

May 21, 2013

MEMORANDUM TO THE TRUSTEES

FROM THE PRESIDENT and CHIEF EXECUTIVE OFFICER

**SUBJECT: Energy Efficiency Market Acceleration Program –
Cities' Energy Master Plans Development –
Contract Award Authorization**

SUMMARY

The Trustees are requested to authorize the award of contracts (as described below) to three firms for the development of City Energy Master Plans (“CEMP”) for four cities over a fifteen-month period. The cumulative value of all four contracts is \$1,751,900, which will be funded from the \$30 million Energy Efficiency Market Acceleration Program (“EE-MAP”) approved by the Trustees at their June 26, 2012 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.

On June 26, 2012, the Trustees authorized up to \$30 million in funding over a five-year period to implement the EE-MAP, a program designed to grow the energy efficiency industry in New York and increase the efficiency and effectiveness of existing energy service programs in New York. EE-MAP is comprised of, among other things, research and market development activities targeting energy efficiency products and systems and specifically includes the development of energy efficiency master plans.

To meet the goal of increasing energy efficiency set forth in Executive Order 88, Governor Andrew Cuomo launched “Build Smart NY” to strategically implement and accelerate improvements in energy performance. The program contemplates cost effective improvements for energy savings and supports the Governor’s economic development goals to accelerate projects that will create jobs and improve infrastructure within the State.

To accomplish the energy efficiency master plan objective under EE-MAP and to complement the objectives under Governor Cuomo’s “Build Smart NY” program at the municipal level, the Authority is engaging the services of three engineering consulting firms to develop City Energy Master Plans (“CEMPs”) for four major New York cities: Yonkers, Rochester, Syracuse, and Buffalo.

DISCUSSION

The CEMPs are intended to document current energy usage in four of New York's largest cities and provide an actionable plan addressing short- and long-term goals toward sustainability and efficiency. The CEMPs will address the following:

- Urban Planning
- Energy Delivery Infrastructure
- Efficient Transportation Flow
- Energy Efficiency in Buildings

The award of contracts to the following three firms is recommended to develop CEMPs for each of the four cities, as noted:

- Ove Arup & Partners PC ("Arup") in the amount of \$370,000 for the City of Yonkers;
- LaBella Associates, PC ("LaBella") in the amount of \$656,900 for the Cities of Rochester and Syracuse;
- Wendel Energy Services, LLC ("Wendel") in the amount of \$725,000 for the City of Buffalo.

The Authority issued a Request for Proposals ("RFP") to Develop and/or Coordinate Energy Master Plans for Albany, Buffalo, Rochester, Syracuse and Yonkers on January 11, 2013. Two hundred and thirty-three (233) firms downloaded the bid document. On January 31, 2013, the Authority held a pre-bid video conference simultaneously in the cities of White Plains, Buffalo and Albany. Thirty (30) companies attended the video conference. On February 21, 2013, the Authority received eleven (11) proposals for the development of the CEMPs and five (5) proposals for the coordination of the CEMPs.

The Authority's evaluation committee of eight employees reviewed the proposals and recommended awards based on the best combination of cost and qualifications. In addition to the Authority's committee members, each of the five cities designated an individual to serve as a committee member to score the proposal(s) relating to its respective city.

The criteria established to score each proposal was established prior to evaluation of the bids. Scoring was weighted thirty percent (30%) on the cost of services. Seventy percent (70%) of the score was based on the experience and qualifications of the consultants combined with the overall quality of the proposal. The evaluation of the proposals included the review of the written proposals, confirmation of references and an interview of the most qualified consultants.

Upon the review of all proposals, it was determined that the scope of services for the development of the CEMP for the city of Albany would be further refined to encourage reduced costs through greater competition. As a result, a contract will not be awarded for the city of Albany at this time, and the contract for these services will be re-bid. The RFP envisioned an option to engage a consultant for coordinating the various deliverables for each CEMP. Upon reviewing the individual CEMP proposals, the Authority was confident in the quality of those

proposals and determined that a fixed price contract for coordination services was not in the Authority's best interests.

A summary of each of the recommended firms follows:

Wendel submitted one proposal to develop an energy master plan for Buffalo. Wendel proposes to support the project from its corporate office in Amherst, New York, a suburb of Buffalo. Wendel submitted a high quality proposal and demonstrated especially strong industry experience with energy and water efficiency. Wendel has strong project management and city planning personnel to support the project. The evaluation committee recommended Wendel to develop the CEMP for Buffalo as the firm with the best aggregate score based on both qualifications and cost.

LaBella submitted two proposals to develop energy master plans for Rochester and Syracuse. LaBella will develop the CEMP from its corporate headquarters in Rochester. LaBella demonstrated excellent experience with alternate fuel fleet vehicles and good experience with zoning and ordinance. The evaluation committee recommended LaBella to develop the CEMP for Rochester and Syracuse as the firm with the best aggregate score based on both qualifications and cost.

Arup submitted one proposal to develop an energy master plan for Yonkers. Arup proposes to support the project from its New York City office. Arup demonstrated especially strong project management and city planning capabilities. Arup's overall proposal quality was exemplary. The evaluation committee recommended Arup to develop the CEMP for Yonkers as the firm with the best aggregate score based on both qualifications and cost.

The table below summarizes the Committee's recommendation on award of each contract:

Contract	Recommended Consultant	Contract Value
CEMP for Buffalo	Wendel	\$ 725,000
CEMP for Rochester	LaBella	\$ 336,700
CEMP for Syracuse	LaBella	\$ 320,200
CEMP for Yonkers	Arup	\$ 370,000
Total CEMPs		\$1,751,900

FISCAL INFORMATION

The CEMPs will be funded from the Operating Fund through the \$30 million fund established under EE-MAP, which was authorized by the Trustees at their June 26, 2012 meeting.

RECOMMENDATION

The Senior Vice President – Economic Development and Energy Efficiency, the Vice President – Energy Efficiency and the Vice President – Procurement recommend that the Trustees formally approve the four City Energy Master Plan Development contract awards as described above.

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

Gil C. Quiniones
President and Chief Executive Officer

Att.
Cities Energy Master Plan Developer
Contract Award Authorization

RESOLUTION

RESOLVED, That pursuant to the Guidelines for Procurement Contracts adopted by the Authority and the Authority’s Expenditure Authorization Procedures, the Trustees hereby authorize the award of contracts to Wendel Energy Services, LLC, LaBella Associates, PC, and Ove Arup & Partners PC to be used for the development of four separate energy master plans, with such funds being utilized over a fifteen-month period for the Cities’ Energy Master Plans as described in the attached memorandum of the President and Chief Executive Officer; and be it further

RESOLVED, That Operating Fund monies will be used to fund such City Energy Master Plans in the amount and for the purposes listed below:

<u>Operating Funds</u>	<u>Expenditure Authorization (not to exceed)</u>	<u>Authorizations Expire</u>
Wendel: Buffalo	\$ 725,000	8/30/2014
LaBella: Rochester & Syracuse	\$ 656,900	8/30/2014
Arup: Yonkers	\$ 370,000	8/30/2014
Total	\$1,751,900	8/30/2014

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 and take any and all actions and execute and deliver any and all certificates, agreements and other documents to effectuate the foregoing resolution, subject to the approval of the form thereof by the Executive Vice President and General Counsel.