

March 26, 2015

MEMORANDUM TO THE TRUSTEES

FROM THE PRESIDENT and CHIEF EXECUTIVE OFFICER

**SUBJECT: Procurement (Services) Contracts –
Business Units and Facilities –
Awards, Extensions and/or Additional Funding**

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/or 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, single-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 \$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 \$141,250 to \$30 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:

Business Services

Research and Technology Development

The contract with **EDM International, Inc. (“EDM”)** (PO# TBA) would provide for maintenance, onsite repair, cellular communication service and GridWatch web data hosting for eight sagometer stations installed in critical locations on the Authority’s Niagara-Rochester-Utica and Moses-Willis transmission corridors. The sagometers enable the Authority to monitor and measure the sag of transmission conductors by measuring the clearance between the lowest portion of the energized conductor and the ground. Such measurements are available in real time, stored in the EDM GridWatch database and compared over time to detect any changes. This technology enables the Authority to identify the transmission line’s unused capacity and increase power flow to satisfy peak demand, while still leaving enough ground clearance to

comply with codes and provide safe and efficient operation of its power lines. Staff recommends the award of a contract to EDM on a sole-source basis, since EDM developed this system in collaboration with the Electric Power Research Institute and holds the commercial license for this technology. As the original equipment developer, EDM is uniquely qualified to perform all such required services and has provided satisfactory services under the previous contract for such work. The new contract would become effective on or about April 1, 2015, 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, \$141,250.

The contract with **The Valley Group, Inc. – a Nexans company (“TVG”) (PO# TBA)** would provide for maintenance and support services for the Dynamic Line Rating (“DLR”) systems currently installed at 15 locations on three Authority transmission lines. The system support programs include, but are not limited to, providing hardware support for DLR equipment in the field (e.g., calibration verification, free battery replacement, etc.), software updates as well as on- and off-site support, and the line evaluation program (data collection and analysis). TVG is the only company in the United States that provides the equipment and technology for dynamic line rating utilizing tension measurement methodology. In addition to providing real-time transmission capacity information to help optimize transmission assets, the TVG DLR system also enables the collection of key line performance data over extended periods of time. Periodic analysis of this data can reveal valuable insights into the overall capabilities of the lines over time, temperature and seasons. At their meeting of September 27, 2011, the Trustees approved the award of the initial sole-source contract to TVG for the design, engineering, fabrication, delivery and support for the installation of DLR equipment. Since that contract has expired and the need for system maintenance and support services for this specialized proprietary equipment and software is ongoing, staff recommends the award of a new contract to TVG on a sole-source basis. As the developer of this technology and original equipment manufacturer, TVG is uniquely qualified to provide such services and has provided satisfactory services under the initial contract. The new contract would become effective on or about April 1, 2015, 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, \$210,000.

Economic Development & Energy Efficiency

Energy Efficiency

The contracts with **Solar Liberty Energy Systems, Inc. (“Solar Liberty”) and Standard Solar, Inc. (“Standard Solar”) (Q14-5789; PO#s TBA)** would provide for all supervision, labor, materials and equipment and perform all actions required to furnish, deliver, install and make operational roof-mounted solar photovoltaic (“PV”) systems in certain New York City (“NYC”) Schools, as part of the Authority's Energy Efficiency Program. The City of New York (“City”) requested the Authority's assistance in the implementation of a rooftop solar PV systems initiative, receiving partial funding from the New York State Research and Development Authority (“NYSERDA”). The aggressive schedule associated with the NYSERDA funding calls for systems to be installed by April of 2016 at approximately 24 NYC

Schools located throughout the five boroughs, as pre-selected by the City. An initial group of nine sites is being accommodated under an existing contract with Solar Liberty, for which the Trustees approved additional funding at their meeting of December 16, 2014, with the understanding that work on the remaining 15 project sites would be performed under new competitively bid contracts. To that end, bid documents were developed by staff and were downloaded electronically from the Authority's Procurement website by 127 firms, including those that may have responded to a notice in the New York State *Contract Reporter*. The work will be structured in two phases: Phase 1 for the NYC Schools and Phase 2 for other projects within NYC as well as statewide. Awards for Phase 1 only are recommended at this time; proposed awards for Phase 2 will be submitted for the Trustees' approval at a later date. Ten proposals were received and evaluated, as further set forth in the Award Recommendation documents. Staff recommends the award of contracts to two firms, Solar Liberty and Standard Solar, the lowest-priced evaluated and technically qualified bidders. The anticipated workload for these services warrants multiple contracts and assures the Authority of adequate resources to accommodate the aggressive schedule. The contracts would become effective on or about April 1, 2015, for a term of up to 21 months, subject to the Trustees' approval, which is hereby requested. Approval is also requested for the currently estimated aggregate total amount expected to be expended for Phase 1, \$11,856,000. Such contracts will be monitored for utilization levels, available approved funding and combined total expenditures. It should be noted that all costs will be recovered by the Authority.

At the Trustees' meeting of October 15, 2014, staff recommended the award of competitively bid contracts to twelve firms (**Q14-5668**) to provide for various services in connection with the Statewide Energy Efficiency Program. The Trustees approved the award of contracts to ten of these firms (**Cannon Design Architecture and Engineering, PC, The Daylight Savings Company, Ecosystem/LiRo Energy Group II, EME Consulting Engineering Group, LLC, ENERActive Solutions, Energy & Resource Solutions, Inc. dba ERS, Fulcrum Facilities Services, LLC dba The Fulcrum Group, Guth DeConzo Consulting Engineers, PC, PRES Services, LLC dba PRES Energy and RCM Technologies, Inc.**) and an aggregate total amount of \$300 million. (The proposed awards to **LaBella Associates, DPC ("LaBella")** and **Wendel Energy Services, LLC ("Wendel")**, originally included in the aforementioned October Discussion Agenda (Item 5), were not adopted by the Trustees because they were unable to attain the required number of votes based on conflicts of interest filed by some of the Board members.) The proposed award to **LaBella** was resubmitted for the Board's consideration and was approved at the Trustees' meeting of February 26, 2015. The proposed award to the one remaining firm, Wendel, is now resubmitted for the Board's consideration with the intent of achieving the required quorum for adoption. Approval of this request would enable the Authority to utilize the firm's specialty skills, experience and expertise, as needed. The contract would become effective on or about April 1, 2015 for an intended term of approximately four and one-half years (through October 14, 2019, coterminous with the other eleven previously-approved contract awards), subject to the Trustees' approval, which is hereby requested. Wendel would share in the previously-approved aggregate total. Such contract will also be closely monitored for utilization levels, available approved funding and combined total expenditures.

Law

The contract with **Whiteman Osterman & Hanna LLP (“Whiteman”)** (PO# TBA) would provide for the continuation of legal services, currently provided under an existing competitively bid contract with the Whiteman firm, in order to represent the interests of the Authority through completion of certain ongoing matters currently in litigation. Since the existing contract with Whiteman is expiring, and the need for such services is ongoing, it would be in the best interests of the Authority to award a new contract to Whiteman on a single-source basis, as further set forth in the Award Recommendation documents. Whiteman has dedicated a significant amount of time in reviewing thousands of documents, meeting with potential witnesses, document production and making several court appearances. Most importantly, the Authority is very satisfied with the quality of the legal representation of its interests by Whiteman in these matters. To terminate this relationship now and retain new counsel, when this firm is thoroughly familiar with the issues and already well engaged in the discovery process, is neither practical nor advisable. Furthermore, if the Authority retained a different law firm, the Authority would incur considerable costs for that firm to learn the matter/s; such expense is avoided with Whiteman’s continued representation of the Authority. Because of the inability to predict the length of litigation in the court system, it is requested that the new contract with Whiteman be awarded for a term of up to four years (three-year award with an option to extend for one additional year, if needed), subject to the Trustees’ approval, which is hereby requested. The new contract would become effective on or about April 1, 2015. Approval is also requested for the total amount expected to be expended for the term of the contract, \$400,000 (including the anticipated cost of preparing for trial, trial, and the retention of appropriate expert testimony during trial).

Operations / Operations Support Services

Power Generation / Support Services

Due to the need to commence services in order to accommodate the planned Spring 2015 outages at the Authority’s Small Clean Power Plants (“SCPPs”), the contracts with **ACME Industrial Inc. (“ACME”) (4600002911) and Boilermatic Welding Industries, Inc. (“Boilermatic”) (4600002912)** became effective on March 2, 2015, for an interim award amount of \$150,000 each, subject to the Trustees’ ratification and approval as soon as practicable, in accordance with the Authority’s Guidelines for Procurement Contracts and EAPs. Such contracts provide for on-call general maintenance support services for the SCPPs. Services include, but are not limited to, onsite and offsite (shop) welding and machining services, change-out of expansion joints, large pump and motor alignments, catalyst work and replacements. Bid documents (Q14-5747) 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*. Two proposals were received and evaluated, as further set forth in the Award Recommendation documents. Staff recommends the award of contracts to both firms, **ACME and Boilermatic**, which are technically qualified and meet the bid requirements. Both firms are New York State Small Businesses with fully-equipped machine shops capable of handling the heavy equipment used at the SCPPs. The award of contracts to

two firms would afford the Authority more flexibility and cost-effective options, depending on the nature of the situation, schedule and specific requirements. It should be noted that ACME has previously provided satisfactory service to the Authority for such work. The intended term of the contracts is up to five years, subject to the Trustees' ratification and approval, which is hereby requested. Approval is also requested for the aggregate total amount expected to be expended for the term of the contracts, \$5 million. Such contracts will be monitored for utilization levels, available approved funding and combined total expenditures.

The contracts with **American Electrical Testing Co., Inc. ("AETC") and EPS Technology, Inc. ("EPS") (Q15-5799; PO#s TBA)** would provide for switchyard maintenance services for the Authority's power plants and other facilities in the Southeastern New York Region. Services also include, but are not limited to, all switchyard, relay and electrical testing and inspection services, onsite relay calibration, transformer bushing testing and other electrical testing services. Bid documents were developed by staff and were downloaded electronically from the Authority's Procurement website by 79 firms, including those that may have responded to a notice in the New York State *Contract Reporter*. Two proposals were received and evaluated, as further set forth in the Award Recommendation documents. Staff recommends the award of contracts to both firms, AETC and EPS, which fully meet the Authority's bid requirements and are technically qualified to perform the work. It should also be noted that AETC has provided satisfactory service under a prior contract for such work. The anticipated workload for these services warrants multiple contracts and assures the Authority of adequate resources during heavy workloads. The award of contracts to two firms would also benefit the Authority by providing more flexibility and cost-effective options, and would allow the Authority to obtain competitive proposals and award tasks to the firm with the requisite expertise, depending on the nature of the situation, schedule and specific requirements. The contracts would become effective on or about April 1, 2015, 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, \$10 million. Such contracts will be monitored for utilization levels, available approved funding and combined total expenditures.

The contract with **Casella Waste Services ("Casella") (6000154472; PO# TBA)** would provide for refuse removal and disposal services for the St. Lawrence/FDR Power Project, in accordance with all applicable New York State Department of Environmental Conservation and Department of Transportation regulations and requirements. Services also include furnishing all necessary containers for trash/refuse, recyclables, construction debris, wood, insulators and retired wood utility poles, as needed, and include the container, hauling, landfill and disposal fees. Bid documents were developed by staff and were downloaded electronically from the Authority's Procurement website by 16 firms, including those that may have responded to a notice in the New York State *Contract Reporter*. One proposal was received and evaluated, as further set forth in the Award Recommendation documents. (Reasons for the lack of other responses include, but are not limited to, the work was not in the scope of their services or was too large, lack of geographic proximity, or the bid documents were downloaded for information purposes only.) Staff recommends the award of a contract to Casella, which is qualified to perform such services, meets the bid requirements and has provided satisfactory service under the existing contract for such work. The new contract would become effective on or about April

1, 2015, 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, \$400,000.

The Authority's Small Clean Power Plants ("SCPPs") were constructed in 2001 and have experienced an increasing number of age- and cycle-related circuit breaker malfunctions, which require increased maintenance and testing. The vital role played by the SCPPs in providing for New York City's peak-demand electric power delivery requirements mandates a quick response and consistent results. To that end, the contract with **Circuit Breaker Sales NE, Inc. ("CBS") (Q15-5800)** would provide for maintenance services for circuit breakers and associated components at the SCPPs, as needed. Services include, but are not limited to, furnishing all supervision, labor, materials and equipment, and performing all operations and services required to maintain medium and low voltage breakers and associated electrical equipment for the SCPPs. Bid documents were developed by staff and were downloaded electronically from the Authority's Procurement website by 52 firms, including those that may have responded to a notice in the New York State *Contract Reporter*. Three proposals were received and evaluated, as further set forth in the Award Recommendation documents. Staff recommends the award of a contract to CBS, the lowest-priced and most technically qualified bidder, which meets the bid requirements and has previously provided satisfactory service to the Authority for such work. The contract would become effective on or about April 1, 2015, 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, \$1 million.

Federal and State regulations attach joint and several liabilities to the generators of hazardous wastes, therefore the Authority, as a waste generator, continues to share any liability for such waste even though a vendor has accepted it for disposal. In fact, the Authority, in the worst case, could be held to share liability for all other non-Authority waste found at such a vendor's site, if the vendor did not manage the site properly. Authority operating projects, through the course of their normal operating practices, generate hazardous waste, which can include petroleum and PCB-contaminated oil-filled electrical equipment. In order to act in an environmentally responsible manner and to limit the Authority's potential long-term liability for costly remediation of contaminated disposal facilities and associated litigation, the Environment, Health & Safety Division ("EH&S") has a policy of review, inspection and evaluation of hazardous waste treatment, transportation, recycling and disposal vendors and facilities. The purpose of such audits is to determine compliance with applicable laws and regulations, and to assess the level of risk of site contamination, which could result from the facility's management practices. Facility approval is based on an evaluation of these elements and subsequent determination by EH&S that the potential for harm to the environment from facility operations is low, and therefore that risk of liability to the Authority is minimized. While it is important for the Authority to approve multiple disposal outlets for each of its waste streams so its waste disposal needs are met and it is not overly dependent on any one vendor or facility, it is also important that the Authority not contribute waste to more facilities than are necessary, since a certain amount of liability risk is incurred at each one. The contracts with **Clean Harbors Environmental Services, Inc. ("Clean Harbors") and TCI of NY, LLC ("TCP") (Q14-5608; PO#s TBA)** would provide for turnkey field services (including draining, disassembly, dismantling, etc.), transportation, recycling and disposal of oil-filled electrical equipment from

the Authority's facilities and projects throughout the state. Such equipment may include transformers, capacitors, voltage regulators, cable, relays, re-closers, rectifiers, switches, cabinets, panels and conduits. Bid documents were developed by staff and were downloaded electronically from the Authority's Procurement website by 43 firms, including those that may have responded to a notice in the New York State *Contract Reporter*. Six proposals were received and evaluated, as further set forth in the Award Recommendation documents. As the result of initial screening, three bids did not exhibit the required qualifications with respect to ownership of a permitted processing facility for disassembly and decommissioning of oil-filled electrical equipment, and therefore were not considered further. The remaining three proposals were evaluated in greater detail, through onsite multimedia environmental audits of individual proposed facilities and an evaluation of available financial and insurance records, in accordance with the Authority's Environmental policies to minimize liabilities associated with waste disposal. Based on the foregoing, staff recommends the award of contracts to two firms, Clean Harbors and TCI, the most technically qualified bidders, which fully meet the Authority's bid requirements. It should be noted that both firms have provided satisfactory service under existing contracts for such work. The award of contracts to two firms would benefit the Authority by providing more flexibility and cost-effective options, depending on the nature of the situation, schedule and specific requirements. The new contracts would become effective on or about April 1, 2015, for an intended term of up to five years for Clean Harbors and an initial term of three years to TCI with an option to extend for up to two additional 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. Such contracts will be monitored for utilization levels, available approved funding and combined total expenditures.

The contracts with **Day & Zimmermann ("D&Z") and Fresh Meadow Power, LLC ("Fresh Meadow") (Q14-5755; PO#s TBA)** would provide for on-call general maintenance support services for the Authority's power plants and other facilities in the Southeastern New York ("SENY") Region. Such services generally consist of providing skilled craft labor to supplement and assist the Authority's plant employees during periods of routine maintenance, scheduled outages, emergency shutdown or technical inspections, as directed by Authority management at the respective SENY facilities, and involve the following categories of work: general plant maintenance, plant modifications and corrections, and retrofit work. The work will typically consist of the repair, maintenance and modification of turbines, generators, piping, pumps, valves, heat exchangers, electric motors, circuit breakers, fans, filters, pressure vessels, boilers, heat recovery steam generator and related structures, and will be performed by skilled craft labor (e.g., boilermakers, millwrights, steamfitters, insulators, electricians, laborers, painters, plumbers, ironworkers and I&C technicians). Bid documents were developed by staff and were downloaded electronically from the Authority's Procurement website by 48 firms, including those that may have responded to a notice in the New York State *Contract Reporter*. Three proposals were received and evaluated, as further set forth in the Award Recommendation documents. Staff recommends the award of contracts to two firms, D&Z and Fresh Meadow, the two lowest-priced bidders, which meet the Authority's bid requirements and are technically qualified to perform the work. It should also be noted that both firms have provided satisfactory service under existing or prior contracts for such work. The award of contracts to two firms would benefit the Authority by providing more flexibility and cost-effective options, and allow the Authority to call upon both companies to provide competitive proposals for general

maintenance projects, depending on the nature of the situation, schedule and specific expertise required. The new contracts would become effective on or about April 1, 2015, 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, \$30 million. Such contracts will be monitored for utilization levels, available approved funding and combined total expenditures.

The contract with **Milieu, Inc. ("Milieu") (Q14-5770; PO# TBA)** would provide for the operation, maintenance and monitoring of the eel passage facility at the St. Lawrence/FDR Power Project Robert Moses Power Dam, pursuant to Articles 405 and 406 of the new Project License issued by the Federal Energy Regulatory Commission. Bid documents were developed by staff and were downloaded electronically from the Authority's Procurement website by 35 firms, including those that may have responded to a notice in the New York State *Contract Reporter*. Two proposals were received and evaluated, as further set forth in the Award Recommendation documents. Staff recommends the award of a contract to Milieu, the lower-priced bidder, which is qualified to provide such services, meets the bid requirements and has provided satisfactory service under an existing contract for such work. Furthermore, Milieu's designated project personnel have the most extensive experience with respect to eel passage facilities, ensuring continuity of services with experienced staff. The new contract would become effective on or about April 1, 2015, 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, \$455,800.

The contract with **UltraMAP Limited ("UltraMAP") (Q14-5792; PO# TBA)** would provide for the implementation of a ship or other marine vessel traffic monitoring and alerting system and related services for the Y-49 submarine transmission cable in the Long Island Sound, in order to prevent damage caused by anchor strikes to the four 345 kV self-contained fluid-filled cables buried in the seabed. The system is based on developing a virtual protective boundary around the cable field with system rule sets to distinguish between normal ship traffic and vessels exhibiting anchoring maneuvers, triggering automatic message alerts (transmitted through the United States Coast Guard's Automatic Identification System) to the latter group. The UltraMAP system would ensure increased cable integrity and reliable operation, and would prevent an environmental incident due to a cable rupture. Services include developing the monitoring system with virtual protection boundaries and rule sets, transponder equipment, virtual marker buoys that would appear on a ship's electronic display to outline the cable field, technical support on a "24/7" basis, training and historical data collection. Bid documents were developed by staff and were downloaded electronically from the Authority's Procurement website by 25 firms, including those that may have responded to a notice in the New York State *Contract Reporter*. Two proposals were received and evaluated, as further set forth in the Award Recommendation documents. Staff recommends the award of a contract to UltraMAP, the lower-priced evaluated bidder, which is qualified to provide such services and meets the bid requirements. The contract would become effective on or about April 1, 2015, 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, \$270,740, including additional funding for independent system testing, additional hardware and rule set development, as needed.

Public, Governmental and Regulatory Affairs

Project Development & Licensing

At the Trustees' meeting of October 15, 2014, staff recommended the award of competitively bid contracts to twelve firms (**Q14-5680**) to provide for consulting services to support Authority goals and initiatives in connection with generation and transmission project evaluation and analysis and Public Service Commission ("PSC") proceedings. The Trustees approved the award of contracts to nine of these firms (**Ecology and Environment Engineering, PC, ESS Group, Inc., Gomez and Sullivan Engineers, DPC, Henningson, Durham & Richardson Architecture and Engineering, PC, Louis Berger & Associates, PC, POWER Engineers Consulting, PC, Tetra Tech, Inc., The Chazen Companies and TRC Environmental Corporation**) and an aggregate total amount of \$5 million. (The proposed award to **Burns & McDonnell Consultants, PC** was withdrawn from consideration in October and was adopted at the Trustees' meeting of December 16, 2014.) The proposed awards to the two remaining firms, **ARCADIS of New York, Inc. and CH2M HILL Engineering, PA**, originally included in the aforementioned October Consent Agenda (Item 2c-i), were not adopted by the Trustees because they were unable to attain the required number of votes based on conflicts of interest filed by some of the Board members. Such awards are now resubmitted for the Board's consideration with the intent of achieving the required quorum for adoption. Approval of this request to award contracts to these two firms would enable the Authority to utilize each firm's specialty skills, experience and expertise, as needed. The contracts would become effective on or about April 1, 2015 for an intended term of approximately five years (through November 14, 2019, coterminous with the other ten previously-approved contract awards), subject to the Trustees' approval, which is hereby requested. ARCADIS and CH2M HILL would share in the previously-approved aggregate total. Funds will be allocated as specific projects or tasks are identified. Such contracts will be closely monitored for utilization levels, available approved funding and combined total expenditures.

Contract Extensions and/or Additional Funding:

Economic Development & Energy Efficiency

Energy Efficiency

At their meeting of May 26, 2010, the Trustees approved the award of contracts to four firms, AECOM USA, Inc. (4600002317), Guth-DeConzo Consulting Engineers, PC (4600002273), Wendel Energy Services, LLC (4600002268) and **EYP Architecture & Engineering PC ("EYP") (4600002274)**, to provide for program management and implementation services in connection with the Authority's Statewide Energy Efficiency Program (formerly Energy Services Program), in the aggregate amount of \$180 million. The contracts, which were competitively bid, became effective on May 26, 2010, for a term of up to five years. While many of the assigned projects have been completed successfully, a number of projects initiated by program participants have estimated completion dates beyond the approved contract term. The aforementioned contracts with Wendel and Guth-DeConzo will expire in May; the projects assigned under these contracts will be reassigned to newer contracts with these

two firms. The contract with AECOM will also expire in May; there are no projects currently assigned to this contract. Work currently in progress under the contract with EYP includes, but is not limited to, projects at three SUNY campuses, two projects for the County of Albany and a project at the Empire State Plaza in Albany. EYP has performed satisfactory work under the existing contract and adequate funding is still available to cover the estimated costs through completion of active project assignments. Due to project delays resulting from a number of factors, including customer delays in milestone approvals relating to funding uncertainties, staff recommends an extension of the contract with EYP for an additional three years and three months in order to bring all assigned projects to completion. A total of \$10 million has been allocated to the contract with EYP for such projects; no additional funding above the original allocation will be required for the extended term. No new projects will be assigned to this contract. The Trustees are requested to approve extension of the subject contract with EYP through August 31, 2018, with no additional funding requested. The contract with EYP will be monitored for utilization levels, available approved funding and will continue to be tracked against the approved aggregate total and combined total expenditures. It should be noted that all costs will be recovered by the Authority from program participants.

Operations / Operations Support Services

Power Generation / Support Services

At their meeting of July 29, 2014, the Trustees approved the award of a competitively bid contract to **Dynamic Mechanical Contractors, Inc. (“Dynamic”)** (4500248068) to provide for engineering, procurement, installation, start-up, testing and commissioning services comprising the Black-Start Project (“Project”) at the Harlem River and Hell Gate Small Clean Power Plants (“SCPPs”), in the amount of \$7,536,100. At the request of Consolidated Edison Company of New York, Inc. (“Con Edison”), the Authority agreed to construct/install a 1,000 kW diesel generator and related appurtenances at these two SCPP sites, to enable the SCPPs to provide power to the New York City transmission system in the event of a total blackout. The original award became effective on August 1, 2014, for a term of up to one year. The Project requires Con Edison’s involvement and concurrence that the design and construction meet Con Edison’s requirements. A one-year extension is now requested to ensure that all stakeholder concerns are addressed and resolved, allowing sufficient time to bring the Project to successful completion. The Trustees are requested to approve extension of the subject contract through July 30, 2016, with no additional funding requested. It should be noted that the Authority will recover the reasonable and prudent costs incurred in constructing such facilities over a reasonable time period, as determined by the New York Independent System Operator.

At their meeting of May 22, 2014, the Trustees approved the award of a competitively bid contract to **O’Connell Electric Company, Inc. (“O’Connell”)** (4500244404) to provide for materials, construction/installation, testing and commissioning services comprising the Shunt Reactor Project (“Project”) at the Coopers Corners 345 kV Substation (owned and operated by the New York State Electric & Gas Corporation, “NYSEG”), and funding in the amount of \$3.8 million. The Project will eliminate the need for the Authority to perform undesirable switching operations at Marcy and Blenheim-Gilboa to mitigate high voltages observed at Coopers Corners

during light load operating conditions. Due to the need to commence services, the original award became effective on April 17, 2014, for a term of up to one year, in the amount of \$3,866,751. Additional funding in the amount of \$449,347 was subsequently authorized in accordance with the Authority's Guidelines for Procurement Contracts and EAPs. Due to extended negotiations between the Authority and NYSEG, as well as additional engineering required due to changes submitted after final drawing packages were issued, work did not begin as planned and has been delayed. An extension of eight and one-half months is therefore requested in order to allow sufficient time to complete construction of the Project. The current contract amount is \$4,316,098; 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 December 31, 2015, with no additional funding requested.

FISCAL INFORMATION

Funds required to support contract services for various Business Units/Departments and Facilities have been included in the 2015 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.

RECOMMENDATION

The Senior Vice President – Operations Support Services and Chief Engineer, the Senior Vice President – Power Generation, the Vice President – Environment, Health & Safety, the Acting Vice President – Project Management, the Acting Vice President – Procurement, the Vice President and Controller, the Vice President – Engineering, the Vice President – Energy Efficiency, the Assistant General Counsel – HR, Labor Relations & Litigation, the Director – Project Development & Licensing, the Director – Asset & Maintenance Management, the Manager – Research & Development, the Regional Manager – Western New York, the Regional Manager – Northern 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 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, the award and funding of the multiyear procurement services 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 foregoing 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 foregoing memorandum of the President and Chief Executive Officer; 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, 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) and Other Contracts – Awards
(For Description of Contracts See "Discussion")

EXHIBIT "A"
March 26, 2015

<u>Bus Unit/ Plant Site</u>	<u>Company Contract #</u>	<u>Start of Contract</u>	<u>Description of Contract</u>	<u>Closing Date</u>	<u>Award Basis¹ Contract Type²</u>	<u>Compensation Limit</u>	<u>Amount Expended To Date</u>	<u>Authorized Expenditures For Life Of Contract</u>
BUSINESS SERVICES - RESEARCH & TECH DEV	EDM INTERNATIONAL, INC. Fort Collins, CO (PO# TBA)	04/01/15 (on or about)	Provide for maintenance, onsite repair, cellular communication service and GridWatch web data hosting for sagometers installed on two Authority transmission corridors	03/31/20	S/S			\$141,250*
						*Note: represents total for up to 5-year term		
BUSINESS SERVICES - RESEARCH & TECH DEV	THE VALLEY GROUP, INC. (a Nexans Company) Bethel, CT (PO# TBA)	04/01/15 (on or about)	Provide Dynamic Line Rating system maintenance and support services	03/31/20	S/S			\$210,000*
						*Note: represents total for up to 5-year term		
ECONOMIC DEVELOPMENT & ENERGY EFFICIENCY - ENERGY EFFICIENCY	Q14-5789; 2 awards: 1. SOLAR LIBERTY ENERGY SYSTEMS, INC. Williamsville, NY 2. STANDARD SOLAR, INC. Rockville, MD (PO#s TBA)	04/01/15 (on or about)	Provide for all supervision, labor, materials and equipment and perform all actions required to F/D/I and make operational solar photovoltaic systems (Phase 1: NYC Schools)	12/31/16	B/C			\$11,856,000*
						*Note: represents currently estimated aggregate total for Phase 1 for up to 21-month term (to be allocated from previously approved funding). All costs will be recovered by the Authority.		
ECONOMIC DEVELOPMENT & ENERGY EFFICIENCY - ENERGY EFFICIENCY	WENDEL ENERGY SERVICES, LLC Amherst, NY (HQ) (Q14-5668; PO# TBA)	04/01/15 (on or about)	Provide for Statewide Energy Efficiency Program services	10/14/19 (coterminous with ten other contracts for such services, approved by the Trustees on 10/15/14 + one on 2/26/15)	B/P			\$ *
						*Note: included in the previously-approved aggregate total of \$300 million for eleven other contracts for such services, over a 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) and Other Contracts – Awards
(For Description of Contracts See "Discussion")

EXHIBIT "A"
March 26, 2015

<u>Bus Unit/ Plant Site</u>	<u>Company Contract #</u>	<u>Start of Contract</u>	<u>Description of Contract</u>	<u>Closing Date</u>	<u>Award Basis¹ Contract Type²</u>	<u>Compensation Limit</u>	<u>Amount Expended To Date</u>	<u>Authorized Expenditures For Life Of Contract</u>
LAW	WHITEMAN OSTERMAN & HANNA LLP Albany, NY (PO# TBA)	04/01/15 (on or about)	Provide for the continua- tion of legal services in connection with certain ongoing matters, as needed	03/31/19 (includes initial 3-year award + 1-yr option to extend)	Si/L			\$400,000*
						*Note: represents total for up to 4-year term		
OPERATIONS - POWER GEN - SCPPs	Q14-5747; 2 awards: 1. ACME INDUSTRIAL INC. Staten Island, NY (4600002911) 2. BOILERMATIC WELD- ING INDUSTRIES INC. Medford, NY (4600002912)	03/02/15 "	Provide for on-call general maintenance support services for the Small Clean Power Plants	03/01/20	B/S	\$150,000 \$150,000		\$5,000,000*
						*Note: represents aggregate total for up to 5-year term		
OPERATIONS - POWER GEN - SENY REGION	Q15-5799; 2 awards: 1. AMERICAN ELEC- TRICAL TESTING CO., INC. Canton, MA 2. EPS TECHNOLOGY, INC. Wallingford, CT (PO#s TBA)	04/01/15 (on or about)	Provide for switchyard maintenance services for the SENY Region plants and other facilities	03/31/20	B/S			\$10,000,000*
						*Note: represents aggregate total for up to 5-year term		
OPERATIONS - POWER GEN - STL	CASELLA WASTE SERVICES Potsdam, NY (6000154472; PO# TBA)	04/01/15 (on or about)	Provide for refuse removal and disposal services for the St. Law- rence/FDR Project	03/31/18	B/S			\$400,000*
						*Note: represents total for up to 3-year term		

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

EXHIBIT "A"
March 26, 2015

<u>Bus Unit/ Plant Site</u>	<u>Company Contract #</u>	<u>Start of Contract</u>	<u>Description of Contract</u>	<u>Closing Date</u>	<u>Award Basis¹ Contract Type²</u>	<u>Compensation Limit</u>	<u>Amount Expended To Date</u>	<u>Authorized Expenditures For Life Of Contract</u>
OPERATIONS - POWER GEN - SCPPs	CIRCUIT BREAKER SALES NE, INC. Seymour, CT (Q15-5800; PO# TBA)	04/01/15 (on or about)	Provide for maintenance services for breakers and associated electrical components at the Small Clean Power Plants	03/31/20	B/S			\$1,000,000*
						*Note: represents aggregate total for up to 5-year term		
OPERATIONS SUPPORT SERVICES - EH&S	Q14-5608; 2 awards: 1. CLEAN HARBORS ENVIRONMENTAL SERVICES, INC. Twinsburg, OH 2. TCI OF NY, LLC Coeymans, NY (PO#s TBA)	04/01/15 (on or about)	Provide for turnkey field services, transportation, recycling and disposal of oil-filled electrical equipment from Authority facilities statewide	03/31/20	B/S			\$1,000,000*
						*Note: represents total for up to 5-year term		
OPERATIONS - POWER GEN - SENY REGION	Q14-5755; 2 awards: 1. DAY & ZIMMERMANN (D&Z) Lancaster, PA 2. FRESH MEADOW POWER, LLC Fresh Meadows, NY (PO#s TBA)	04/01/15 (on or about)	Provide for on-call general maintenance support services for the SENY Region plants and other facilities	03/31/20	B/S			\$30,000,000*
						*Note: represents aggregate total for up to 5-year term		
OPERATIONS SUPPORT SERVICES - EH&S	MILIEU INC. La Prairie, Quebec CANADA (Q14-5770; PO# TBA)	04/01/15 (on or about)	Provide for the operation, maintenance and monitoring of the eel passage facility at STL	03/31/20	B/S			\$455,800*
						*Note: represents total for up to 5-year term		

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

EXHIBIT "A"
March 26, 2015

<u>Bus Unit/ Plant Site</u>	<u>Company Contract #</u>	<u>Start of Contract</u>	<u>Description of Contract</u>	<u>Closing Date</u>	<u>Award Basis¹ Contract Type²</u>	<u>Compensation Limit</u>	<u>Amount Expended To Date</u>	<u>Authorized Expenditures For Life Of Contract</u>
OPERATIONS SUPPORT SERVICES - ASSET & MAINT MGMT	ULTRAMAP LIMITED Newcastle upon Tyne ENGLAND (Q14-5792 ; PO# TBA)	04/01/15 (on or about)	Provide for marine vessel traffic monitoring and alerting system and ser- vices for the Y-49 cable in Long Island Sound	03/31/20	B/S			\$270,740*
						*Note: represents total for up to 5-year term		
PUBLIC, GOV. & REGULATORY AFFAIRS - PROJECT DEV. & LICENSING	Q14-5680; 2 awards: 1. ARCADIS OF NEW YORK, INC. White Plains, NY 2. CH2M HILL ENGINEERING, PA Englewood, CO (HQ) New York, NY (Branch Office) (PO#s TBA)	04/01/15 (on or about)	Provide for consulting services for licensing and environmental permitting tasks	11/14/19 (coterminous with nine other contracts for such services, approved by the Trustees on 10/15/14 + one on 12/16/14)	B/P			\$ *
						*Note: included in the previously-approved aggregate total of \$5 million for ten other contracts for such services, for a term of up to 5 years		

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 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"
March 26, 2015

<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 Basis¹ Contract Type²</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	EYP ARCHITECTURE & ENGINEERING PC Albany, NY 4600002274	05/26/10	Provide for program management and imple- mentation services for the Statewide Energy Efficiency Program	08/31/18	B/C	\$10,000,000 ("Target Value") *Note: represents original allocated amount to EYP from approved aggregate total of \$180 million for contracts with four firms; NO additional funding requested	\$777,531 ("Released Amt")	\$10,000,000*
OPERATIONS SUPP SERV - PROJ MGMT	DYNAMIC MECHANICAL CONTRACTORS, INC. Hackensack, NJ 4500248068	08/01/14	Provide for Black-Start Project services at the Harlem River and Hell Gate SCPPs	07/30/16	B/C	\$7,536,100 *Note: represents originally approved amount; NO additional funding requested	\$1,068,292	\$7,536,100*
OPERATIONS- SUPP SERV - PROJ MGMT	O'CONNELL ELECTRIC COMPANY, INC. Victor, NY 4500244404	04/17/14	Provide for Shunt Re- actor Project services at the Coopers Corners Substation	12/31/15	B/C	\$4,316,098 *Note: includes originally approved amount of \$3.8 million (actual award amount \$3,866,751) + an additional \$449,347 authorized in accordance with the EAPs; NO additional funding requested	\$1,315,768	\$4,316,098*

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