

July 23, 2013

**MEMORANDUM TO THE TRUSTEES**

**FROM THE PRESIDENT and CHIEF EXECUTIVE OFFICER**

**SUBJECT: Procurement (Services) Contracts –  
Business Units and Facilities –  
Awards and Extensions**

**SUMMARY**

The Trustees are requested to approve the award and funding of the multiyear procurement (services) contracts listed in Exhibit “A,” as well as the continuation and funding of the procurement (services) contracts listed in Exhibit “B,” in support of projects and programs for the Authority’s Business Units/Departments and Facilities. Detailed explanations of the recommended awards and extensions, including the nature of such services, the bases for the new awards if other than to the lowest-priced bidders and the intended duration of such contracts, or the reasons for extension and the projected expiration dates, are set forth in the discussion below.

**BACKGROUND**

Section 2879 of the Public Authorities Law and the Authority’s Guidelines for Procurement Contracts require the Trustees’ approval for procurement contracts involving services to be rendered for a period in excess of one year.

The Authority’s Expenditure Authorization Procedures (“EAPs”) require the Trustees’ approval for the award of non-personal services, construction, equipment purchase or non-procurement contracts in excess of \$3 million, as well as personal services contracts in excess of \$1 million if low bidder, or \$500,000 if sole-source or non-low bidder.

The Authority’s EAPs also require the Trustees’ approval when the cumulative change-order value of a personal services contract exceeds the greater of \$500,000 or 25% of the originally approved contract amount not to exceed \$500,000, or when the cumulative change-order value of a non-personal services, construction, equipment purchase or non-procurement contract exceeds the greater of \$1 million or 25% of the originally approved contract amount not to exceed \$3 million.

**DISCUSSION**

**Awards**

The terms of these contracts will be more than one year; therefore, the Trustees’ approval is required. Except as noted, all of these contracts contain provisions allowing the Authority to terminate the services for the Authority’s convenience, without liability other than paying for acceptable services rendered to the effective date of termination. Approval is also requested for funding all contracts, which range in estimated value from \$75,000 to \$15 million. Except as

noted, these contract awards do not obligate the Authority to a specific level of personnel resources or expenditures.

The issuance of multiyear contracts is recommended from both cost and efficiency standpoints. In many cases, reduced prices can be negotiated for these long-term contracts. Since these services are typically required on a continuous basis, it is more efficient to award long-term contracts than to rebid these services annually.

### **Extensions**

Although the firms identified in Exhibit “B” have provided effective services, the issues or projects requiring these services have not been resolved or completed and the need exists for continuing these contracts. The Trustees’ approval is required because the terms of these contracts will exceed one year including the extension, the term of extension of these contracts will exceed one year and/or because the cumulative change-order limits will exceed the levels authorized by the EAPs in forthcoming change orders. The subject contracts contain provisions allowing the Authority to terminate the services at the Authority’s convenience, without liability other than paying for acceptable services rendered to the effective date of termination. These contract extensions do not obligate the Authority to a specific level of personnel resources or expenditures.

Extension of the contracts identified in Exhibit “B” is requested for one or more of the following reasons: (1) additional time is required to complete the current contractual work scope or additional services related to the original work scope; (2) to accommodate an Authority or external regulatory agency schedule change that has delayed, reprioritized or otherwise suspended required services; (3) the original consultant is uniquely qualified to perform services and/or continue its presence and rebidding would not be practical or (4) the contractor provides a proprietary technology or specialized equipment, at reasonable negotiated rates, that the Authority needs to continue until a permanent system is put in place.

The following is a detailed summary of each recommended contract award and extension.

### **Contract Awards in Support of Business Units/Departments and Facilities:**

#### **Corporate Support Services / Enterprise Shared Services**

The contracts with **Penda-Aiken, Inc. (“Penda-Aiken”)** and **Reinhard-Madison Approach Staffing, Inc. dba Madison Approach Staffing (“Reinhard-Madison”)** (Q13-5440; PO#s TBA) would provide for the services of temporary administrative personnel to support various departments at the Authority’s White Plains Office, on an “as needed” basis. The firm/s will be notified by the Authority of its temporary assignment requirements for personnel (including, but not limited to, job classification, any special qualifications and experience that may be required, anticipated start date and duration of assignment) and will be requested to submit résumés for each specific personnel requisition. Upon receipt and review of a responsive résumé, the prospective candidate will be interviewed by Authority staff (either in person or via telephone). The firms will interface with the Authority on all matters relating to

these contracts. Fourteen Minority and Women-owned Business Enterprise firms (“M/WBEs”) were invited to submit proposals for such services in response to the Request for Quotations. Two bids were received and evaluated. Based on their qualifications, experience and acceptable commercial evaluation, staff recommends the award of contracts to both firms, **Penda-Aiken and Reinhard-Madison (PO#s TBA)**. Additionally, one of these firms has provided satisfactory service under a prior contract for such work. The contracts would become effective on or about August 1, 2013 for an intended term of up to five years, subject to the Trustees’ approval, which is hereby requested. Approval is also requested for the aggregate total amount expected to be expended for the term of the contracts, \$1 million. Total commitments and expenditures for the contracts will also be tracked against the approved aggregate total. Such contracts will be closely monitored for utilization levels, available approved funding and combined total expenditures. It should be noted that both firms are New York State-certified Woman-owned Business Enterprises (“WBEs”) and Penda-Aiken is also a Minority-owned Business Enterprise (“MBE”).

### *Human Resources*

The federal government’s Consolidated Omnibus Budget Reconciliation Act of 1985 (“COBRA”), as amended by various acts since that date, mandates that employers continue to offer health coverage at group health plan rates to certain former employees and their eligible dependents upon termination of employment and other qualifying events. New York State law provides for additional continuation coverage, requiring the Authority to provide the opportunity for a temporary extension of health coverage in certain instances where coverage under the plan would otherwise end. The contract with **Total Administrative Services Corp. (“TASC”) (Q13-5431; PO# TBA)** would provide for comprehensive third-party administration services for the Authority’s continuation of benefits program in compliance with both federal and state COBRA requirements. Services include, but are not limited to: issuing all mandated notices and notifications, enrollment, changes and terminations, billing and receipt of monthly premiums, follow-up, processing payments to various health insurance carriers and to the Authority; tracking of time and limitations imposed by law; record-keeping services and reporting to Authority management for the medical and dental plans, Employee Assistance Program, health care Flexible Spending Account, Vision and Hearing plans for the Authority’s approximately 1,650 salaried and bargaining unit employees. Bid documents were developed by staff and were downloaded electronically from the Authority’s Procurement website by 18 firms, including those that may have responded to a notice in the New York State *Contract Reporter*. Two proposals were received and evaluated. Staff recommends the award of a contract to TASC, the lower-priced bidder, which is qualified to provide such services, offers optional additional services not provided by the other bidder, and has performed satisfactory services under the existing contract for such work. The new contract would become effective on or about January 1, 2014 for an intended term of up to five years, subject to the Trustees’ approval, which is hereby requested. Approval is also requested for the total amount expected to be expended for the term of the contract, \$75,000.

**Economic Development and Energy Efficiency – Energy Efficiency**  
**and**  
**Operations Support Services – EH&S**

As part of the Authority's Energy Services programs to promote energy efficiency for its customers, the Authority provides for energy-related improvement work, which may require the abatement of asbestos- or lead-containing materials. As part of the Authority's environmental support services (specifically, asbestos and lead management) related to such activities, the services of asbestos/lead consultants are required to mitigate the risks associated with asbestos/lead abatement prior to undertaking construction. Such services include, but are not limited to: asbestos and lead feasibility studies, inspections, abatement planning and design and project monitoring, as well as laboratory sample analysis. Demand for these services is expected to increase significantly due to the Authority's central role in supporting the Governor's \$450 million initiative to reduce energy usage in State facilities by 20% by 2020. To that end, bid documents (**Q12-5364**) were developed by staff and were downloaded electronically from the Authority's Procurement website by 76 firms, including those that may have responded to a notice in the New York State *Contract Reporter*. Eighteen proposals were received and evaluated. Of this number, one bid was incomplete and was not considered further. The remaining 17 firms were invited to make presentations to the evaluation team on their technical capabilities, which included specific project experiences, familiarity with state and city agency procedures, manpower, company structure, and office locations. Based on the bidders' proposals and their presentations, the team rated the bidders on technical capability and cost, and then calculated their combined technical and cost ranking in each of the five bid regions (Downstate, Capital, Central, Northern and Western New York). Based on the foregoing, staff recommends the award of contracts to the following eight firms with the highest combined rankings in each region: **Adelaide Environmental Health Associates, Inc., Airtek Environmental Corp., CORE Environmental Consultants, Inc., Joseph C. Lu Engineering and Land Survey, P.C. dba Lu Engineers, KAM Consultants Corp., LiRo Engineers, Inc., TRC Environmental Corp. and Warren & Panzer Engineers, P.C. (PO#s TBA)**. The number of firms selected for each region is based on the projected volume of work per region, as further set forth in Exhibit "A." Several of these firms have provided quality services to the Authority under prior or existing contracts for such work. The new contracts would become effective on or about August 1, 2013 for an intended term of up to five years, subject to the Trustees' approval, which is hereby requested. Approval is also requested for the aggregate total amount expected to be expended for the term of the contracts, \$15 million, which will be allocated as specific projects are assigned, based on the firm's ability to provide the necessary resources and performance. It should be noted that all costs, including interest and Authority overheads, will be recovered by the Authority from customers participating in the Energy Services programs. It should also be noted that the Adelaide and CORE firms are New York State-certified Woman-owned Business Enterprises ("WBEs").

## Internal Audit

The Authority has been providing low-cost power to business and non-profit groups under various Economic Development Power (“EDP”) programs enacted by State legislation (e.g., Replacement Power, Expansion Power, Recharge New York). The companies applying for and receiving this low-cost power agree to maintain and/or create jobs in New York State. These customers are required to report their job levels annually to the Authority. In past years, the Authority has engaged outside auditors to perform on-site verifications of the job commitments, based on a random sample of customers selected each year. The customer’s place of business is visited and the customer is required to produce appropriate documents to support the job levels reported. If the promised job levels are not maintained, the power allocations may be reduced entirely or in proportion to the job levels reported. Staff has determined that continued use of an outside audit firm to perform such work would be both cost-effective and most efficient in order to audit an appropriate number of customer contracts (approximately 100) annually. The contract with **Dannible & McKee, LLP (Q13-5461; PO# TBA)** would provide for the additional resources and services to perform such customer compliance audits, in order to verify that job levels reported by customers participating in the various EDP programs are accurate and in compliance with contractual requirements. To that end, bid documents were developed by staff and were downloaded electronically from the Authority’s Procurement website by 61 firms, including those that may have responded to a notice in the New York State *Contract Reporter*. Three proposals were received and evaluated. Staff recommends the award of a contract to **Dannible & McKee**, the lowest-priced bidder, which is qualified to perform such services, has demonstrated a thorough understanding of the required tasks, and has provided satisfactory service under a previous contract for such work. The new contract would become effective on or about August 1, 2013 for an intended term of up to three years, subject to the Trustees’ approval, which is hereby requested. Approval is also requested for the total amount expected to be expended for the term of the contract, \$330,000.

## Operations

The contract with **AAF-McQuay Inc. dba McQuay Factory Service (“McQuay”)** (**RFQ 6000138865; PO# TBA**) would provide for preventive maintenance and repair services for 11 centrifugal chillers at the Small Clean Power Plants (including Brentwood on Long Island) in the Southeastern New York (“SENY”) region. Bid documents were developed by staff and were downloaded electronically from the Authority’s Procurement website by 27 firms, including those that may have responded to a notice in the New York State *Contract Reporter*. Two proposals were received and evaluated. Based on its qualifications, experience and reasonable pricing, staff recommends the award of a contract to **McQuay**, the lowest-priced bidder, which is uniquely qualified to perform such services as the Original Equipment Manufacturer and has provided satisfactory service under the existing contract for such work. The new contract would become effective on or about October 6, 2013 for an intended term of up to three years, subject to the Trustees’ approval, which is hereby requested. Approval is also requested for the total amount expected to be expended for the term of the contract, \$750,000.

The contract with **Carrier Corporation (“Carrier”) (Q13-5447; PO# TBA)** would provide for heating, ventilation and air-conditioning (“HVAC”) maintenance services for the 500 MW Combined Cycle and Small Clean Power Plants (“SCPPs”), as well as the Flynn Plant and Brentwood SCPP on Long Island, in the Southeastern New York (“SENY”) region. Services include HVAC equipment and system preventative maintenance (including annual maintenance, seasonal start-up, shutdown, service call work and preventative maintenance of the equipment, as recommended by the equipment manufacturer and common industry practice), as well as on-call equipment maintenance and repairs, on an “as needed” basis. Bid documents were developed by staff and were downloaded electronically from the Authority’s Procurement website by 56 firms, including those that may have responded to a notice in the New York State *Contract Reporter*; three proposals were received and evaluated. The Request for Quotations gave bidders the option of submitting a proposal to provide services for some or all of the SENY plants (including the Flynn Plant and the Brentwood SCPP on Long Island, currently serviced by another contractor), enabling staff to evaluate and determine the feasibility and cost of combining coverage for all SENY plants under one new contract (as previously indicated to the Trustees in September 2012). Staff recommends award of a contract to Carrier, the lowest-priced bidder for all plants, which is qualified to perform such work, meets the bid requirements and has provided satisfactory service for the SENY plants under an existing contract for such work. The new contract would become effective on or about October 1, 2013 for an intended term of up to five years, subject to the Trustees’ approval, which is hereby requested. Approval is also requested for the total amount expected to be expended for the term of the contract, \$2 million.

The contract with **Dresser-Rand Company (“Dresser-Rand”) (Q13-5387; PO# TBA)** would provide for service, maintenance and engineering support for 17 reciprocating and centrifugal type gas compressors at the Authority’s power plant facilities in the Southeastern New York (“SENY”) Region. The contractor will furnish qualified service technicians / mechanics to perform the work, which includes, but is not limited to, annual inspections, scheduled maintenance, technical services and valve refurbishment (of rotating spares), as well as emergency repair support services on a “24/7” basis for the three different gas compressor manufacturers at the various plants and locations (comprising the 500 MW Combined Cycle Plant and the Small Clean Power Plants (“SCPPs”) in the New York City boroughs, as well as the Brentwood SCPP and the Flynn Plant on Long Island). This contract will also cover the migration of the Dresser-Rand VIP controls to the DI-TRONICS control systems, which will be performed by qualified Instrumentation and Controls technicians. To that end, bid documents were developed by staff and were downloaded electronically from the Authority’s Procurement website by 22 firms, including those that may have responded to a notice in the New York State *Contract Reporter*; one proposal was received and evaluated. In addition to furnishing the requisite technicians, Dresser-Rand also provides for a site service manager to plan all the maintenance service contract deliverables and activities in order to minimize disruptions and impact on plant operations and to coordinate the resolution of any technical issues that are identified. Its service center provides product-specific repair capabilities and technical staffing. Based on its qualifications, experience, resources, ability to perform such work and to provide replacement parts as needed, staff recommends the award of a contract to Dresser-Rand, which has also provided consistent, effective and satisfactory services under prior contracts for such work. The new contract would become effective on or about January 1, 2014 for an intended term of up to five years, subject to the Trustees’ approval, which is hereby requested. Approval

is also requested for the total amount expected to be expended for the term of the contract, \$5 million.

The contract with **IsleChem, LLC (“IsleChem”)** (RFQ 6000139741; PO# TBA) would provide for State Pollutant Discharge Elimination System (“SPDES”) environmental inspection, sampling, testing and analysis of wastewater, solid and hazardous waste for the Niagara Power Project. Services include, but are not limited to, scheduled monthly collection of wastewater, waste oils, soil samples and hazardous waste, and analysis for various elements / contaminants, as well as unscheduled collection and analysis, on an “as needed” basis, and submittal of a written report of the findings, in accordance with specified New York State Department of Environmental Conservation and Department of Health requirements. Services also include benchmark monitoring to be performed at least once per year for the First Buffalo Marina and the ice boom storage site in Buffalo, in compliance with the permit requirements for water transportation facilities. Bid documents were developed by staff and were downloaded electronically from the Authority’s Procurement website by 69 firms, including those that may have responded to a notice in the New York State *Contract Reporter*; one additional firm obtained the bid documents from an alternate source. Six proposals were received and evaluated. Staff recommends the award of a contract to IsleChem, the lowest-priced evaluated bidder, which is qualified to perform such services and has provided satisfactory service under the existing contract for such work. This laboratory is also certified by the New York State Department of Health Environmental Laboratory Approval Program (“ELAP”), in accordance with the bid requirements. The new contract would become effective on or about August 1, 2013 for an intended term of up to four years, subject to the Trustees’ approval, which is hereby requested. Approval is also requested for the total amount expected to be expended for the term of the contract, \$300,000.

The contract with **Yaboo Fence Co., Inc. (“Yaboo Fence”)** (RFQ 6000139152; PO# TBA) would provide for the necessary qualified labor to perform repair services on fences, gates, hinges, barbed wire, etc. and/or new installations at the Authority’s power projects in the Southeastern New York (“SENY”) region, as well as any and all associated hardware associated with the fencing and its repair, on an “an needed” basis. Bid documents were developed by staff and were downloaded electronically from the Authority’s Procurement website by 53 firms, including those that may have responded to a notice in the New York State *Contract Reporter*. Four proposals were received and evaluated. Yaboo was also invited to meet with Authority staff to review its proposal and address any questions. Based on the foregoing, as well as its qualifications, experience and reasonable pricing, staff recommends the award of a contract to Yaboo Fence, the lowest-priced bidder, which is qualified to perform such work and meets the bid requirements. The contract would become effective on or about August 1, 2013 for an intended term of up to three years, subject to the Trustees’ approval, which is hereby requested. Approval is also requested for the total amount expected to be expended for the term of the contract, \$175,000. It should be noted that Yaboo Fence is a New York State-certified Woman-owned Business Enterprise (“WBE”).

## Contract Extensions:

### Corporate Support Services / Enterprise Shared Services

#### *Information Technology*

At their meeting of June 29, 2010, the Trustees approved the award of a three-year contract to **Information Technology Corp. (“ITC”) (4600002285)** for maintenance as well as on-site and remote technical support of the Authority’s Apple / Macintosh computer hardware and software for the Communications & Marketing Services and Video Production Services groups. The contract became effective on August 2, 2010; services include, but are not limited to, the following: individualized attention to the designated staff regarding hardware and software requirements, providing one point of contact, scheduled weekly visits to resolve open requests, Help Desk/Call Tracking process for unresolved issues, keeping the Apple software environment current and in-sync, supporting printers and servers, providing back-up and restoring MAC data files, identifying and recommending hardware and software solutions, as well as off-hour capability and response time of four to eight hours. ITC’s performance has consistently demonstrated a high level of skill, technical expertise and in-depth understanding of the work to be performed. The firm has been very responsive and has provided quality services and work product in a timely manner. Based on the individualized and exceptional services that ITC has provided to the Authority thus far, staff recommends a two-year extension of the subject contract to provide for continued maintenance and technical support services. The current contract amount is \$210,000; staff estimates that an additional \$150,000 will be required for the extended term. The Trustees are requested to approve extension of the subject contract through July 31, 2015, as well as the additional funding requested.

### Economic Development & Energy Efficiency

#### *Energy Efficiency*

The Authority’s Statewide Energy Services Program (“Statewide ESP”) is an energy efficiency program that provides a turnkey approach to identifying, procuring and implementing energy-saving solutions for program participants. At their meeting of July 29, 2008, the Trustees approved the award of contracts to two firms, **Parsons Brinckerhoff Americas, Inc. (4600001998, now Parsons Brinckerhoff, Inc.) and PRES Energy (4600001985; now PRES Services, LLC)**, to provide for program management and implementation services for the Statewide ESP, for a term of up to five years. The Trustees also authorized increased funding in the amount of \$200 million for the Statewide ESP, of which up to \$180 million (in aggregate) would be allocated to the approved contracts, based on contractor performance and areas of specialization. The contracts, which were competitively bid, became effective on August 1, 2008. While many of the assigned projects have been completed successfully, a number of other projects have been delayed for various reasons. Most project delays were due to customer delays in milestone approvals resulting from funding uncertainties (that are being resolved as a result of the Built Smart NY initiative). Customers have now authorized the Authority to proceed to the next steps on most of these projects and other projects are expected to receive authorization to proceed shortly. Examples of such projects that will require additional time for completion include, but are not limited to those for: State University of New York (“SUNY”) campuses, the

New York State Department of Corrections and Community Supervision (“DOCCS”) correctional facilities, Office of General Services (“OGS”) facilities and sites, municipal buildings, county systems, school districts, etc. The scopes of work vary by customer and facility; they may include, but are not limited to: replacement of boilers, water heaters, chillers, HVAC systems and related controls, compressors; installation / upgrade of lighting and lighting controls, traffic signals, metering; recovery and re-use of building waste heat; thermal storage; etc. Since work is in progress on these projects, and these contractors have been performing well, it would not be practical or cost-effective to rebid these services or reassign these projects to a new contractor/s. In order bring the remaining projects to successful completion, while maintaining the terms, conditions and pricing in the original contracts, staff recommends an extension of approximately four and one-half years of the existing contracts with **Parsons and PRES**. Adequate funding is available to cover the estimated costs to complete the active project assignments under these contracts. No new projects will be initiated or assigned to these contracts. The current aggregate total amount released and allocated to the two contracts is \$90 million (of the previously approved \$180 million aggregate total). Staff anticipates that no additional funding in excess of the previously approved aggregate \$180 million will be required for the extended term. The Trustees are requested to approve extension of the subject contracts with Parsons and PRES through December 31, 2017, and to approve the release and allocation of the \$90 million remaining from the previously approved \$180 million, as needed (with no additional funding requested). Change Orders reflecting such allocations will be executed in accordance with the Authority’s Expenditure Authorization Procedures. Total commitments and expenditures for these contracts will continue to be tracked against the approved aggregate total. Such contracts will be closely monitored for utilization levels, available approved funding and combined total expenditures. It should be noted that all costs will be recovered by the Authority from the program participants.

### Law

The contract with **Duane Morris LLP (4500220355)** provides for outside counsel services in connection with the design and drafting of construction contract models to support the Authority’s new Energy Efficiency initiatives. The original contract, which was awarded as the result of a competitive search, became effective on August 1, 2012 for a term of up to one year, in the amount of \$300,000. During the past year, Duane Morris has provided templates for a proposed “design build” construction agreement and a regular construction agreement; their counsel has been helpful. A three-year extension is now requested, during which the law firm will continue to counsel the Authority in connection with the current Energy Efficiency initiatives, particularly providing assistance with the design and drafting of alternative methods of construction contracts and assistance with contract disputes on an “as needed” basis. The current contract amount is \$300,000; staff anticipates that no additional funding will be required for the extended term. The Trustees are requested to approve extension of the subject contract through July 31, 2016, with no additional funding requested at this time.

## Operations Support Services on behalf of the Executive Offices

The recent storms of 2011 and 2012, particularly Super Storm Sandy, highlighted a critical need for improvements and reinvestment in New York's energy infrastructure. Governor Cuomo assembled four Commissions in the fall of 2012 to develop recommendations for improvements. The Authority was a key contributor to those Commissions and their resulting recommendations, and is now actively facilitating the implementation of such recommendations, which cut across the areas of power system hardening, operations improvement and future grid development. To that end, in April 2013, the Authority awarded competitively bid contracts to the following five firms: **ICF Resources, LLC (4600002662), KEMA, Inc. (4600002665), Quanta Technology, LLC (4600002661), Siemens Industry, Inc. / Siemens Power Technologies International (4600002663) and WorleyParsons of New York, Inc. (4600002669)**, to provide for consulting services in connection with the aforementioned power system hardening efforts. The consultants will utilize their respective expertise to address specific tasks and scopes of work, on an "as needed" basis. These may include, but are not limited to: performing system assessments; recommending strategies, best practices, improvements; assisting in change management; advising on rate case justifications; evaluating new technologies and programs, etc. The original aggregate total amount authorized for the five contracts was \$995,000, which was expected to be expended during the contract term of up to one year. Subsequently, several scopes of work were developed in consultation with the Long Island Power Authority ("LIPA") and the New York State Department of Public Service ("NYS DPS") and have been awarded to the respective consultants (specifically, for evaluations of the LIPA Summer Operating Report, the LIPA Power System Flood Protection, and the NYS DPS Power System Hardening Operations and Grid Improvement), as well as for an evaluation of the Authority's transmission and generating facilities storm hardening and resiliency. Staff anticipates that at least two additional scopes will be awarded: evaluation of the LIPA Management Service Agreement ("MSA") exit (expected to be awarded prior to the July Trustees' meeting) and the forthcoming LIPA Power System Hardening, Operations and Grid Improvements, for which the scope of work has not yet been fully developed. The current aggregate total for awarded contracts is \$1,026,500, which has been authorized in accordance with the limits set forth in the Authority's EAPs. Based on the aggregate total value of contracts awarded to date and the anticipated additional work, staff recommends that these contracts be extended by one year and the aggregate total amount authorized for the five contracts be increased to \$2 million. The Trustees are requested to approve extension of the subject contracts through April 1, 2015, as well as the additional funding requested. Total commitments and expenditures for these contracts will continue to be tracked against the approved aggregate total. Such contracts will be closely monitored for utilization levels, available approved funding and combined total expenditures, including travel and living expenses.

## FISCAL INFORMATION

Funds required to support contract services for various Business Units/Departments and Facilities have been included in the 2013 Approved O&M Budget. Funds for subsequent years, where applicable, will be included in the budget submittals for those years. Payment will be made from the Operating Fund.

Funds required to support contract services for capital projects have been included as part of the approved capital expenditures for those projects and will be disbursed from the Capital Fund in accordance with the project's Capital Expenditure Authorization Request. Payment for certain contracts in support of Energy Services Programs will be made from the Energy Conservation Effectuation and Conservation Fund.

RECOMMENDATION

The Senior Vice President – Operations Support Services and Chief Engineer, the Senior Vice President – Power Generation, the Senior Vice President – Corporate Support Services, the Assistant General Counsel – Procurement & Contract Affairs, the Vice President – Project Management, the Vice President – Engineering, the Vice President – Environment, Health and Safety, the Vice President – Procurement, the Vice President – Information Technology and Chief Information Officer, the Vice President – Energy Efficiency, the Vice President – Human Resources, the Vice President – Internal Audit, the Regional Manager – Northern New York, the Regional Manager – Western New York, the Regional Manager – Central New York and the Regional Manager – Southeastern New York recommend that the Trustees approve the award of multiyear procurement (services) contracts to the companies listed in Exhibit “A” and the extension and/or funding of the procurement (services) contracts listed in Exhibit “B,” for the purposes and in the amounts discussed within the item and/or listed in the respective exhibits.

For the reasons stated, I recommend the approval of the above-requested action by adoption of a resolution in the form of the attached draft resolution.

Gil C. Quiniones  
President and Chief Executive Officer

Att.  
Procurement Awards and Extensions

## **RESOLUTION**

RESOLVED, That pursuant to the Guidelines for Procurement Contracts adopted by the Authority, the award and funding of the multiyear procurement services and other contracts set forth in Exhibit "A," attached hereto, are hereby approved for the period of time indicated, in the amounts and for the purposes listed therein, as recommended in the attached memorandum of the President and Chief Executive Officer; and be it further

RESOLVED, That pursuant to the Guidelines for Procurement Contracts adopted by the Authority, the contracts listed in Exhibit "B," attached hereto, are hereby approved and extended for the period of time indicated, in the amounts and for the purposes listed therein, as recommended in the attached memorandum of the President and Chief Executive Officer; and be it further

RESOLVED, That the Chairman, the Vice Chairman, the President and Chief Executive Officer, the Chief Operating Officer and all other officers of the Authority are, and each of them hereby is, authorized on behalf of the Authority to do any and all things, take any and all actions and execute and deliver any and all agreements, certificates and other documents to effectuate the foregoing resolution, subject to the approval of the form thereof by the Executive Vice President and General Counsel.

**Procurement (Services) Contracts – Awards**  
 (For Description of Contracts See "Discussion")

<u>Plant Site</u>	<u>Company Contract #</u>	<u>Start of Contract</u>	<u>Description of Contract</u>	<u>Closing Date</u>	<u>Award Basis<sup>1</sup> Contract Type<sup>2</sup></u>	<u>Compensation Limit</u>	<u>Amount Expended To Date</u>	<u>Authorized Expenditures For Life Of Contract</u>
CSS / ESS	<b>Q13-5440; 2 awards:</b>  1. <b>PENDA AIKEN, INC. ♦</b> Brooklyn, NY  2. <b>REINHARD-MADISON APPROACH STAFFING, INC.</b> dba <b>MADISON APPROACH STAFFING ♦</b> White Plains, NY (PO#s TBA)	08/01/13 (on or about)	Provide for the services of temporary administrative personnel for WPO, on an "as needed" basis	07/31/18	B/S			<b>\$1,000,000*</b>
						*Note: represents aggregate total for up to 5-year term		
CSS / ESS – HR	<b>TOTAL ADMINISTRATIVE SERVICES CORP.</b> Madison, WI (Q13-5431; PO# TBA)	01/01/14 (on or about)	Provide for third-party administration services for continuation of benefits under COBRA	12/31/18	B/S			<b>\$75,000*</b>
						*Note: represents total for up to 5-year term		
INTERNAL AUDIT	<b>DANNIBLE &amp; MCKEE LLP</b> Syracuse, NY (Q13-5461; PO# TBA)	08/01/13 (on or about)	Provide for Customer Compliance Audits re job commitments in connection with Economic Development Power programs	07/31/16	B/P			<b>\$330,000*</b>
						*Note: represents total for up to 3-year term		

♦ **M / WBE:** New York State-certified Minority / Women-owned Business Enterprise (indicated by the ♦ symbol after the Company Name)  
 1 **Award Basis:** B= Competitive Bid; S= Sole Source; Si= Single Source; C= Competitive Search  
 2 **Contract Type:** P= Personal Service; S= (Non-Personal) Service; C= Construction; E= Equipment; N= Non-Procurement; A= Architectural & Engineering Service; L= Legal Service

**Procurement (Services) Contracts – Awards**  
 (For Description of Contracts See "Discussion")

EXHIBIT "A"  
 July 23, 2013

<u>Plant Site</u>	<u>Company Contract #</u>	<u>Start of Contract</u>	<u>Description of Contract</u>	<u>Closing Date</u>	<u>Award Basis<sup>1</sup> Contract Type<sup>2</sup></u>	<u>Compensation Limit</u>	<u>Amount Expended To Date</u>	<u>Authorized Expenditures For Life Of Contract</u>
ECONOMIC DEVELOPMENT & ENERGY EFFICIENCY - ENERGY EFFICIENCY	<b>Q12-5364; 8 awards:</b>	08/01/13 (on or about)	Provide for environmental support services (asbestos and lead consulting) for Energy Efficiency projects, on an "as required" basis	07/31/18	B/P			<b>\$15,000,000*</b>
	<b>1.ADELAIDE ENVIRONMENTAL HEALTH ASSOCIATES, INC. ♦</b> Brewster, NY		<b>For Downstate, Capital, Central, Northern and Western NY Regions</b>					
	<b>2. AIRTEK ENVIRONMENTAL CORP.</b> Long Island City, NY		<b>For Downstate Region</b>					
	<b>3. CORE ENVIRONMENTAL CONSULTANTS, INC. ♦</b> Maspeth, NY		<b>For Downstate and Western NY Regions</b>					
	<b>4. JOSEPH C. LU ENGINEERING AND LAND SURVEY, P.C. d/b/a LU ENGINEERS</b> Pittsford, NY		<b>For Central and Western NY Regions</b>					
	<b>5. KAM CONSULTANTS CORP.</b> Long Island City, NY		<b>For Downstate Region</b>					
	<b>6. LiRo ENGINEERS, INC.</b> Syosset, NY		<b>For Downstate, Capital, Central and Western NY Regions</b>					
	[continued on next page]							

\*Note: represents aggregate total for up to 5-year term

♦ M / WBE: New York State-certified Minority / Women-owned Business Enterprise (indicated by the ♦ symbol after the Company Name)  
 1 Award Basis: B= Competitive Bid; S= Sole Source; Si= Single Source; C= Competitive Search  
 2 Contract Type: P= Personal Service; S= (Non-Personal) Service; C= Construction; E= Equipment; N= Non-Procurement; A= Architectural & Engineering Service; L= Legal Service

**Procurement (Services) Contracts – Awards**  
 (For Description of Contracts See "Discussion")

**EXHIBIT "A"**  
 July 23, 2013

<u>Plant Site</u>	<u>Company Contract #</u>	<u>Start of Contract</u>	<u>Description of Contract</u>	<u>Closing Date</u>	<u>Award Basis<sup>1</sup> Contract Type<sup>2</sup></u>	<u>Compensation Limit</u>	<u>Amount Expended To Date</u>	<u>Authorized Expenditures For Life Of Contract</u>
	<b>Q13-5364 continued:</b>							
	<b>7. TRC ENVIRONMENTAL CORP.</b> New York, NY		<b>For Downstate Region</b>					
	<b>8. WARREN &amp; PANZER ENGINEERS, P.C.</b> New York, NY (PO#s TBA)		<b>For Capital, Central and Northern NY Regions</b>					
OPERATIONS - SCPPs	<b>AAF-McQUAY INC. dba McQUAY FACTORY SERVICE</b> Minneapolis, MN (HQ) Long Island City, NY (Factory Service Office) (RFQ 6000138865; PO# TBA)	10/06/13 (on or about)	Provide for preventive maintenance and repair services for centrifugal chillers at the Small Clean Power Plants	10/05/16	B/S			<b>\$750,000*</b>
						*Note: represents total for up to 3-year term		
OPERATIONS - SENY PLANTS	<b>CARRIER CORP.</b> Farmingdale, NY (Q13-5447; PO# TBA)	10/01/13 (on or about)	Provide for HVAC maintenance and repair services for SENY Plants (including the Flynn Plant and Brentwood SCPP)	09/30/18	B/S			<b>\$2,000,000*</b>
						*Note: represents total for up to 5-year term		
OPERATIONS - SENY PLANTS	<b>DRESSER-RAND COMPANY</b> Horsham, PA (Q13-5387; PO# TBA)	01/01/14 (on or about)	Provide for service, maintenance and engineering support for gas compressors at the SENY Power Plants	12/31/18	B/S			<b>\$5,000,000*</b>
						*Note: represents total for up to 5-year term		

♦ **M / WBE:** New York State-certified Minority / Women-owned Business Enterprise (indicated by the ♦ symbol after the Company Name)  
 1 **Award Basis:** B= Competitive Bid; S= Sole Source; Si= Single Source; C= Competitive Search  
 2 **Contract Type:** P= Personal Service; S= (Non-Personal) Service; C= Construction; E= Equipment; N= Non-Procurement; A= Architectural & Engineering Service; L= Legal Service

**Procurement (Services) Contracts – Awards**  
 (For Description of Contracts See "Discussion")

**EXHIBIT "A"**  
 July 23, 2013

<u>Plant Site</u>	<u>Company Contract #</u>	<u>Start of Contract</u>	<u>Description of Contract</u>	<u>Closing Date</u>	<u>Award Basis<sup>1</sup> Contract Type<sup>2</sup></u>	<u>Compensation Limit</u>	<u>Amount Expended To Date</u>	<u>Authorized Expenditures For Life Of Contract</u>
OPERATIONS - NIAGARA	<b>ISLE CHEM LLC</b> Grand Island, NY (N13-20077711 / 6000139741; PO# TBA)	08/01/13 (on or about)	Provide for SPDES sampling and analysis for the Niagara Project and benchmark monitoring services for the First Buffalo Marina and ice boom storage site	07/31/17	B/S			<b>\$300,000*</b>
						*Note: represents total for up to 4-year term		
OPERATIONS - SENY	<b>YABOO FENCE CO., INC. ♦</b> West Nyack, NY (RFQ 6000139152; PO# TBA)	08/01/13 (on or about)	Provide for repair services on fencing, gates, hinges, barbed wire, etc. and/or new installations at the Authority's SENY plants, on an "as needed" basis	07/31/16	B/S			<b>\$175,000*</b>
						*Note: represents total for up to 3-year term		

♦ M / WBE: New York State-certified Minority / Women-owned Business Enterprise (indicated by the ♦ symbol after the Company Name)  
 1 Award Basis: B= Competitive Bid; S= Sole Source; Si= Single Source; C= Competitive Search  
 2 Contract Type: P= Personal Service; S= (Non-Personal) Service; C= Construction; E= Equipment; N= Non-Procurement; A= Architectural & Engineering Service; L= Legal Service

**Procurement (Services) Contracts – Extensions and/or Additional Funding**  
(For Description of Contracts See "Discussion")

EXHIBIT "B"  
July 23, 2013

<u>Plant Site/ Bus. Unit</u>	<u>Company Contract #</u>	<u>Start of Contract</u>	<u>Description of Contract</u>	<u>Closing Date</u>	<u>Award Basis<sup>1</sup> Contract Type<sup>2</sup></u>	<u>Compensation Limit</u>	<u>Amount Expended To Date</u>	<u>Authorized Expenditures For Life Of Contract</u>
CSS / ESS - IT	<b>INFORMATION TECHNOLOGY CORP.</b> Rochelle Park, NJ <b>4600002285</b>	08/02/10	Provide for maintenance and technical support of the Authority's Apple/Macintosh computer hardware and software for the Communications and Video Production Services groups	07/31/15	B/S	<b>\$210,000</b> ("Target Value")	<b>\$205,244</b> ("Released Amt")	<b>\$360,000*</b>
						*Note: includes \$210,000 previously approved by the Trustees <b>+ CURRENT INCREASE OF \$150,000</b>		
ECONOMIC DEVELOPMENT & ENERGY EFFICIENCY - ENERGY EFFICIENCY	2 related contracts:  <b>1. PARSONS BRINCKER- HOFF INC.</b> New York, NY <b>4600001998</b>  <b>2. PRES SERVICES LLC</b> Getzville, NY <b>4600001985</b>	08/01/08	Provide for program management and implementation services for the Authority's State-wide Energy Services Program	12/31/17	B/C	<b>\$90,000,000</b> (Aggregate Amount released & allocated to date)		<b>\$180,000,000*</b>
						*Note: represents aggregate amount previously approved by the Trustees. <b>The REMAINING \$90 million BALANCE WILL BE RELEASED &amp; ALLOCATED, as needed, during the extended term. NO ADDITIONAL FUNDING REQUESTED. All costs will be recovered by the Authority.</b>		
LAW	<b>DUANE MORRIS LLP</b> Philadelphia, PA (HQ) New York, NY (Branch) <b>4500220355</b>	08/01/12	Provide outside counsel services in connection with the design and drafting of construction contract models to support new Energy Efficiency initiatives	07/31/16	C/L	<b>\$300,000</b>	<b>\$97,408</b>	<b>\$300,000*</b>
						*Note: represents originally approved amount; <b>NO ADDITIONAL FUNDING REQUESTED.</b>		

◆ **M / WBE:** New York State-certified Minority / Women-owned Business Enterprise (indicated by the ◆ symbol after the Company Name)  
 1 **Award Basis:** B= Competitive Bid; C= Competitive Search; S= Sole Source; Si = Single Source  
 2 **Contract Type:** P= Personal Service; S= (Non-Personal) Service; C= Construction; E= Equipment; N= Non-Procurement; L= Legal Service

**Procurement (Services) Contracts – Extensions and/or Additional Funding**  
(For Description of Contracts See "Discussion")

EXHIBIT "B"  
July 23, 2013

<u>Plant Site/ Bus. Unit</u>	<u>Company Contract #</u>	<u>Start of Contract</u>	<u>Description of Contract</u>	<u>Closing Date</u>	<u>Award Basis<sup>1</sup> Contract Type<sup>2</sup></u>	<u>Compensation Limit</u>	<u>Amount Expended To Date</u>	<u>Authorized Expenditures For Life Of Contract</u>
OPERATIONS SUPP SERV - PROJECT MANAGEMENT on behalf of the EXECUTIVE OFFICES	<b>5 related contracts:</b>		Provide for consulting services in connection with power system hard- ening, operations and grid improvements	04/01/15	B/P	<b>\$1,026,500</b> (Aggregate Amount released & allocated to date)		<b>\$2,000,000*</b>
	<b>1. ICF RESOURCES, LLC</b> Fairfax, VA <b>4600002662</b>	04/02/13						
	<b>2. KEMA, INC.</b> Burlington, MA <b>4600002665</b>	04/02/13						
	<b>3. QUANTA TECH- NOLOGY, LLC</b> Raleigh, NC <b>4600002661</b>	04/02/13						
	<b>4. SIEMENS INDUS- TRY, INC. / SIEMENS POWER TECHNOLOGIES INTERNATIONAL</b> Schenectady, NY <b>4600002663</b>	04/02/13						
<b>5. WORLEYPARSONS OF NEW YORK, INC.</b> Reading, PA <b>4600002669</b>	04/08/13							

\*Note: includes originally authorized aggregate amount of \$995,000  
+ an additional \$31,500 authorized per the EAPs  
+ CURRENT INCREASE OF \$973,500

♦ **M / WBE:** New York State-certified Minority / Women-owned Business Enterprise (indicated by the ♦ symbol after the Company Name)  
1 **Award Basis:** B= Competitive Bid; C= Competitive Search; S= Sole Source; Si = Single Source  
2 **Contract Type:** P= Personal Service; S= (Non-Personal) Service; C= Construction; E= Equipment; N= Non-Procurement; L= Legal Service