questionnaire when entering into a contract with the vendor;
- Is under duty to notify the Albany County Purchasing Division of any material changes to the vendor's responses.

Name of Business John W. Danforth
 Company

Address 5 Liebich Lane

City, State, Zip
 Halfmoon, New York 12065

Sworn before me this 24 day of July, 2021

Samantha Pommer
 Notary Public

Samantha Pommer
 Notary Public, State of New York
 No. 01PO6348497

Qualified in Albany County
 Commission Expires September 26, 2024

Signature of Owner *[Signature]*

Printed Name of Signatory

Steve Diraimo

Title: Vice President

Printed Name

Steve Diraimo

Signature *[Signature]*

Date

2/29/21

Attachment "D"
Certification Pursuant to Section 103-g
Of the New York State
General Municipal Law

- A. By submission of this bid/proposal, each bidder/proposer and each person signing on behalf of any bidder/proposer certifies, and in the case of a joint bid, each party thereto certifies as to its own organization, under penalty of perjury, that to the best of its knowledge and belief that each bidder is not on the list created pursuant to paragraph (b) of subdivision 3 of Section 165-a of the New York State Finance Law.
- B. A Bid/Proposal shall not be considered for award, nor shall any award be made where the condition set forth in Paragraph A above has not been complied with; provided, however, that in any case the bidder/proposer cannot make the foregoing certification set forth in Paragraph A above, the bidder/proposer shall so state and shall furnish with the bid a signed statement which sets forth in detail the reasons therefor. Where Paragraph A above cannot be complied with, the Purchasing Unit to the political subdivision, public department, agency or official thereof to which the bid/proposal is made, or his designee, may award a bid/proposal, on a case by case business under the following circumstances:
1. The investment activities in Iran were made before April 12, 2012, the investment activities in Iran have not been expanded or renewed after April 12, 2012, and the Bidder/Proposer has adopted, publicized and is implementing a formal plan to cease the investment activities in Iran and to refrain from engaging in any new investments in Iran; or
 2. The political subdivision makes a determination that the goods or services are necessary for the political subdivision to perform its functions and that, absent such an exemption, the political subdivision would be unable to obtain the goods or services for which the contract is offered. Such determination shall be made in writing and shall be a public document.

Signature

Vice President

Title

John W. Danforth Company

Company Name

7/27/21

Date

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ATTACHMENT "E"**Sheet MS4-1: Bidder/Proposer Certification Statement (to be used with Section 34 Part A – General Contracts)**

As a bidder seeking to provide services on behalf of Albany County, I certify under penalty of law that I understand and agree to comply with the terms and conditions of the New York State Pollutant Discharge Elimination System ("SPDES") General Permit for Stormwater Discharges from Municipal Separate Storm Sewer Systems (MS4 Permit) and Albany County Local Law 7 of 2007, and agree to implement any Best Management Practices or corrective actions identified by Albany County or an authorized representative thereof as necessary to maintain compliance. I understand that Albany County must comply with the terms and conditions of the aforementioned MS4 Permit, and that it is unlawful for any person to directly or indirectly cause or contribute to a violation of water quality standards. I am also aware that County Local Law 7 of 2007 prohibits any activities that cause or contribute to a violation of the County's SPDES permit. Further, I understand that any non-compliance by Albany County will not diminish, eliminate or lessen my own liability.

Name of Third Party Entity: John W. Danforth Company

Address: 5 Liebich Lane, Halfmoon, New York 12065

Phone Number(s): 518-400-1600

Description of activities to be performed by your firm or organization within Albany County are related to the Albany County Storm Water Management Program (SWMP) (include any activities that have the potential to generate or prevent pollution and/or affect water quality):

Description of where the work is to be performed within Albany County facilities:

Albany County Sheriff's Office E911/EOC Public Safety Facility in Clarksville, New York


Signature

Steve DiRaimo

Printed Name

Vice President

Title

Date

7/27/24

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ATTACHMENT "F"
BIDDER QUALIFICATION QUESTIONNAIRE

The undersigned guarantees the accuracy of all statements and answers herein contained. (Please print in ink or type in the spaces provided). Attach additional sheets if necessary. This statement of Bidder's qualifications is required of all Bidders. Additional data on Bidder's qualifications may be requested from selected Bidders after the Bid opening.

1. How many years has your firm been in business? 137 years
2. List up to three (3) projects of this nature that you have completed in the last three (3) years, and give the name, address and telephone number of a reference from each. Also give the completion date, the original contract bid price and the completed cost of each project listed.

1. NYS OGS-Replace Boiler, Building 842 Hudson River Campus

Edward Henry edward.henry@ogs.ny.gov 518-486-1538

\$843,000 5.31.20

2. Lackawanna Municipal Housing Authority Boiler Replacement

Mark Kuwick (716) 572-9166

\$225,000, 2019

3. Kaleida Health Flint Road Boilers Kaleida Health,

Peter Murphy (716)-238-4673

\$98,100, 2018

ATTACHMENT "F"
BIDDER QUALIFICATION QUESTIONNAIRE

3. List projects presently under contract by your firm, the dollar volume of the contract and the percentage completion of the contract.

see attachment

4. Has your firm ever failed to complete work awarded to it, if so, state where and why.

n/a

5. Is your firm presently or has your firm ever been a party defendant in a lawsuit commenced against your firm alleging failure to properly complete work in accordance with the contract for same; if so, give details.

n/a

ATTACHMENT "F"
BIDDER QUALIFICATION QUESTIONNAIRE

6. Has your firm received two (2) final determinations within any consecutive six-year period, the second final determination occurring within the past five (5) years, that your firm willfully failed to pay the prevailing rate of wages or to provide supplements with Article 8 of the Labor Law, if so, give details.

n/a

7. Do you plan to sublet any part of this work? If so, give details.

Insulation, Controls, Rigging, Testing & Balancing

8. Give the name, address and telephone number of an individual who represents each of the following and whom the Owner may contact to investigate your financial responsibility: a surety, and a bank.

<u>Bonding Company:</u>	<u>Bonding Agent:</u>	<u>Banking:</u>
Fidelity and Deposit	Walsh Duffield	Key Bank of New York
37 Franklin Street	801 Main Street	50 Fountain Plaza
Buffalo, NY 14202	Buffalo, NY 14203	Buffalo, NY 14202
(585) 425-7419	(716) 853-3820	Sean Moskal
Paul Wrona	Ted Walsh	Senior Vice President
		Enterprise Banking
		Phone: 716-819-5395
		sean_moskal@keybank.com

ATTACHMENT "F"
BIDDER QUALIFICATION QUESTIONNAIRE

9. Give a summary of your financial statement. (List assets and liabilities, use an insert sheet, if needed).

see attached.

10. State the true, exact, correct and complete name of the partnership, corporation or trade name under which you do business, and the address of the place of business. (If a corporation, state the name and title of all officers. If a partnership, state the name of all partners. If a trade name, state the names of the individuals who do business under the trade name.) It is absolutely necessary that information be furnished.

John W. Danforth Company

Correct Name of Bidder

(a) The business is a: Corporation

(b) The address of principal place of business is: 300 Colvin Woods Pkwy,
Tonawanda, NY 14150

(c) The names of the corporate officers, or partners, or individuals doing business under a trade name, are as follows:

see attachments

ATTACHMENT "F"
BIDDER QUALIFICATION QUESTIONNAIRE

11. Is your firm qualified to do business in the State of New York? Yes x No .

If No, signing this qualification statement constitutes agreement to obtain such qualification prior to award of contract immediately upon owner's request.

John W. Danforth Company

Firm

Dated: _____

7/27/21

By _____



Steve Diraimo

(Typed)

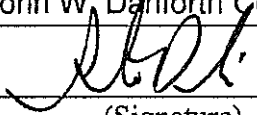
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ATTACHMENT "G"
NON-INTERRUPTION OF WORK AGREEMENT

By submission of the bid for:

The bidder agrees that if this bid is accepted, he/she will not intentionally engage in any course of conduct or activity, or employ for the purposes of performing the public work, any subcontractors, employees, labor or materials which will or may result in the interruption of the performance of the public work due to labor strife or unrest by workmen employed by the bidder or by any of the trades working in or about the public works and/or premises where the work is being performed.

Firm: John W. Danforth Company

By: 
(Signature)

Steve DiRaimo

(Typed)

Title: Vice President

Date: 2/27/24

**J.W.D. GROUP, INC.
AND SUBSIDIARIES**

**Consolidated Financial Statements as of
December 31, 2020 and 2019
Together with
Independent Auditor's Report**

Bonadio & Co., LLP
Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT

March 31, 2021

To the Board of Directors of
J.W.D. Group, Inc. and Subsidiaries:

We have audited the accompanying consolidated financial statements of J.W.D. Group, Inc. (a New York S Corporation) and Subsidiaries, which comprise the consolidated balance sheets as of December 31, 2020 and 2019, and the related consolidated statements of income and retained earnings, changes in stockholder's equity, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of J.W.D. Group, Inc. and Subsidiaries as of December 31, 2020 and 2019, and the results of their operations and their cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

(Continued)

100 Corporate Parkway
Suite 200
Amherst, New York 14226
p (716) 250-6600
f (716) 250-6605

www.bonadio.com

INDEPENDENT AUDITOR'S REPORT
(Continued)

Report on Supplemental Information

Our audits were conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The supplementary information in Schedule I is presented for purposes of additional analysis and is not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audits of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

Bonadio & Co., LLP

J.W.D. GROUP, INC. AND SUBSIDIARIES**CONSOLIDATED BALANCE SHEETS****DECEMBER 31, 2020 AND 2019**

	<u>2020</u>	<u>2019</u>
ASSETS		
CURRENT ASSETS:		
Cash	\$ 163,585	\$ 384,321
Contracts receivable, net	55,507,060	46,975,487
Retainage receivable	15,094,874	12,780,772
Costs and estimated earnings in excess of billings on contracts in progress	11,498,550	8,292,502
Inventory	1,468,029	1,445,581
Prepaid expenses and other current assets	911,041	1,301,342
Total current assets	84,643,139	71,180,005
PROPERTY, PLANT, AND EQUIPMENT, net	39,642,430	41,461,550
OTHER ASSETS	3,263,455	2,848,288
	<u>\$ 127,549,024</u>	<u>\$ 115,489,843</u>
LIABILITIES AND STOCKHOLDER'S EQUITY		
CURRENT LIABILITIES:		
Line-of-credit	\$ 8,068,068	\$ 1,773,520
Current portion of long-term debt	2,019,186	1,993,736
Accounts payable	32,944,914	24,627,161
Accrued expenses	4,274,640	2,289,826
Billings in excess of costs and estimated earnings on contracts in progress	19,580,510	26,492,648
Other current liabilities	756,381	807,522
Total current liabilities	67,643,699	57,984,413
LONG-TERM DEBT, net of current portion	8,081,184	10,127,858
OTHER LIABILITIES	3,171,999	1,386,666
Total liabilities	<u>78,896,882</u>	<u>69,498,937</u>
STOCKHOLDER'S EQUITY:		
Common stock - \$0.10 par value	116,438	116,438
Capital contributed in excess of par	7,206,504	7,206,504
Retained earnings	54,226,922	50,096,599
Unearned ESOP shares	(6,484,804)	(5,015,717)
Treasury stock, at cost	(6,412,918)	(6,412,918)
Total stockholder's equity	<u>48,652,142</u>	<u>45,990,906</u>
	<u>\$ 127,549,024</u>	<u>\$ 115,489,843</u>

The accompanying notes are an integral part of these statements.

J.W.D. GROUP, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF INCOME AND RETAINED EARNINGS FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019

	<u>2020</u>	<u>2019</u>
CONTRACT REVENUE EARNED	\$ 265,108,199	\$ 255,663,883
COST OF REVENUE EARNED	<u>(234,758,396)</u>	<u>(224,643,195)</u>
Gross profit	30,349,803	31,020,688
SELLING, GENERAL, AND ADMINISTRATIVE EXPENSE	<u>(26,816,547)</u>	<u>(27,230,793)</u>
Income from operations	<u>3,533,256</u>	<u>3,789,895</u>
OTHER INCOME (EXPENSE):		
Miscellaneous income	1,104,045	1,231,232
Bad debt recovery	86,229	271,871
Loss from investments in partnerships	(5,975)	(294,937)
Interest expense	<u>(587,232)</u>	<u>(891,331)</u>
Total other income, net	<u>597,067</u>	<u>316,835</u>
NET INCOME	4,130,323	4,106,730
RETAINED EARNINGS - beginning of year	<u>50,096,599</u>	<u>45,989,869</u>
RETAINED EARNINGS - end of year	<u>\$ 54,226,922</u>	<u>\$ 50,096,599</u>

The accompanying notes are an integral part of these statements.

J.W.D. GROUP, INC. AND SUBSIDIARIES

**CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDER'S EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019**

	Common Stock	Capital Contributed in Excess of Par	Retained Earnings	Unearned ESOP Shares	Treasury Stock, at cost	Total
BEGINNING BALANCE - JANUARY 1, 2019	\$ 116,438	\$ 7,206,504	\$ 45,989,869	\$ (4,336,936)	\$ (6,412,918)	\$ 42,562,957
Net income	-	-	4,106,730	-	-	4,106,730
Additional loan to ESOP to purchase shares	-	-	-	(2,078,781)	-	(2,078,781)
Release of ESOP shares	-	-	-	1,400,000	-	1,400,000
ENDING BALANCE - DECEMBER 31, 2019	116,438	7,206,504	50,096,599	(5,015,717)	(6,412,918)	45,990,906
Net income	-	-	4,130,323	-	-	4,130,323
Additional loan to ESOP to purchase shares	-	-	-	(2,530,359)	-	(2,530,359)
Release of ESOP shares	-	-	-	1,061,272	-	1,061,272
ENDING BALANCE - DECEMBER 31, 2020	\$ 116,438	\$ 7,206,504	\$ 54,226,922	\$ (6,484,804)	\$ (6,412,918)	\$ 48,652,142

The accompanying notes are an integral part of these statements.

J.W.D. GROUP, INC. AND SUBSIDIARIES**CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019**

	<u>2020</u>	<u>2019</u>
CASH FLOW FROM OPERATING ACTIVITIES:		
Net income	\$ 4,130,323	\$ 4,106,730
Adjustments to reconcile net income to net cash flow from operating activities:		
Depreciation	3,774,933	3,343,649
Loss from investments in partnerships	5,975	294,937
Deferred compensation expense	353,520	240,000
Bad debt recovery	(86,229)	(271,871)
(Increase) decrease in cash surrender value of life insurance	(51,199)	15,657
Changes in:		
Contracts receivable	(8,445,344)	17,806,295
Retainage receivable	(2,314,102)	(4,235,070)
Costs and estimated earnings in excess of billings on contracts in progress	(3,206,048)	(213,552)
Inventory	(22,448)	(148,324)
Prepaid expenses	390,301	(21,562)
Accounts payable	8,317,753	(1,562,667)
Accrued expenses	1,984,814	120,238
Billings in excess of costs and estimated earnings on contracts in progress	(6,912,138)	5,506,333
Other liabilities	<u>1,380,672</u>	<u>(79,032)</u>
Net cash flow from operating activities	<u>(699,217)</u>	<u>24,901,761</u>
CASH FLOW FROM INVESTING ACTIVITIES:		
Purchases of property and equipment	(1,955,813)	(2,243,888)
Issuance of notes receivable	(305,000)	(1,145,775)
Premiums paid on life insurance policies	(44,110)	(63,113)
Purchase of investment in partnership	<u>(20,833)</u>	<u>-</u>
Net cash flow from investing activities	<u>(2,325,756)</u>	<u>(3,452,776)</u>
CASH FLOW FROM FINANCING ACTIVITIES:		
Net purchase of unearned ESOP stock	(1,469,087)	(678,781)
Net borrowings (repayments) on line-of-credit	6,294,548	(18,609,583)
Repayments of long-term debt	<u>(2,021,224)</u>	<u>(2,165,024)</u>
Net cash flow from financing activities	<u>2,804,237</u>	<u>(21,453,388)</u>
CHANGE IN CASH	(220,736)	(4,403)
CASH - beginning of year	<u>384,321</u>	<u>388,724</u>
CASH - end of year	<u>\$ 163,585</u>	<u>\$ 384,321</u>

The accompanying notes are an integral part of these statements.

J.W.D. GROUP, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS DECEMBER 31, 2020 AND 2019

1. NATURE OF BUSINESS

J.W.D. Group, Inc. and its subsidiaries (collectively, the "Company") are general contractors for mechanical equipment, with a specialty in industrial piping. The Company has a broad base of customers, including Fortune 500 customers, municipalities, general contractors, and architect-engineering firms. The Company's customers are generally located in New York State.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The consolidated financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America.

Principles of Consolidation

The consolidated financial statements include the accounts of J.W.D. Group, Inc., and its wholly owned subsidiaries as follows:

- John W. Danforth Company (wholly owned subsidiary)
- Kensington Insulation Group, Inc. (wholly owned subsidiary)
- Patrick 233, Inc. (wholly owned subsidiary)
- Blue Angels Properties, LLC (wholly owned subsidiary)
- 7401 Willowbrook Rd. Associates, LLC (wholly owned subsidiary)
- Bruner Mechanical Team, LLC (joint venture)
- Danforth Kirk Williams JV, LLC (joint venture)

All significant intercompany balances and transactions have been eliminated.

Use of Estimates

Management uses estimates and assumptions in preparing consolidated financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and reported revenue and expenses. Significant estimates used in preparing these consolidated financial statements include those assumed in computing profit percentages under the percentage-of-completion revenue recognition method, and those used in depreciating the Company's equipment. It is at least reasonably possible that the significant estimates used will change within the next year particularly given the economic disruptions and uncertainties associated with the ongoing COVID-19 pandemic.

Operating Cycle

The Company's work is normally performed under fixed price and cost-plus contracts. The lengths of the Company's contracts vary but are typically about two years. Therefore, assets and liabilities related to long-term contracts are included in current assets and current liabilities in the accompanying consolidated balance sheets as they will be liquidated in the normal course of contract completion, although this may require more than one year.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revenue and Cost Recognition

The Company recognizes construction contract revenue over time, as performance obligations are satisfied, due to the continuous transfer of control to the customer. Construction contracts are generally accounted for as a single unit of account, or a single performance obligation, and are not segmented between types of services. The Company recognizes revenue using the percentage-of-completion method, based primarily on contract cost incurred to date compared to total estimated contract cost. The percentage-of-completion method, an input method, is used as management considers it to be the best available measure of progress on these contracts. This measurement and comparison process requires updates to the estimate of total costs to complete the contract, and these updates may include subjective assessments and judgments.

The Company recognizes service maintenance contract revenue over time, as performance obligations are satisfied, which are typically to maintain the customer's mechanical system for a specific period of time. For these services, in which the full cost to provide services may not be known, revenue is recognized using an input method based on the amount of time the services are provided out of the total time that the Company has been contracted to perform those services.

Contract costs include all direct material, labor, subcontract and other costs and those indirect costs determined to relate to contract performance, such as indirect salaries and wages, equipment repairs and depreciation, insurance and payroll taxes. Administrative and general expenses are charged to expense as incurred. Provisions for estimated losses on uncompleted contracts are made in the period in which such losses are determined. Pre-contract costs are expensed as incurred unless they are expected to be recovered from the customer. Project mobilization costs are generally charged to project costs as incurred when they are an integrated part of the performance obligation being transferred to the customer. The Company recognizes revenue, but not profit, on certain uninstalled materials that are not specifically produced, fabricated, or constructed for a project. Revenue on these uninstalled materials is recognized when the cost is incurred, or when control is transferred.

Performance Obligations

The Company evaluates whether two or more contracts should be combined and accounted for as one performance obligation and whether a combined or single contract should be accounted for as more than one performance obligation. This evaluation requires significant judgment and the decision to combine a group of contracts or separate a combined or single contract into multiple performance obligations could change the amount of revenue and profit recorded in a given period. For most contracts, the customer contracts with the Company to provide a significant service of integrating a complex set of tasks and components into a single project or capability (even if that single project results in the delivery of multiple units), in which case the entire contract is accounted for as one performance obligation. The Company may promise to provide distinct goods or services within a contract, in which case the Company separates the contract into more than one performance obligation. If a contract is separated into more than one performance obligation, the Company allocates the total transaction price to each performance obligation in an amount based on the estimated relative standalone selling prices of the promised goods or services underlying each performance obligation.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revenue and Cost Recognition (Continued)

Contract Assets and Liabilities

Contract assets represent revenue recognized in excess of amounts billed to date and retainage receivable. Contract liabilities represent amounts billed to clients in excess of revenue recognized to date. The Company anticipates that substantially all incurred costs associated with contract assets as of December 31, 2020 will be billed and collected within one year.

Contract assets and contract liabilities were as follows as of December 31:

	<u>2020</u>	<u>2019</u>	<u>2018</u>
Contract assets:			
Costs and estimated earnings in excess of billings	\$ 11,498,550	\$ 8,292,502	\$ 8,078,950
Retainage receivable	<u>15,094,874</u>	<u>12,780,772</u>	<u>8,545,702</u>
Total contract assets	<u>\$ 26,593,424</u>	<u>\$ 21,073,274</u>	<u>\$ 16,624,652</u>
Contract liabilities:			
Billings in excess of costs and estimated earnings	\$ 19,580,510	\$ 26,492,648	\$ 20,986,315
Deferred service revenue	<u>514,714</u>	<u>565,855</u>	<u>519,520</u>
Total contract liabilities	<u>\$ 20,095,224</u>	<u>\$ 27,058,503</u>	<u>\$ 21,505,835</u>

Variable Consideration

Changes in contract specifications and requirements and other revisions to project costs and conditions can give rise to contract modifications (change orders) under which the customer agrees to pay an additional contract price. The Company considers these contract modifications to exist when the modification either creates new or changes the existing enforceable rights and obligations. Most contract modifications are for goods or services that are not distinct from the existing performance obligation(s). The effect of a contract modification on the transaction price, and measure of progress for the performance obligation to which it relates, is recognized as an adjustment to revenue (either as an increase or decrease) on a cumulative catchup basis. Revisions can also result in claims that the Company might make against the customer to recover project variances that have not been satisfactorily addressed through change orders with the customer. In general, the Company does not recognize revenue or margin based on change orders or claims until they have been agreed upon with the customer.

Due to the nature of the work required to be performed to satisfy the Company's performance obligations, the estimation of total revenue and cost at completion is complex, subject to many variables and requires significant judgment. The consideration to which the Company is entitled to on long-term contracts may include both fixed and variable amounts on occasion. Variable amounts can either increase or decrease the transaction price. Some examples of positive variable revenue include amounts awarded upon achievement of certain performance metrics, program milestones or cost of completion date targets and can be based upon customer discretion. Conversely, variable amounts can result in a deduction from contract revenue if stated performance requirements are not met, such as complying with the construction schedule.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revenue and Cost Recognition (Continued)

Payment Terms

The Company typically invoices customers with payment terms of net due in 30 days. It is common in the construction industry for a contract to specify more lenient payment terms allowing the customer 45 to 60 days to make their payment. It is also common for the contract in the construction industry to specify that a general contractor is not required to submit payments to a subcontractor until it has received those funds from the owner or funding source. In most instances the Company receives payment of invoices between 30 to 90 days of the date of the invoice.

Warranties

The Company generally provides limited warranties for work performed under its construction contracts. The warranty periods typically extend for a limited duration following substantial completion of the Company's work on a project. Historically, warranty claims have not resulted in material costs incurred, and any estimated costs for warranties are included in the individual project cost estimates for purposes of accounting for long-term contracts.

Practical Expedients

The Company has availed itself of the following practical expedients available under ASC 606: (1) to make a policy election to expense incremental costs of obtaining a contract with a customer, as the amortization period of such costs would be one year or less; and (2) an entity need not adjust the promised amount of consideration for the effects of a significant financing component if the entity expects, at contract inception, that the period between when the entity transfers a promised good or service to a customer and when the customer pays for that good or service will be one year or less.

Cash

Cash includes bank demand deposit accounts. The Company's cash balances may at times exceed federally insured limits. The Company has not experienced any losses in these accounts and believes it is not exposed to any significant risk with respect to cash.

Contracts Receivable

Contracts receivable are uncollateralized customer obligations. Interest is not charged on delinquent accounts. Payments on contracts receivable are allocated to the customer's specific invoices identified on the customer's remittance advice, or, if unspecified, are applied to the earliest unpaid invoices.

The carrying amount of contracts receivable is reduced by an allowance for doubtful accounts that reflects management's best estimate of the amounts that will ultimately not be collected. Management individually reviews all contracts receivable balances that exceed 90 days from the invoice date, and based on an estimate of current credit worthiness, estimates the portion, if any, of the outstanding balance that will not be collected. The allowance for doubtful accounts is based on past credit history with customers, known and inherent risks and current economic conditions. After all collection efforts have been exhausted, the receivable is written off.

In accordance with normal construction industry practice, retainage receivables are shown as current assets. Retainage is due upon final completion and owner acceptance of the contract. It is reasonably possible that amounts due in more than one year may be shown as current.

The allowance for doubtful accounts was \$466,430 and \$552,659 at December 31, 2020 and 2019, respectively.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Inventory

Inventory consists of sheet metal, pipe, filters, and frequently used parts stated at the lower of cost, using the first-in, first-out method, and net realizable value.

Property, Plant, and Equipment

Property, plant, and equipment are stated at cost, less accumulated depreciation and amortization. Expenditures for acquisitions, renewals, and betterments are capitalized, whereas maintenance and repair costs are expensed as incurred. When property, plant, and equipment are retired or otherwise disposed of, the appropriate accounts are relieved of costs and accumulated depreciation. Any resultant gain or loss is credited or charged to the income statement.

Depreciation is provided for in amounts to relate the cost of property, plant, and equipment to operations over their estimated useful lives on a straight-line basis. The estimated useful lives used in determining depreciation generally vary from 3 to 39 years. Leasehold improvements are amortized over the shorter of the remaining lease term or the estimated useful life of the asset.

Impairment of Long-Lived Assets

The Company regularly assesses all of its long-lived assets for impairment when events or circumstances indicate their carrying amounts may not be recoverable. This is accomplished by comparing the expected undiscounted future cash flows of the assets with the respective carrying amount as of the date of the assessment. Should aggregate future cash flows be less than the carrying value, a write-down would be required, measured as the difference between the carrying value and the fair value of the asset. If the expected undiscounted future cash flows exceed the respective carrying amount as of the date of the assessment, no impairment is recognized. No impairments were recorded for the years ended December 31, 2020 and 2019, respectively.

Other Assets

Other assets consist primarily of cash surrender value of life insurance, investments in partnerships, and notes receivable.

The Company is the owner of various life insurance policies that insure the lives of several of the Company's officers and employees. The face values of these policies totaled \$3,473,312 at December 31, 2020 and 2019. The Company records the cash surrender value of these policies as a non-current asset in the accompanying consolidated balance sheets. There were no loans outstanding with these policies at December 31, 2020 and 2019, respectively.

The Company has investments in various partnerships, which totaled \$596,362 and \$581,504 at December 31, 2020 and 2019, respectively. These investments are accounted for on the equity method.

The Company has notes receivable of \$1,700,775 and \$1,395,775 at December 31, 2020 and 2019, respectively. The notes receivable are stated at unpaid principal balances plus accrued interest, less an allowance for loan losses. The notes bear interest ranging from 0% to 8% and mature at various dates through June 2030. Management periodically evaluates the loans for collectability based on inherent collection risks and adverse situations that may affect the owner's ability to repay. Loans for which no payments have been received for a period of time are considered delinquent. After all collection efforts are exhausted, any amounts deemed uncollectible based upon an assessment of the debtor's financial condition are written off. As of December 31, 2020 and 2019, management determined that an allowance is not necessary. Loans are placed on nonaccrual status when management believes collection of interest is doubtful.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Other Liabilities

Other liabilities consist of deferred compensation obligations to employees. The Company recognizes deferred compensation obligations in accordance with the vesting provision of each arrangement.

Sales Tax

The Company excludes from contract revenue earned revenue all sales taxes assessed to its customers. Sales taxes assessed on revenue, when applicable, are recorded as accrued expenses and other current liabilities on the balance sheet until remitted to state agencies.

Captive Insurance

The Company has contracted with a group captive insurance company to insure against workers' compensation, general liability, auto liability and physical damage. Members of the group captive could be subject to additional premium assessments in the event the program's financial position deteriorates. No such assessments have been made to date, nor are any anticipated based upon the programs' current financial position. Payments made to the captive for insurance coverage amounted to \$2,032,313 and \$3,620,145 for the years ended December 31, 2020 and 2019, respectively.

Advertising

Advertising costs are expensed as incurred. Advertising expenditures were \$459,479 and \$484,396 for the years ended December 31, 2020 and 2019, respectively.

Income Taxes

The Company has elected to be treated as an S Corporation for Federal and state income tax purposes. However, income allocated to the stock owned by the ESOP, which owns 100% of the Company's stock, is not subject to income taxation because the ESOP is an employee benefit trust. State taxes are provided in accordance with applicable state tax laws.

Risks and Uncertainties

The COVID-19 pandemic remains a rapidly evolving situation. The overall consequences of COVID-19 on a national, regional and local level are unknown, but it has the potential to result in a significant economic impact. The future impact of this situation on JWD Group, Inc. and Subsidiaries and its results and financial position is not presently determinable.

3. REVENUE RECOGNITION

Revenue by Contract Type

Net revenues by contract type consisted of the following for the years ended December 31:

	<u>2020</u>	<u>2019</u>
Construction contracts	\$ 251,702,288	\$ 243,081,721
Service maintenance contracts	<u>13,405,911</u>	<u>12,582,162</u>
	<u>\$ 265,108,199</u>	<u>\$ 255,663,883</u>

3. REVENUE RECOGNITION (Continued)

Revenue by Region

Net revenues by region consisted of the following for the years ended December 31:

	<u>2020</u>	<u>2019</u>
Buffalo	\$ 95,749,051	\$ 133,745,123
Capital	54,305,265	33,709,957
Syracuse	47,833,834	20,002,092
Ohio	28,241,991	-
Rochester	28,108,777	42,062,491
Hudson	10,273,156	16,877,953
Binghamton	596,125	475,325
Global	<u>-</u>	<u>8,790,942</u>
	<u>\$ 265,108,199</u>	<u>\$ 255,663,883</u>

All contract revenue was earned over time for both the years ended December 31, 2020 and 2019.

4. COSTS AND ESTIMATED EARNINGS ON CONTRACTS IN PROGRESS

Costs and estimated earnings on uncompleted contracts consisted of the following at December 31:

	<u>2020</u>	<u>2019</u>
Costs incurred to date on contracts in progress	\$ 412,273,450	\$ 433,109,055
Estimated earnings to date	<u>46,015,019</u>	<u>57,161,600</u>
	458,288,469	490,270,655
Less: Billings to date	<u>(466,370,429)</u>	<u>(508,470,801)</u>
	<u>\$ (8,081,960)</u>	<u>\$ (18,200,146)</u>

These amounts are included in the consolidated balance sheets under the following captions at December 31:

	<u>2020</u>	<u>2019</u>
Costs and estimated earnings in excess of billings on contracts in progress	\$ 11,498,550	\$ 8,292,502
Billings in excess of costs and estimated earnings on contracts in progress	<u>(19,580,510)</u>	<u>(26,492,648)</u>
	<u>\$ (8,081,960)</u>	<u>\$ (18,200,146)</u>

5. REMAINING UNSATISFIED PERFORMANCE OBLIGATIONS (UNAUDITED)

The Company's remaining unsatisfied performance obligations as of December 31, 2020 represent a measure of the total dollar value of work to be performed on contracts awarded and in progress. The remaining unsatisfied performance obligations were approximately \$238,000,000 as of December 31, 2020.

6. PROPERTY, PLANT, AND EQUIPMENT

Property, plant, and equipment consisted of the following at December 31:

	<u>2020</u>	<u>2019</u>
Land, building, and improvements	\$ 46,450,366	\$ 44,496,903
Machinery, tools, and equipment	9,735,230	9,691,181
Vehicles	8,490,825	7,693,264
Office furniture and equipment	3,365,250	4,095,040
Construction-in-progress	<u>512,389</u>	<u>621,860</u>
	68,554,060	66,598,248
Less: Accumulated depreciation and amortization	<u>(28,911,630)</u>	<u>(25,136,698)</u>
	<u>\$ 39,642,430</u>	<u>\$ 41,461,550</u>

Depreciation and amortization was \$3,774,933 and \$3,343,649 for the years ended December 31, 2020 and 2019, respectively.

7. OTHER ASSETS

Other assets consisted of the following at December 31:

	<u>2020</u>	<u>2019</u>
Notes receivable	\$ 1,700,775	\$ 1,395,775
Cash surrender value of life insurance	944,985	849,676
Investments in partnerships	596,362	581,504
Investment in captive insurance company	15,000	15,000
Other	<u>6,333</u>	<u>6,333</u>
	<u>\$ 3,263,455</u>	<u>\$ 2,848,288</u>

8. ACCOUNTS PAYABLE

Accounts payable consisted of the following at December 31:

	<u>2020</u>	<u>2019</u>
Construction contracts	\$ 30,470,469	\$ 22,748,439
Service maintenance contracts	<u>2,474,445</u>	<u>1,878,722</u>
	<u>\$ 32,944,914</u>	<u>\$ 24,627,161</u>

9. LINE-OF-CREDIT

The Company has available a \$40,000,000 line-of-credit with KeyBank that requires monthly interest payments on the outstanding balance at the LIBOR rate plus 2.25% (2.34% and 3.79% at December 31, 2020 and 2019, respectively). Borrowings under the line-of-credit are collateralized by a first security interest in all personal property and fixtures of the Company, whether now owned or acquired after. The line is subject to annual renewal in September each year and is guaranteed on an unlimited basis by the Company.

The outstanding balance on the line-of-credit was \$8,068,068 and \$1,773,520 at December 31, 2020 and 2019, respectively.

The amount available to the Company under this line-of-credit is reduced by outstanding letters of credit, which are limited to \$3,000,000. Outstanding letters of credit totaled approximately \$1,760,000 and \$1,800,000 at December 31, 2020 and 2019, respectively.

10. LONG-TERM DEBT

Long-term debt consisted of the following at December 31:

	<u>2020</u>	<u>2019</u>
\$6,600,000 mortgage note payable to KeyBank in monthly installments of \$55,000 plus interest at the LIBOR rate plus 2.25% (2.44% and 4.06% at December 31, 2020 and 2019, respectively) through July 2027. The note is collateralized by a building and is guaranteed on an unlimited basis by the Company.	\$ 4,400,000	\$ 5,060,000
\$4,720,000 mortgage note payable to KeyBank in monthly installments of \$39,333 plus interest at the LIBOR rate plus 2.50% (2.59% and 4.04% at December 31, 2020 and 2019, respectively) through March 2026. The note is collateralized by a building and is guaranteed on an unlimited basis by the Company.	2,517,348	2,989,348
\$2,080,000 mortgage note payable to KeyBank in monthly installments of \$11,555 plus interest at the LIBOR rate plus 2.50% (2.64% and 4.28% at December 31, 2020 and 2019, respectively) through February 2026 with a balloon payment of \$704,955 due March 24, 2026. The note is collateralized by a building and is guaranteed on an unlimited basis by the Company.	1,432,920	1,571,580
\$1,516,890 mortgage note payable to M&T Bank in monthly installments of \$28,375 including interest at 4.59% maturing January 2024. The note is collateralized by a building and is guaranteed on an unlimited basis by the Company.	<u>947,781</u>	<u>1,263,776</u>
Balance forward	\$ 9,298,049	\$ 10,884,704

10. LONG-TERM DEBT (Continued)

	<u>2020</u>	<u>2019</u>
Balance forward	\$ 9,298,049	\$ 10,884,704
\$1,312,470 mortgage note payable to M&T Bank in monthly installments of \$24,509 including interest at 4.50% through March 2023. The note is collateralized by a building and is guaranteed on an unlimited basis by the Company.	627,321	886,890
\$700,000 note payable to an officer in annual payments of \$175,000 each January plus interest at 1% of the unpaid principal balance maturing January 1, 2021.	<u>175,000</u>	<u>350,000</u>
	10,100,370	12,121,594
Less: Current portion	<u>(2,019,186)</u>	<u>(1,993,736)</u>
	\$ 8,081,184	\$ 10,127,858

The financing agreement with KeyBank pertaining to the mortgage note payables and the \$40,000,000 line-of-credit contains certain covenants relative to the financial activity of the Company. These financial covenants are measured quarterly and as of the end of each year. The Company was in compliance with these covenants as of December 31, 2020 and 2019.

Future maturities of long-term-debt are as follows for the years ending December 31:

2021	\$ 2,019,186
2022	1,870,816
2023	1,672,080
2024	1,270,660
2025	1,270,660
Thereafter	<u>1,996,968</u>
	<u>\$ 10,100,370</u>

11. OTHER LIABILITIES

On December 31, 2016, the Company adopted two deferred compensation arrangements for a select group of management, which are intended to provide certain executives with supplemental compensation in recognition of their services to the Company. Upon separation from service by the executives other than a termination by the Company for cause, the Company shall pay each executive a total of \$725,000 in three equal annual payments beginning on January 31 of the year following the separation from service. The Company is recognizing the cost related to the deferred compensation agreements over the expected remaining period of each executive's employment.

The Company had total deferred compensation obligations of \$1,741,854 and \$1,628,333 at December 31, 2020 and 2019, respectively. The Company had total deferred compensation expense of \$353,520 and \$240,000 for the years ended December 31, 2020 and 2019, respectively.

12. STOCKHOLDER'S EQUITY

Shares of common stock authorized, issued, outstanding, and held in treasury consisted of the following at December 31:

	<u>2020</u>	<u>2019</u>
Authorized	5,000,000	5,000,000
Issued	1,164,380	1,164,380
Outstanding	706,209	706,209
Treasury	458,171	458,171

13. LEASE COMMITMENTS

The Company leases various properties throughout New York State. These leases require monthly rental payments aggregating \$36,926 per month at December 31, 2020, expiring on various dates through April 2052. Many of the leases will continue on a year to year basis unless a written notice of an election not to renew is provided. Rent expense related to these leases totaled \$249,418 and \$363,532 for the years ended December 31, 2020 and 2019, respectively.

Future minimum rental payments over the terms of the above noted leases are as follows for the years ending December 31:

2021	\$ 273,849
2022	77,261
2023	66,809
2024	66,809
2025	64,694
Thereafter	<u>1,118,464</u>
	<u>\$ 1,667,886</u>

14. EMPLOYEE BENEFIT PLANS

The Company contributes to various single-employer retirement and multi-employer pension and other benefit plans as described below.

Single-Employer Plans

The Company has an employee stock ownership plan, the J.W.D. Group, Inc. Employee Stock Ownership Plan (the "ESOP"), for all qualified non-union employees. The ESOP held 706,209 shares of stock of J.W.D. Group, Inc. as of December 31, 2020 and 2019 (100% of the outstanding shares). The ESOP is required to repurchase vested shares of participants at the time the participants exit the ESOP at the fair market value of the shares at the time of repurchase. These repurchases are funded with loans made by the Company to the ESOP which are reflected as "Unearned ESOP shares" within stockholder's equity on the consolidated balance sheets. These loans have no set repayment terms and do not bear interest.

14. EMPLOYEE BENEFIT PLANS (Continued)

Single-Employer Plans (Continued)

The loans will be repaid with future contributions from the Company, which will be determined at the discretion of the Board of Directors. Contributions to the ESOP were \$1,061,272 and \$1,400,000 for the years ended December 31, 2020 and 2019, respectively.

Shares purchased by the ESOP from participants who exit the ESOP are held in suspense and not allocated to ESOP participants until the related loan principal is repaid. Total shares held in suspense amounted to 157,254 and 134,765 as of December 31, 2020 and 2019, respectively. During 2020 and 2019, the ESOP released 32,220 and 46,069 shares from suspense, respectively.

The aggregate fair market values of the shares allocated to ESOP participants, all of which are subject to the ESOP's repurchase obligation, was approximately \$25,306,825 as of December 31, 2020. The aggregate fair market values of the shares unallocated to ESOP participants was approximately \$7,249,409 as of December 31, 2020. The fair market value was determined based on an independent valuation performed as of December 31, 2019, the most recent valuation available.

The Company has a 401(k) plan that allows eligible employees to make voluntary pretax salary deferral contributions subject to statutory limits. The Company matches 100% of the first 4% of salary contributed by an employee. For the years ended December 31, 2020 and 2019, the Company made contributions of \$743,417 and \$748,636, respectively.

Multi-Employer Pension and Other Benefit Plans

The Company contributes to multi-employer defined contribution retirement, defined benefit pension and other benefit plans under the terms of collective bargaining agreements, which cover approximately 70% of the Company's workforce.

Some of the collective bargaining agreements require the Company to make contributions to multi-employer defined contribution retirement plans based on hourly rates of the covered workers. The Company's contributions to these plans amounted to \$3,773,133 and \$4,185,861 for the years ended December 31, 2020 and 2019, respectively.

The risks of participating in multi-employer defined benefit pension plans are different from single-employer plans. Assets contributed to a multi-employer plan by one employer may be used to provide benefits to employees of other participating employers. If a participating employer stops contributing to the plan, the unfunded obligations of the plan may be borne by the remaining participating employers.

The Company's participation in multi-employer defined benefit pension plans for the years ended December 31, 2020 and 2019 is outlined in the table below. The "EIN/PN" column provides the Employee Identification Number ("EIN") and the three-digit plan number ("PN"). The most recent Pension Protection Act ("PPA") zone status available is for the plan year-ends as indicated below. The zone status is based on information that the Company received from the plan and is certified by the plan's actuary. Among other factors, plans in the red zone are generally less than 65% funded, plans in the yellow zone are between 65% and 80% funded, and plans in the green zone are at least 80% funded. The "FIP/RP Status Pending/Implemented" column indicates plans for which a financial improvement plan ("FIP") or a rehabilitation plan (RP) is either pending or has been implemented.

In addition to regular plan contributions, the Company may be subject to a surcharge if the plan is in the red zone. The "Surcharge Imposed" column indicates whether a surcharge has been imposed on contributions to the plan. The last column lists the expiration date(s) of the collective-bargaining agreement(s) ("CBA") to which the plans are subject.

14. EMPLOYEE BENEFIT PLANS (Continued)

Multi-Employer Pension and Other Benefit Plans (Continued)

Plans in which the Company had significant participation for the years ended December 31, 2020 and 2019, are outlined in the table below:

<u>Pension Fund</u>	<u>EIN/Pension Plan Number</u>	<u>PPA Zone Status 2019</u>	<u>PPA Zone Status 2018</u>	<u>FIP/RP Status Pending/ Implemented</u>	<u>Contributions 2020</u>	<u>Contributions 2019</u>	<u>Surcharge Imposed</u>	<u>Expiration Date of Collective Bargaining</u>
Pipefitters Local 22 Pension Fund	16-0920434-001	Green	Green	None	\$ 4,380,002	\$ 4,683,700	No	November 2021
Sheet Metal Workers National Pension Fund	52-6112463-001	Yellow	Yellow	Implemented	3,266,908	3,115,280	No	July 2021
Pipefitters Local 7 Pension Fund	91-2055384-001	Green	Green	None	1,350,306	728,830	No	April 2021
Pipefitters Local 13 Pension Fund	16-0778864-001	Green	Green	Implemented	1,344,851	1,048,626	No	October 2021
Pipefitters Local 189 Pension Fund	31-0894807-001	Green	Green	None	1,937,287	-	No	May 2021
Pipefitters Local 267 Pension Fund	15-0347955-001	Yellow	Yellow	Implemented	837,628	408,171	No	April 2021
Sheet Metal Workers Local 71 Pension Fund	16-6051585-001	Green	Green	None	723,087	825,090	No	May 2021
Pipefitters Local 21 Pension Fund	13-1847042-001	Green	Green	None	552,877	402,724	No	April 2021
Pipefitters Local 112 Pension Fund	16-6052007-001	Yellow	Yellow	Implemented	507,583	305,074	No	April 2021
Pipefitter Workers National Pension Fund	52-6152779-001	Yellow	Yellow	Implemented	474,123	260,849	No	April 2021
Pipefitters Local 773 Pension Fund	23-7114547-001	Green	Green	None	452,490	621,008	No	April 2021
Other Plans					<u>499,591</u>	<u>432,722</u>		
					<u>\$ 16,326,733</u>	<u>\$ 12,832,074</u>		

The unions that receive payments as a result of their involvement with the national pension plans noted above include the following:

Plumbers & Pipefitters National Pension Fund

- Local 7 Pipefitters
- Local 13 Pipefitters
- Local 21 Pipefitters
- Local 22 Pipefitters
- Local 112 Pipefitters
- Local 131 Pipefitters
- Local 189 Pipefitters
- Local 267 Pipefitters
- Local 373 Pipefitters
- Local 773 Pipefitters

Sheet Metal Workers National Pension Fund

- Local 38 Sheet Metal
- Local 46 Sheet Metal
- Local 58 Sheet Metal
- Local 71 Sheet Metal
- Local 83 Sheet Metal
- Local 112 Sheet Metal

Operating Engineer Workers National Pension Fund

- Local 17 Operating Engineers

14. EMPLOYEE BENEFIT PLANS (Continued)

Multi-Employer Pension and Other Benefit Plans (Continued)

The collective-bargaining agreements require the Company to make contributions to a number of plans other than for pension benefits. Total contributions related to these plans, primarily for health and welfare benefits, amounted to approximately \$9,100,000 and \$9,800,000 for the years ended December 31, 2020 and 2019, respectively.

15. CONCENTRATIONS

During the year ended December 31, 2020, the Company had contract revenue from one customer totaling approximately \$27,391,045, approximately 10% of total contract revenue earned. Contracts receivable from this customer totaled \$6,902,304, approximately 10% of total contracts receivable and retainage at December 31, 2020.

During the year ended December 31, 2019, the Company had contract revenue from one customer totaling approximately \$31,779,000, approximately 12% of total contract revenue earned. Contracts receivable from this customer totaled \$5,079,862, approximately 9% of total contracts receivable and retainage at December 31, 2019.

16. COMMITMENTS AND CONTINGENCIES

In connection with its normal construction activities, the Company may be required to acquire performance, bid, and payment bonds. The Company is contingently liable to a surety company under a general indemnity agreement. The Company agrees to indemnify the surety for any payments made on contracts of suretyship, guarantee or indemnity. The surety issuing the bonds has recourse against certain of the Company's assets in the event the surety is required to pay on the bonds. The Company believes that all contingent liabilities to the surety company will be satisfied by their performance on the specified bonded contracts. At December 31, 2020, surety bonds for contracts totaling approximately \$254,105,890 have been issued with a current backlog of approximately \$103,300,000.

The Company is subject to various legal actions and claims arising in the ordinary course of business. In the opinion of management, the outcome of any of those matters will not have a material adverse effect on the Company's financial position, results of operations, or cash flows.

17. SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION

	<u>2020</u>	<u>2019</u>
Cash paid during the year for:		
Interest	<u>\$ 587,232</u>	<u>\$ 891,331</u>

18. SUBSEQUENT EVENTS

Subsequent events have been evaluated through March 31, 2021, the date the consolidated financial statements were available to be issued.

J.W.D. GROUP, INC. AND SUBSIDIARIES**CONSOLIDATED SCHEDULES OF SELLING, GENERAL, AND ADMINISTRATIVE EXPENSES
FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019**

	<u>2020</u>	<u>2019</u>
Salaries	\$ 12,961,340	\$ 12,732,696
Depreciation	2,248,139	1,793,585
IT and communications	1,802,076	1,616,420
Payroll taxes and insurance	1,305,051	1,407,051
Employee benefits	1,138,418	1,060,032
Corporate insurance	877,323	679,036
Repairs and maintenance	808,934	883,874
Real estate and other taxes	669,636	680,597
ESOP expense	638,043	734,521
Travel and entertainment	599,243	1,359,174
Consulting fees	509,772	503,176
Advertising	459,479	484,396
Office 401(k) plan expenses	439,292	407,003
Office supplies	389,131	475,998
Utilities	378,385	400,891
Professional services	275,915	265,953
Vehicle expense	273,505	301,814
Rent	249,418	363,532
Dues and subscriptions	244,330	280,556
Training	149,967	275,850
Contributions	137,501	171,937
Directors' fees	90,000	77,000
Credit card and bank fees	68,667	82,791
Estimating expense	58,872	129,797
Life insurance premiums	44,110	63,113
	<u>\$ 26,816,547</u>	<u>\$ 27,230,793</u>

The accompanying notes are an integral part of these schedules.



JOHN W. DANFORTH COMPANY
 GENERAL CONTRACTORS FOR MECHANICAL SYSTEMS
 Industrial Piping Power Plants Heating/Air Conditioning Plumbing Air and Water Pollution Control Sheetmetal

COMPLETED PROJECTS (LAST FIVE YEARS)- ALBANY OFFICE

Project	Owner	Contract With	Contact	Phone No.	Contract Amount	Scheduled Completion
SUNY Alfred - Satellite Boiler	State University of New York - College at Alfred	State University Construction Fund	Gretchen Persbacker	(518) 320-3239	\$ 1,886,900.00	September-18
University of Rochester - New Imaging and Med Office	University of Rochester	LeChase Construction	Tom Sisson	(585) 855-2222	\$ 3,620,565.00	November-17
Skaneateles CSD CIP Phase 3	Skaneateles Central School District	Skaneateles Central School District	Kenneth Slentz	(315) 685-8361	\$ 1,173,000.00	September-17
Christian Brothers Mechanical Improvements	Christian Brothers Academy	Hueber-Breuer Construction Company	John Michael Duby	(315) 467-7917	\$ 534,300.00	August-17
University of Rochester - Imaging 3rd Floor Pediatrics	University of Rochester	LeChase Construction	John Grande	(585) 855-2222	\$ 508,000.00	April-17
Binghamton - Johnson City JSTP Improvements	University of Rochester	University of Rochester	Stephen Mischissin	(585) 273-4704	\$ 1,532,600.00	October-16
Nazareth Wellness Carol Hall	Nazareth College	LeChase Construction	Don Grace	(585) 967-1832	\$ 2,620,500.00	August-15
University of Rochester - Golisano Children's Hospital	University of Rochester	LeChase Construction	Josh Reinhard	(585) 254-3510	\$ 20,950,750.00	June-15
NYS OGS - Repair HVAC Controls & Systems at FL	NYS Office of General Services	NYSOGS - Division of Contract Admin.			\$ 571,400.00	November-14
University of Rochester Middle Campus Chiller Plant	University of Rochester	University of Rochester	Gregory R. Meyer	(585) 275-8068	\$ 4,009,000.00	October-14
Groveland Correctional Facilities - Powerhouse Controls	NYS Office of General Services	NYSOGS - Division of Contract Admin.			\$ 1,092,000.00	October-14
Rochester Institute of Technology Golisano IFS Contract No. 11	Rochester Institute of Technology	LeChase Construction	Michelle Schaeffer	(585) 254-3510	\$ 6,183,000.00	September-13
FF Thompson	FF Thompson	LeChase Construction	Kevin Hoffman	(585) 254-3510	\$ 9,600,000.00	May-13
Canandaigua WWTP Secondary Improvements	City of Canandaigua	City of Canandaigua	Will Clark	(585) 396-5065	\$ 5,415,300.00	May-13
Wilmorite - LAGO Casino & Resort	Lago Resort and Casino LLC	Wilmorite Construction, LLC	James McKenna	(585) 464-9400	\$ 19,771,348.00	May-17
Onondaga County - OCC Coulter Library Renovations	Onondaga Community College	Onondaga Community College	Wes Jones	(315) 498-2448	\$ 1,533,000.00	Dec-16
University of Rochester Children's Hospital Pediatric OR and PICU Fit Out	University of Rochester	The Pike Company Inc.	Kevin Baker	(585) 271-5256	\$ 4,900,000.00	Jun-17
COR Development - Collamer Crossings	COR Development	COR Collamer Rd. Co. LLC			\$ 6,190,021.00	Dec-17
Liverpool CSD - Phase 2 Reconstruction	Liverpool CSD	Liverpool CSD	Todd Webber	(315) 317-5274	\$ 5,895,000.00	Sep-18
Rush Henrietta CSD - Full Day Kindergarten	Rush Henrietta CSD	Rush Henrietta CSD	David M. Kay, District Architect	(585) 359-5387	\$ 2,393,000.00	Sep-17
Crouse Hospital - Emergency Services Addition & Renovation	Crouse Hospital	Burns Brothers Contractors	Jeff Horner	(315) 425-5834	\$ 1,080,780.00	Oct-18
Rochester Institute of Technology - Gosnell AC Upgrades	Rochester Institute of Technology	Rochester Institute of Technology	Gary Prokop	(585) 475-2855	\$ 2,725,000.00	Aug-17
SUNY Morrisville Ventilation to Iceplex Building	SUNY Morrisville	State University Construction Fund	Richard Brown	(518) 320-3204	\$ 764,000.00	Aug-17
RCSD School No. 7 Phase 2A	Rochester Joint Schools Construction Board	LeChase Construction	Brian Beachner	(585) 764-8050	\$ 3,756,000.00	Aug-18
On Semi Conductor - 2nd Floor Clean Room	On Semiconductor	The Pike Company Inc.	Kevin Baker	(585) 271-5256	\$ 1,544,068.00	Nov-17
SUNY Brockport Boiler Replacement Phase 8	SUNY Brockport	NYPA	Len Walker	(914) 681-6627	\$ 1,332,331.00	Dec-17
NYCANA Grow Facility	NYCANA	Wilmorite Construction, LLC	Phil Lane	(585) 464-9400	\$ 976,000.00	Dec-17
Bill Gray's Iceplex Expansion	MCSCC	Constellation	Joe Hudak	(412) 855-6674	\$ 599,057.00	Feb-18

List of principals, their primary function, and length of service:

Kevin "Duke" Reilly, Chairman

As JWD Group, Inc., Chairman, Duke is responsible for all facets of group leadership. He has direct influence and oversight on the group's strategic direction and operation. Duke ensures that Danforth is in constant pursuit of providing the best value to our customers through innovative solutions. His leadership has guided Danforth to becoming the 4th largest mechanical contractor in the Northeast. Duke has over 35 years of mechanical industry experience. Duke attended the United States Naval Academy and served in the Navy for 5 years. After joining the Danforth team in 1982 as a Project Manager, Duke used his experience from managing projects to implement more efficient practices for Danforth's construction model. Over the next 20 years he continued to help grow Danforth's capabilities and was promoted through the ranks of management to his current role as JWD Group Chairman. Duke's tenure with Danforth and JWD Group has been marked by continual company growth and improvement to become a true single solution provider for mechanical services in the Northeast and beyond.

Robert J. Beck, CEO

As John W. Danforth Company's CEO, Robert is responsible for strategic direction, growth and organizational foundation of the company. Robert oversees the continual improvement of Danforth's sales, operations, and execution of over \$250 million in contracts. All company efforts promote the spirit of Danforth's vision, mission and core values.

Robert has nearly 30 years of mechanical industry experience. After graduating from the University of Florida, Robert began a career in the industry as a District Sales Manager for Lochinvar Corporation in 1991. He started at Danforth in 1993 and has been promoted through various company management roles over the last 25 years to his current role as company President.

Robert and his wife Elise, along with their two children, Ethan and Audrey, reside in Amherst, NY.

Raymond Rudolph, Executive Vice President

Ray is the Executive Vice President of John W. Danforth Company, based out of our Capital Region Office and oversees the company's operations and projects in Eastern New York including the Hudson Valley and Capital Region. Ray brings over 35 years of engineering and consulting experience to the Project Team. He is responsible for project development services, consulting and capital project planning activities. Over the course of his career, Ray has executed nearly 100 projects in the Higher Education Market. (The list is included in Ray's detailed resume as well as the bottom of Section A-4).

Ray is a graduate of Union College and the US Military Academy at West Point. He has also taken coursework at RPI, APA, API/UST and a variety of other continual education courses. Ray is a registered Professional Engineer in New York State. Ray is an active member of the APWA, ASCE and a committee member of NYSDEC Non-point Source Pollution Control Handbook.

John Samar, Executive Vice President of Central and Western New York Operations

John is responsible for the overall execution of contracted work in Western and Central New York. In addition, John oversees development of Project Management departmental employees across New York State. John oversees day to day operating activities of booked work to ensure meeting revenue, cost and margin forecasts. He has over 20 years of expertise in the construction industry and spent the past eight years as the Vice President for Construction Services, where he was responsible for application of company-wide project management initiatives including: mentorship, purchasing, subcontractor management and union relations. John is a Professional Engineer (PE) and was a Design Engineer with O'Brien & Gere for eight years.

John has spearheaded the implementation of Energy Performance Contracts for all of our Energy Performance Clients. He has been providing oversight on Energy Performance Projects with Danforth since 1997.

Jason P. Rudich, Senior Vice President

Jason is responsible for various office and field engineering duties including load calculations, equipment sizing calculations, equipment selection and confirmation. He specializes in identifying client's needs and developing turnkey solutions to meet their energy and operational goals. Jason has nearly 20 years of experience providing Design/Build solutions for Danforth's customers and is Leadership in Energy and Environmental Design, Accredited Professional (LEED AP) certified. Jason graduated from Alfred State College with a Bachelor of Science in Mechanical Engineering. He has designed numerous systems for various projects throughout New York State with a focus on Energy Performance.

Patrick W. McParlane, President

For the past eight years, Pat has been responsible for the overall acquisition portion of the business and all its business segment personnel within the Client Solutions Division. He plays a pivotal role in business development and strategic planning within the Buffalo Market. Pat was formerly a District Manager for the international firm Siemens and was responsible for the total business operations and strategic direction in New York, Vermont and Pennsylvania. He has nearly 30 years of experience in the ESCO field that specifically relates to the qualifications outlined by the Erie County RFP. Over the years, Pat has been integral of a number of major projects that Danforth completed in Erie County, including the University at Buffalo School of Medicine, John R. Oishei Children's Hospital and Buffalo Riverbend just to name a few.

Previously Pat was instrumental in securing millions of dollars in funding for his clients' energy projects from agencies including the United States Department of Energy and NYSERDA.

Pat has the experience to structure and secure the proper funding for energy programs, utilizing the guaranteed operational and energy savings to pay for the financial obligations of the project. Pat graduated from State University New York College at Buffalo with a Bachelors of Science & an AAS from SUNY Alfred.

Jerry Wilson, Vice President of Client Solutions

Jerry serves as the Vice President of Client Solutions. Jerry operates out of Danforth's Headquarters in Buffalo and is responsible for leading the business acquisition and marketing for the Client Solutions business segment. His responsibilities specifically include identifying market opportunities, developing

strategic partnerships with key customers and accounts, along with sales forecasting, planning, and budgeting. Jerry has over 35 years of experience in the energy and environmental business.

At Danforth, some of Jerry's notable projects include the energy performance contract of the Town of West Seneca valued at \$9 million that resulted in annual energy savings of 700,000 Kwh, as well as the energy performance contract of the Monroe County Civic Center valued at over \$13 million, resulting in annual energy savings of over 2,700,000 kWh. Recently, Jerry's team was awarded an Energy Performance Contracts with Livingston County valued at \$5.7 million, Wyoming County valued at \$2.8 million and Niagara County valued at \$6.6 million.

Jerry's experience in client solutions and sales has made him a valuable asset to the Danforth Team.

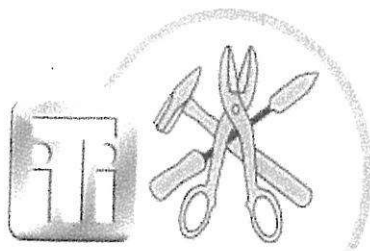
Jerry has an Associate's Degree in Electro-Mechanical Technologies from SUNY Alfred, a Bachelors of Science Degree in Industrial Engineering Technology from Buffalo State College, and a Masters of Business Administration from Canisius College. Jerry belongs to the Association of Energy Engineers (AEE) as well as the American Society of Heating Refrigerating, and Air-Conditioning Engineers (ASHRAE).

Brian Tubin, Vice President & Chief Financial Officer

Brian began his career in public accounting at a prominent firm in Buffalo, NY where Danforth was a major client. He worked on Danforth's account for 7 years performing accounting, tax and auditing services. During this time he also worked to provide compliance, management advisory and business valuation services to over 100 other diverse business entities with his main concentration being the construction industry. While working in the public accounting field, Brian met the state education and experience requirements for the titles of Certified Public Accountant (CPA) and Certified Valuation Analyst (CVA).

In 2003, Brian left public accounting to become the Vice President of a full service General Construction company. Brian was responsible for the overall operations of the company, including planning and directing all aspects of the organization's financial and operational policies, procedures, objectives and initiatives. Brian was instrumental in the company's long-term strategic planning as well as the management of the day-to-day issues related to finance, administration and construction operations. Brian was responsible for actively seeking opportunities for diversification and expansion into new areas while maintaining focus on the company's profitability and customer service. During this time, Brian's relationship with Danforth continued to grow as they were his main subcontractor for all plumbing, HVAC, and mechanical work.

With over 20 years of work experience and proven leadership in all facets of accounting, finance, operations, construction and business management, Brian joined the John W. Danforth Company in 2012 as the Chief Financial Officer. Both Brian and Danforth wanted to continue to build upon the successful long-term relationship they had established over the years. Brian currently oversees the Accounting, Finance, Risk Control, Insurance, HR and IT departments. He ensures that these areas of the business are all aligned and performing effectively and efficiently in accordance with the mission and core values of Danforth. In addition, Brian acts as a Steward of company assets as well as a financial strategist providing short and long-term financial budgets, analysis and forecasting for the company to make key decisions.



Sheet Metal Workers' Local Union #83
Joint Apprenticeship and Training Fund

900 Commerce Drive
Phone: (518) 489-1377

Clifton Park, NY 12065
Fax: (518) 453-9284

Website: www.smartlu83.org

August 3, 2021

To whom it may concern;

This is to advise you that John W. Danforth is a signatory contractor with Sheet Metal Workers Local Union #83.

As a signatory contractor they are part of our NYS Department of Labor approved apprentice training and recruitment program. This program is listed with NYS DOL as "Capital District Sheet Metal JAC LU #83.

If you should require any additional information feel free to contact our office.

Sincerely,

Francis Maguire
President/Business Manager



Plumbers and Steamfitters Local 7
18 Avis Drive, Latham, NY 12110

To Whom it may concern:

Date: 8/3/2021

J.W. Danforth is a signatory contractor of UA Local 7 Plumbers and Steamfitters. All Apprentices that they hire from Local 7 are enrolled in a NYS Registered Apprentice Program. If you require and additional information, feel free to reach out to tcarrigan@ualocal7.org.

Thomas R. Carrigan

President Local 7 Plumbers and Steamfitters