

March 25, 2014

MEMORANDUM TO THE TRUSTEES

FROM THE PRESIDENT and CHIEF EXECUTIVE OFFICER

**SUBJECT: Procurement (Services) Contract –
Richard M. Flynn Plant – Well Water Pump
Replacement – Contract Extension**

SUMMARY

The Trustees are requested to approve a six-month contract extension, at no additional funding, for Purchase Order #4500226563 with Layne Christensen Co. of Holbrook, New York, for the Richard M. Flynn CCPP (“Flynn”) Well Water Pump Replacement Project.

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 Flynn plant has two well water pumps that are 15 years old which the plant’s availability depends. These pumps are reaching their end-of-life and require replacement. A contract was awarded to Layne Christensen, through competitive bidding, effective January 8, 2013, for a term of up to one year and for the initially authorized amount of \$142,400. Subsequently, the contract was increased by an additional \$34,152 for a current total contract amount of \$176,552.

DISCUSSION

The original delivery schedule for the replacement pumps was March 2013, with installation scheduled for completion by the end of May. Due to a manufacturing delay, the pumps were not delivered until May 2013 and the Site Operations staff requested that the work be postponed until after the summer peak demand period. The contractor remobilized in November 2013, at no additional cost to the Authority, and completed the work in January 2014. The work entailed replacement of the two pumps, their respective wiring, associated drain pipes, and coating of the motor control panels.

Upon final project acceptance and turnover, staff from Engineering and the Site agreed that it was prudent to replace the existing insulation which is over 15 years old and provides a vital protection against the northeast weather. This was not part of the original project scope-of-work; however, in order to not affect the new installation warranty, the contractor will need to perform the additional work at this time. The cost for this additional work is \$6,000; the existing contract has approximately \$20,000 remaining. No additional funding is requested to perform

this additional work; however, a contract date extension is required and the work is expected to be completed by July 1, 2014.

FISCAL INFORMATION

Payments associated with this Project will be made from the Authority's Operating Fund.

RECOMMENDATION

The Senior Vice President and Chief Engineer – Operations Support Services, the Vice President – Engineering, the Acting Vice President – Project Management, the Acting Vice President – Procurement and the Regional Manager – SENY recommend that the Trustees approve a six-month contract extension, at no change in contract value, to Layne Christensen Co. of Holbrook, NY for the Flynn Well Water Pump Replacement Project.

For the reasons stated, I recommend the approval of the above-requested action by adoption of the resolution below.

Gil C. Quiniones
President and Chief Executive Officer

RESOLUTION

RESOLVED, that pursuant to the Guidelines for Procurement Contracts adopted by the Authority, approval is hereby granted to award a six-month contract extension, at no change in contract value, to Layne Christensen Co. of Holbrook, New York for the Richard M. Flynn Plant's Well Water Pump Replacement Project as recommended in the foregoing memorandum of the President and Chief Executive Officer and indicated below:

Contractor

Layne Christensen Co.
Holbrook, NY
PO# 4500226563

Contract Approval

Six-Month Contract Extension
July 1, 2014

AND BE IT FURTHER RESOLVED, That the Chairman, the Vice Chair, 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 and 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.