

Date: January 26, 2016

To: THE TRUSTEES

From: THE PRESIDENT and CHIEF EXECUTIVE OFFICER

Subject: **Procurement (Services) Contract –
SENY 500 MW Plant – Cathodic Protection –
Engineering Design and Construction
Services – Contract Extension**

SUMMARY

The Trustees are requested to approve an extension, through January 19, 2018, at no additional funding, of a contract previously awarded to Russell Corrosion Consultants (Purchase Order #4500254364), LLC of Columbia, Maryland. The contract is for the Southeast New York (“SENY”) 500 MW Plant’s Cathodic Protection System Assessment Engineering and Construction Services Project (“Project”). Interim contract extension through January 19, 2018 was approved by the Vice President – Procurement subject to approval by the Trustees at the January 26, 2016 meeting.

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.

Based upon annual site surveys from the last few years, testing results indicated that the existing cathodic protection system showed signs of depletion and a new or enhanced system was required.

The subject contract in the amount of \$327,450 was competitively bid and awarded on January 20, 2015 to Russell Corrosion Consultants to provide design and construction oversight services for the Cathodic Protection System at the 500 MW Plant. The contract includes design services to replace the existing cathodic protection system at the 500 MW Plant site. The contract services also include construction oversight services during the installation phase of the new cathodic protection system.

DISCUSSION

The current project was originally designated as a one year Non-Emergent Operations and Maintenance Project. The project was re-evaluated in mid-2015 and reclassified as a Capital recommended for implementation a one to three year period to align with budgeting limitations. As such Russell’s contract which was originally awarded for a one-year term requires a two-year extension to align with the construction over multiple years. Currently, the design documents are in final review, and the anticipated bid package is planned for February 2016. Construction is expected to commence in June of 2016 with an anticipated completion

date of December of 2017. As such, Russell's services are required thru January 19, 2018 to ensure project closeout and turnover.

FISCAL INFORMATION

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

RECOMMENDATION

The Senior Vice President and Chief Engineer – Operations Support Services, the Vice President – Engineering, the Vice President – Project Management, the Vice President – Procurement and the Regional Manager – SENY recommend that the Trustees approve the contract extension through January 19, 2018, at no change in contract value, to Russell Corrosion Consultants, LLC of Columbia, Maryland, for the Cathodic Protection System Assessment Engineering and Construction Services 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 extend through January 19, 2018, at no change in contract value, the contact with Russell Corrosion Consultants, LLC of Columbia, Maryland, for the Southeast New York ("SENY") 500 MW – Cathodic Protection System Assessment Engineering and Construction Services Project as recommended in the foregoing memorandum of the President and Chief Executive Officer

Contractor

Contract Approval

Russell Corrosion Consultants, LLC
Columbia, MD
PO# 4500254364

Contract Extension
Not-To-Exceed January 19, 2018

AND BE IT FURTHER RESOLVED, That the 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 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.