



**Date:** September 29, 2015  
**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 \$50,000 to \$10 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**

##### *Treasury*

The contract with **NEPC, LLC (Q15-5892MR; PO# TBA)** would provide for investment management consulting services with respect to the Other Post-Employment Benefits (“OPEB”) and Nuclear Decommissioning Trust (“NDT”) Funds. Services include, but are not limited to, providing advice and analysis regarding the management of such Funds, assisting the Authority in updating its investment policy and guidelines for management of the Trusts, reviewing and recommending appropriate asset allocation and rebalancing, selecting managers providing investment of assets, performance reporting, monitoring portfolio compliances, and any other services required to manage trust investments. The consultant may also be requested, from time to time, to perform special analytical work or provide advice with respect to investment or other asset management issues of particular importance to the Authority. 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*. Four proposals were received and evaluated, as further set forth in the Award Recommendation documents. Staff recommends the award of a contract to NEPC, the most technically qualified bidder, which meets the bid requirements. The firm's expertise in providing a comprehensive array of investment advisory services and extensive experience in developing / evaluating investment policies and reviewing asset allocations for institutional clients nationwide, as well as its expertise in conducting money manager searches and portfolio management functions, are critical strengths that will best meet the needs of the Authority and provide the most benefit. The contract would become effective on or about October 1, 2015, for an intended term of up to five years (comprising an initial term of three years 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 total amount expected to be expended for the initial three-year term of the contract, \$870,000. (It should be noted that the fees for services directly related to the OPEB and NDT Trust Funds will be paid from the respective Trusts.)

### **Finance**

The contracts with **The Brattle Group, Inc., First Infrastructure, LLC and Wellford Portfolio Management (Q15-5888MR; PO#s TBA)** would provide for project finance advisory services, comprising on-call assistance for future Authority initiatives, activities and planning in order to better analyze, evaluate and structure various project financings, on an ad hoc basis. Such services would include, but not be limited to: developing comprehensive financial models for generation and transmission projects; assisting in the development of financing structures consistent with the Authority's enabling legislation, drafting term sheets, and preparing project presentations for review and approval by executive management and the Board of Trustees; proposing and evaluating various financing structures and methods to be considered for accomplishing the Authority's objectives; assisting in the negotiation of financing terms and conditions; assisting in the due diligence process with respect to the review of project contracts, construction arrangements, fuel studies, equipment suppliers, environmental reports, independent engineering scopes and work, insurance, legal documents, permitting, project timelines, credit assessment, financial statements, operating assumptions and projects, and consultants' technical and financial reports; assisting in the management and coordination of certain activities related to the financing process, including continued support for transactions through financial project closeout; and providing financial advisory and structuring assistance for emergent work, as may be requested by the Chief Financial Officer and/or the Vice President - Finance. To that end, bid documents were developed by staff and were downloaded electronically from the Authority's Procurement website by 68 firms / entities, including duplicates or 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. Seven proposals were received and evaluated, as further set forth in the Award Recommendation documents. Staff recommends the award of contracts to the three aforementioned firms, which were determined to be the most technically qualified to meet the Authority's requirements, as set forth in the bid documents, and possess the high level of requisite project finance advisory experience and expertise sought by the Authority to best meet its needs and bring the most benefit to the Authority. The contracts would become effective on or about October 1, 2015, for an intended term of up to five years (comprising an initial term of three years 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, \$2.5 million. Such contracts will be monitored for utilization levels, available approved funding and combined total expenditures.

## **Economic Development & Energy Efficiency**

### ***Customer Energy Solutions***

The K-Solar program is the largest multiagency solar-buying consortium project in the United States. Under this program, the Authority serves as an energy advisor to public and non-profit K-12 schools in New York State (“NYS”), assisting them in the complex process of entering into solar power purchase agreements with solar developers. Authority staff has previously recommended (as the result of a competitive bid) two solar developers to school districts throughout the state and has also crafted standardized documentation for use by the school districts. By having the solar arrays owned and operated by a private third party (viz., the solar developers), various state and federal tax benefits can be monetized and used to lower the cost of solar energy to the school districts. The program has resulted in a substantial reduction in the potential cost of solar energy in NYS and is expected to result in a significant amount of construction projects. In addition to the aforementioned assistance, the Authority has also agreed to assist the New York State Education Department (“NYSED”) by providing for and funding expedited permitting services, in order to augment NYSED’s ability / resources to review and process expeditiously the influx of building permit applications expected to result from the K-Solar program. To that end, bid documents (**Q15-5885MH**) were developed by staff and were downloaded electronically from the Authority’s Procurement website by 88 firms / entities, including duplicates or 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. Staff recommends the award of contracts to two firms, **The Cadmus Group, Inc. (“Cadmus”)** and **Tectonic Engineering & Surveying Consultants, PC (“Tectonic”)**, the most experienced and technically qualified firms that meet the bid requirements, and possess the high level of experience and expertise with rooftop solar technology, permitting in NYS and working with school districts, etc. required. Due to the need to commence services, interim approval was obtained in accordance with the Authority’s Guidelines for Procurement Contracts and EAPs to award contracts to **Cadmus (4600003049)** and **Tectonic (4600003050)**, effective September 11, 2015, in the aggregate interim award amount (Target Value) of up to \$180,000, subject to the Trustees’ ratification and approval as soon as practicable. Initial services include developing a streamlined drawing review process and an online document portal. In addition to providing expedited permitting services, these firms may be requested to perform random inspections of solar arrays, in order to gauge the quality of the work performed and document the “lessons learned”. The Trustees are hereby requested to ratify and approve award of the subject contracts for an intended term of up to three years. 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.

## ***Energy Efficiency***

The contracts with **Haider Engineering, PC (“Haider”)**, **HAKS Engineers, Architects and Land Surveyors, PC (“HAKS”)**, **Municipal Testing Laboratory, Inc. (“MTL”)** and **Tectonic Engineering & Surveying Consultants, PC (“Tectonic”) (Q15-5869AT; PO#s TBA)** would provide for special inspection/consulting and laboratory testing services to support Energy Efficiency projects at various customer facilities in New York City and where the New York City Department of Buildings (“NYCDOB”) Code jurisdictions apply. (Typical Energy Efficiency projects include lighting upgrades, boiler upgrades, chiller replacement, distributed generation, solar photovoltaic/thermal panels, building controls, etc., with the primary goal of reducing energy consumption.) Services provided under these contracts are required for compliance with New York State (“NYS”) and New York City (“NYC”) Building Codes and may include, but are not limited to: performing special inspections of selected materials, equipment, installation, methods of construction, fabrication, erection or placement of components and connections to ensure compliance with code and approved construction documents, as regulated by the NYS and NYC Building, Plumbing, Mechanical and Fuel Gas Codes and in compliance with all other applicable codes and regulations; performing material testing, field, plant and laboratory sampling, measurements, observations, testing, analyses, interpretations and recommendations; as well as testing and inspection of elevators, progress inspection items, electrical, plumbing and drainage, chemical analysis and other services as may be required. Such Special Inspection firms, including calibration and testing laboratories, must also be approved by the NYCDOB and accredited by International Accreditation Services or an equivalent agency. To that end, bid documents were developed by staff and were downloaded electronically from the Authority’s Procurement website by 65 firms / entities, 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. Staff recommends the award of contracts to the four aforementioned firms, which are technically qualified to perform such work, commercially acceptable and meet the bid requirements. The recommended firms have the experience, qualifications and breadth of expertise to respond quickly and handle multiple tasks, thereby ensuring the Authority of adequate resources during peak workload periods. The award of contracts to multiple 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/s with the requisite expertise, depending on the schedule and specific inspection requirements. It should be noted that one of the recommended firms has provided satisfactory services under a prior contract for such work. Due to the need to commence services and support ongoing projects, interim approval was obtained in accordance with the Authority’s Guidelines for Procurement Contracts and EAPs to award a contract to **Municipal Testing Laboratory, Inc. (“MTL”) (4600003044)**, effective September 11, 2015, in the initial award amount of \$100,000, subject to the Trustees’ ratification and approval at their next scheduled meeting. The Trustees are hereby requested to ratify and approve award of the subject contract with MTL and to approve the award of contracts to Haider, HAKS and Tectonic, which would become effective on or about October 1, 2015, for an intended term of up to five years. 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. It should be noted that Haider is a New York State-certified Minority-owned Business Enterprise. It should also be noted that all costs will be recovered by the Authority.

## **Enterprise Shared Services**

### ***Corporate Support Services***

The contract with **Core Facility Services, LLC (“Core”) (Q15-5920TB; PO# TBA)** would provide for the services of operating engineers to provide maintenance engineering support for the Authority’s Clarence D. Rappleyea Building (the White Plains Office). Such engineers are primarily affiliated with Local 30 of the International Union of Operating Engineers (“IUOE”). In addition to providing the services of up to seven operating maintenance engineers who oversee all aspects of the physical plant associated with the safe, efficient operation of the building, services also include administration of the contract and negotiation of the collective bargaining agreement with the IUOE. Bid documents were developed by staff and were downloaded electronically from the Authority’s Procurement website by 43 firms / entities, 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 Core, the lowest-priced bidder, which is qualified to perform such services and meets the bid requirements. The contract would become effective on or about October 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, \$4.5 million (comprising \$222,000 for administrative costs plus \$4.278 million for the pass-through evaluated cost of salary and benefits for the operating engineers).

## **Operations / Operations Support Services**

### ***Power Generation / Support Services / Licensing***

Due to the need to commence services in order to meet and maintain the overall project schedule, the contract with **Brooks Washburn Architect, PC (“Brooks Washburn”) (4500261322)** became effective on August 18, 2015, in the interim award amount of \$10,000, subject to the Trustees’ ratification and approval as soon as practicable, in accordance with the Authority’s Guidelines for Procurement Contracts and EAPs. Such contract provides for architectural / engineering services in connection with the construction of a new gazebo, facilities building (including bathrooms) and other site improvements at Island View Park, as part of the Authority’s commitment to the Village of Waddington pursuant to the Agreement completing the Ten-Year Review of the St. Lawrence/FDR Power Project Relicensing Settlement Agreement with the Local Government Task Force. Services include, but are not limited to, design services, preparation of construction documents, construction support and submittal of “as-built” drawings and other documentation. Since the Authority has committed to promptly move this project forward and the Village of Waddington previously engaged Brooks Washburn to create a conceptual plan, the firm is familiar with the project requirements as well as the site, which will help expedite this licensing commitment. Additionally, Brooks Washburn is a New York State Small Business Enterprise and, as such, meets the criteria for procurement contracts that may be awarded without a formal competitive process, pursuant to the Public Authorities Law and the Authority’s Guidelines for Procurement Contracts. Based on the foregoing, staff recommends the award of a contract to Brooks Washburn on a single-source basis. The intended term of the subject contract is up to 18 months, subject to the Trustees’

ratification and approval, which is hereby requested. Approval is also requested for the total amount expected to be expended for the term of the contract, \$50,000.

The contracts with **Hohl Industrial Services, Inc. (“Hohl”)** and **M.G. McLaren, PC (“McLaren”)** (Q15-5887HM; PO#s TBA) would provide for underwater inspection services to support the operation and maintenance of Authority facilities located throughout New York State, on an “on-call, as needed” basis. Such services include, but are not limited to, underwater engineering inspections, debris management and minor underwater equipment / structural repairs, as well as an inspection report containing results, dive videos, drawings, photos, repair recommendations and cost estimate. To that end, bid documents were developed by staff and were downloaded electronically from the Authority’s Procurement website by 59 firms / entities, including those that may have responded to a notice in the New York State *Contract Reporter*. Eight proposals were received and evaluated, as further set forth in the Award Recommendation documents. The proposals were first screened to determine each bidder’s technical qualifications. Based on this initial review, three firms were removed from further consideration. The remaining firms were evaluated in greater detail and were all determined to be technically qualified to perform the required services. For cost comparison purposes, a composite hourly rate was then calculated for each qualified bidder. Based on the foregoing, staff recommends the award of contracts to two firms, Hohl and McLaren, the lowest-priced qualified bidders, which meet the bid requirements. It should be noted that one of the recommended firms has provided satisfactory services under an existing contract for such work. The award of contracts to two firms will provide a good range of capabilities and services (from engineering to construction) as well as good geographic coverage for all Authority facilities throughout the state, and will afford the Authority the opportunity to solicit estimates for specific tasks and/or underwater repair recommendations and also allow the Authority to 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 January 1, 2016, 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, \$2 million. Such contracts will be monitored for utilization levels, available approved funding and combined total expenditures.

The contract with **Information Technology Corp. (“Info Tech”)** (Q15-5904SR; PO# TBA) would provide for Apple / Macintosh desktop support services to the Authority. Such services include maintenance as well as on-site and remote technical support of the Authority’s Apple / Macintosh computer hardware and software primarily for the Communications & Marketing Services (Graphic Communications) and Video Production Services groups at the Authority’s White Plains Office. Bid documents were developed by staff and were downloaded electronically from the Authority’s Procurement website by 68 firms / entities, 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 proposals include, but are not limited to: the vendor could not satisfy one or more of the mandatory evaluation requirements set forth in the Request for Quotations, the scope of work did not fit the vendor’s business model, the vendor did not have the skillset to support the specified equipment or did not have sufficient resources to develop a response, or they downloaded the bid documents for information purposes only.) Staff recommends the award of a contract to Info Tech, which is qualified to provide such services, meets the bid requirements and has provided satisfactory services under the prior contract for such work. The new contract would become effective on or about October 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, \$250,435.

The Authority's Niagara Power Project campus and Niagara University's ("NU") campus are immediately adjacent to, and interconnected with, one another and share the use of certain roadways and appurtenant properties. Although the Authority and NU have historically performed their own grounds maintenance and landscaping on their respective properties, they have determined that since the properties are interconnected, it would be more efficient if such services were consolidated. To that end, in May 2013, the parties entered into a Memorandum of Understanding, entitled the "Shared Campus Initiative", which, in part, set forth mutual responsibilities for performing certain grounds maintenance and landscaping work on their shared roadways and appurtenant properties. Due to limited Authority maintenance staff resources, NU agreed to perform certain additional grounds maintenance and landscaping work on property owned by the Authority, and the Authority agreed that it would be mutually beneficial to permit NU access to said property to perform such work and to reimburse NU for same, pursuant to the "Grounds Maintenance Agreement" of August 2015. Due to the need to commence services and to reimburse NU for ongoing maintenance work already performed during the summer months, the corresponding contract with **Niagara University ("NU") (4500262061)** became effective on June 1, 2015, in the interim award amount of \$90,000, subject to the Trustees' ratification and approval as soon as practicable, in accordance with the Authority's Guidelines for Procurement Contracts and EAPs. Based on the foregoing, staff recommends the award of a contract to NU on a single-source basis, for an intended term of 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 contract, \$430,000.

## **Public, Governmental & Regulatory Affairs**

### ***Licensing***

The contract with **Gomez and Sullivan Engineers, DPC ("G&S") (PO# TBA)** would provide for continued hosting and support services for the SharePoint-based Blenheim-Gilboa Information System ("BGIS") used by the Authority to capture, manage, store, preserve and deliver content related to the B-G relicensing initiative. The BGIS provides a tool set for the entire Relicensing team to meet their support needs, including administration, document management and operational support, and also enables the Authority to securely collaborate and exchange information with entities external to the Authority's information technology infrastructure. The BGIS has become instrumental to the B-G relicensing process and is used heavily to manage the work of Authority staff as well as consultants associated with the B-G relicensing effort. The original contract for the development and implementation of the BGIS was awarded to G&S as the result of a competitive bid, and was approved by the Trustees at their meeting of October 26, 2010 for a five-year term. Since the existing contract will be expiring at the end of November and the B-G relicensing initiative will continue at least through 2019, the need for such services is ongoing. As the developer of the BGIS, G&S is uniquely qualified and knowledgeable of the system's features, capabilities and programming. Licensing staff recommend the continuation of the BGIS, including the ability to keep it readily aligned with emerging needs of the B-G relicensing initiative. Licensing staff reached out to the Authority's Information Technology group ("NYPA IT") to review the specifications of the BGIS and to assess technology and security needs for its continued use consistent with Authority standards;

NYPA IT supported pursuing a new contract with G&S. To that end, Authority staff requested a proposal / quote from G&S to provide for continued support and maintenance of the BGIS. An evaluation of the submitted proposal indicated that the G&S quote provides for a one-time 3.8% increase over the 2010 rates for the services to be provided under the new contract. With this modest increase in rates, it is unlikely that a new vendor could possibly provide the same services with respect to both quality/expertise as well as cost. Based on the foregoing, staff recommends the award of a new contract to G&S on a single-source basis. Pursuant to the Authority's Guidelines for Procurement Contracts, a procurement contract may be awarded without a formal competitive process where services are required to extend or complement a prior procurement and it is impracticable or uneconomic to have a source other than the original source continue the work. The new contract would become effective on or about December 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, \$540,000.

### ***Corporate Communications***

The contract with **Newsweaver, Inc. (Q15-5926SR; PO# TBA)** would provide for an FYI Corporate Messaging Software Solution (including internal communications software, services and support) that can produce visually attractive messages, is simple to administer, compatible with the Authority's e-mail system, provides viewing capability on Authority-supported mobile devices, and promotes greater staff engagement. To that end, bid documents were developed by staff and were downloaded electronically from the Authority's Procurement website by 80 firms / entities, 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 proposals include, but are not limited to: it was not their scope of work, they were unable to submit a competitive bid at this time, they did not have enough time to prepare a proposal, or they downloaded the bid documents for information purposes only.) Staff recommends the award of a contract to Newsweaver, which was determined to be qualified to provide such services and meets the bid requirements. The contract would become effective on or about October 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, \$51,500.

### **Risk Management**

#### ***Insurance Management***

The Authority has been self-insured for Workers' Compensation since 1995 and has awarded contracts, as a result of competitive bidding at five-year intervals, to provide third-party administrative ("TPA") services for its Workers' Compensation program. Such services include, but are not limited to, claims administration, claims assumption, reporting, loss information and financial reporting for the Authority's Workers' Compensation program. Since the current contract for such services expires in December 2015, bid documents were developed by staff and were downloaded electronically from the Authority's Procurement website by 46 firms / entities, 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. Staff recommends the award of a contract to **PMA Management**

**Corp. (“PMA”, a wholly owned subsidiary of PMA Capital Corp.) (Q15-5839DK; PO# TBA)**, the most technically qualified bidder, which meets the Authority’s evaluative criteria and requirements and has provided satisfactory services under the existing contract for such work. The new contract would become effective on or about January 1, 2016, 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, \$970,000. It should be noted that this amount does not include actual claims funding.

### **Contract Extensions and/or Additional Funding:**

#### **Executive Offices**

At their meeting of March 21, 2013, the Trustees approved the award of competitively bid contracts to nine firms, **Alexander Scott and Associates (4600002693)**, **Buro Happold Consulting Engineers, PC d/b/a Happold Consulting (4600002689)**, **Customer Care Network, Inc. (4600002687)**, **ICF Resources, LLC (4600002685)**, **McKinsey & Company, Inc. (4600002690)**, **MJ Bradley & Associates, LLC (4600002686)**, **Navigant Consulting, Inc. (4600002691)**, **PA Consulting Group, Inc. (4600002688)** and **UMS Group, Inc. (4600002692)**, to provide for management consulting services for the Executive Offices in connection with high-level projects related to the Authority’s strategic initiatives, for a term of up to five years, in the aggregate amount of \$8 million. Such initiatives include, but are not limited to: facilitation of a strategic planning process, implementation of a strategic plan, organizational review, asset optimization, financial analysis, program review, communications assessment, benchmarking studies and recommendations, succession planning, and regulatory and energy policy analysis, as needed. The scope of services outlined in the original Request for Proposals (“RFP”) was deliberately broad to encompass the wide range of Executive Office functions, as well as any special and ad-hoc assignments. Qualified firms were those with a broad range of diverse consulting expertise and experience in the electric utility and energy industries. As strategic initiatives were developed, it became evident that the amount of work to be performed under the subject contracts had been underestimated. An additional \$500,000 was subsequently authorized to support ongoing work, in accordance with the Authority’s EAPs. The current approved aggregate total (“Target Value”) is \$8.5 million. The aggregate “Released” (committed) amount is currently approaching the approved aggregate total, with significant programs yet to be implemented. As work continues to evolve and develop with the implementation of the strategic initiatives, a new RFP is being developed to better define the specific needs identified through work performed under the existing contracts. Until new contracts are rebid, evaluated, approved and awarded, additional funding in the aggregate amount of \$3 million will be required to continue services under the existing contracts, in order to support the development and implementation of the Authority’s strategic objectives / initiatives, such as the development of business unit operational plans, development of business intelligence function, reorganizational studies and other business unit studies, as may be required. In order to address these immediate needs, the Trustees are requested to approve the additional funding requested, thereby increasing the approved aggregate total amount to \$11.5 million. Such contracts will continue to be monitored for utilization levels, available approved funding and combined total expenditures.

## Operations / Operations Support Services

### ***Power Generation / Support Services***

At their meeting of July 31, 2012, the Trustees approved the award of a competitively bid contract to **Atlas Painting & Sheeting Corp. (“Atlas”) (4600002548)** to provide for services in connection with the Barnhart Island Bridge painting and rehabilitation project at the St. Lawrence/FDR Power Project, for a term of two years, in the amount of \$10,014,000. The original award became effective on August 1, 2012. The scope of work included surface preparation and painting, abrasive blasting, containment and disposal of lead-containing paint, replacement of runway rail and refurbishment of the existing maintenance trolley, as well as storm water collection and drainage system improvements. The lead time and fabrication cycle for the trolley refurbishment parts were much longer than originally anticipated. A one-year extension to accommodate this and other emergent issues, as well as additional funding in the cumulative amount of \$1,393,865, were subsequently authorized in accordance with the Authority’s Guidelines for Procurement Contracts and EAPs. The major elements of the work have been substantially completed. However, punch list items and site restoration (e.g., cleaning and sealing the sidewalk and removing paint overspray on the guide rails) must still be completed. Interim approval for an additional three-month extension through October 30, 2015 was authorized to complete the work, subject to the Trustees’ ratification and approval, which is hereby requested. The current Target Value of the contract is \$11,407,865; staff anticipates that no additional funding will be required for the extended term. It should be noted that since this is a joint work project, Ontario Power Generation will reimburse the Authority for 50% of the cost of the project.

The contract with **Aviat U.S., Inc. (“Aviat”) (4500248767)** provides for services required to complete the upgrade of the existing microwave communication system from the St. Lawrence/FDR Power Project (“STL”) to the Frederick R. Clark Energy Center (“CEC”). This system supports the operation of the Bulk Power System transmission lines that are routed from STL to the Marcy Switchyard at CEC and serves as a back-up communication link for the relay protection and control systems. The upgraded digital microwave system will ensure system reliability, provide a more efficient communication medium for data and expand the Authority’s capabilities to implement future “Smart Grid” technology. The subject contract, which was awarded pursuant to a procurement contract let by the New York State Office of General Services, became effective on August 18, 2014 for an initial term of less than one year, in the amount of \$498,452, and was subsequently extended to one year. System construction is now complete. However, documentation work is still in progress (e.g., final “as-built” drawings must be completed by Aviat and reviewed by the respective Authority sites before communications traffic can be put onto the system). Interim approval for an additional six-month extension was authorized in order to allow sufficient time to complete such work, subject to the Trustees’ ratification and approval. The current contract amount is \$498,452; staff anticipates that no additional funding will be required for the extended term. The Trustees are therefore requested to ratify and approve an extension of the subject contract through February 17, 2016, with no additional funding requested.

The contract with **DiDonato Associates Engineering & Architecture, PC (“DiDonato”) (4500252036)** provides for architectural / engineering services comprising assessment, design and construction support services in connection with the fishing pier access elevator project at the Robert Moses Niagara Power Plant. The original award, which was competitively bid, became effective on November 10, 2014 for an initial term of less than one year, in the amount of \$65,300, and was subsequently extended to one year. Delays resulting

from a longer timeframe needed for review of the design options, as well as a longer lead time required for delivery of the specialized equipment have, in turn, impacted the construction schedule. Such delays would extend the construction schedule into the winter months, which may make the work environment unsafe, due to icing and other harsh weather conditions. The projected construction schedule will therefore assume that work will cease from January through March of 2016. An extension of up to 14 months is now requested in order to allow sufficient time to complete the original scope of work, including the preparation and submittal of "as-built" drawings and other documentation, as well as other project closeout functions, as may be required. The current contract amount is \$65,300; 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, 2016, 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. Payment for contracts in support of Energy Efficiency projects will be made from the Energy Conservation Effectuation and Construction Fund.

### RECOMMENDATION

The Senior Vice President – Operations Support Services and Chief Engineer, the Senior Vice President – Public Affairs & Business Development / Chief of Staff, the Senior Vice President – Power Generation, the Senior Vice President & Chief Risk Officer, the Acting Senior Vice President – Enterprise Shared Services, the Vice President – Environment, Health & Safety, the Vice President – Project Management, the Vice President – Procurement, the Vice President – Engineering, the Vice President – Transmission, the Vice President – Information Technology / Chief Information Officer, the Senior Director and Acting Vice President – Energy Efficiency, the Vice President – Customer Energy Solutions, the Vice President – Finance, the Treasurer, the Vice President – Corporate Communications, the Vice President – Project & Business 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) Contracts – Awards**  
 (For Description of Contracts See "Discussion")

**EXHIBIT "A"**  
**September 29, 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 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>
BUSINESS SERVICES - TREASURY	<b>NEPC, LLC</b> Boston, MA (HQ) <b>(Q15-5892MR;</b> PO# TBA)	10/01/15 (on or about)	Provide for investment management consulting services with respect to the OPEB and NDT Funds	09/30/20 (includes initial 3-year term + 2-year option)	B/P			<b>\$870,000*</b>
						*Note: represents total for the initial 3-year term; the fees for services directly related to the OPEB and NDT Trust Funds will be paid from the respective Trusts		
BUSINESS SERVICES - FINANCE	<b>Q15-5888MR; 3 awards:</b> <b>1. THE BRATTLE GROUP, INC.</b> Cambridge, MA (HQ) Washington, DC (Branch Office) <b>2. FIRST INFRASTRUCTURE, LLC</b> Montclair, NJ <b>3. WELLFORD PORTFOLIO MANAGEMENT</b> New York, NY (PO#s TBA)	10/01/15 (on or about)	Provide for project finance advisory services	09/30/20 (includes initial 3-year term + 2-year option)	B/P			<b>\$2,500,000*</b>
						*Note: represents aggregate total for up to 5-year term		
ECONOMIC DEVELOPMENT & ENERGY EFFICIENCY - CUSTOMER ENERGY SOLUTIONS	<b>Q15-5885MH; 2 awards:</b> <b>1. THE CADMUS GROUP, INC.</b> Waltham, MA <b>(4600003049)</b> <b>2. TECTONIC ENGINEERING &amp; SURVEYING CONSULTANTS, PC</b> Mountainville, NY <b>(4600003050)</b>	09/11/15	Provide for expedited permitting services in connection with the K-Solar program	09/10/18	B/P	\$180,000 (Aggregate Interim Award Amount)		<b>\$1,000,000*</b>
						*Note: represents aggregate total for up to 3-year term		

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 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"**  
**September 29, 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 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>Q15-5869AT; 4 awards:</b>		Provide for special inspection/consulting and laboratory testing services to support the implementation of Energy Efficiency projects at various customer facilities in New York City		B/P			<b>\$10,000,000*</b>
	<b>1. HAIDER ENGINEER- ING, PC ♦</b> Farmingdale, NY (PO# TBA)	10/01/15 (on or about)		09/30/20			*Note: represents total for up to 5-year term <b>All costs will be recovered by the Authority.</b>	
	<b>2. HAKS ENGINEERS, ARCHITECTS AND LAND SURVEYORS, PC</b> New York, NY (PO# TBA)	10/01/15 (on or about)		09/30/20				
	<b>3. MUNICIPAL TESTING LABORATORY, INC.</b> Hauppauge, NY (4600003044)	09/11/15		09/10/20		\$100,000 (Interim Award Amount)		
<b>4. TECTONIC ENGINEER- ING &amp; SURVEYING CONSULTANTS, PC</b> Forest Hills, NY (PO# TBA)	10/01/15 (on or about)		09/30/20					
ENTERPRISE SHARED SERVICES - CORP SUPP SERVICES	<b>CORE FACILITY SERVICES, LLC</b> New York, NY (Q15-5920TB; PO# TBA)	10/01/15 (on or about)	Provide for services of Operating Engineers at the Clarence D. Rapple- yea Building (WPO)	09/30/20	B/S			<b>\$4,500,000*</b>
							*Note: represents total for up to 5-year term (comprising \$222K for administrative costs + \$4.278M for pass-through evaluated cost of salary and benefits for the Operating Engineers)	

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

**EXHIBIT "A"**  
**September 29, 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 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 SUPPORT SERVICES - PROJ MGMT + STL	<b>BROOKS WASHBURN ARCHITECT, PC</b> (a NYS Small Business Enterprise) Potsdam, NY (4500261322)	08/18/15	Provide for A/E and con- struction support services for site improvements at Island View Park	02/17/17	Si/A	\$10,000 (Interim Award Amount)  *Note: represents total for up to 18-month term		<b>\$50,000*</b>
OPERATIONS SUPPORT SERVICES - ENGINEERING	<b>Q15-5887HM; 2 awards:</b>  <b>1. HOHL INDUSTRIAL SERVICES, INC.</b> Tonawanda, NY  <b>2. M.G. MCLAREN, PC</b> West Nyack, NY (PO#s TBA)	01/01/16 (on or about)	Provide for underwater inspection services for Authority facilities state- wide, as needed	12/31/20	B/S	       *Note: represents aggregate total for up to 5-year term		<b>\$2,000,000*</b>
OPERATIONS SUPPORT SERVICES - IT	<b>INFORMATION TECH- NOLOGY CORP.</b> Paramus, NJ (Q15-5904SR; PO# TBA)	10/01/15 (on or about)	Provide for mainte- nance and technical support of the Authority's Apple/Macintosh desktop computer hardware and software	09/30/18	B/S	     *Note: represents total for up to 3-year term		<b>\$250,435*</b>
OPERATIONS SUPPORT SERVICES - PROJ MGMT + NIAGARA	<b>NIAGARA UNIVERSITY</b> Lewiston, NY (4500262061)	06/01/15	Provide for grounds maintenance and land- scaping services at Nia- gara Project property adja- cent to Niagara University	05/31/20	Si/S	\$90,000 (Interim Award Amount)  *Note: represents total for up to 5-year term		<b>\$430,000*</b>

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

EXHIBIT "A"  
September 29, 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 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>
PUBLIC, GOV & REGULATORY AFFAIRS - LICENSING	<b>GOMEZ AND SULLIVAN ENGINEERS, DPC</b> Utica, NY (PO# TBA)	12/01/15 (on or about)	Provide for hosting and support services for the Blenheim-Gilboa Information System (developed by G&S) used to capture, manage, store, preserve and deliver content related to the B-G relicensing initiative	11/30/20	Si/S			\$540,000*
						*Note: represents total for up to 5-year term		
PUBLIC, GOV & REGULATORY AFFAIRS - CORP COMMUNICATIONS	<b>NEWSWEAVER, INC.</b> Waltham, MA (Q15-5926SR; PO# TBA)	10/01/15 (on or about)	Provide for FYI Corporate Messaging Software Solution (including service and support)	09/30/20	B/S			\$51,500*
						*Note: represents total for up to 5-year term		
RISK MANAGEMENT - INSURANCE MANAGEMENT	<b>PMA MANAGEMENT CORP.</b> (a wholly owned subsidiary of PMA Capital Corp.) Dewitt, NY (Q15-5839DK; PO# TBA)	01/01/16 (on or about)	Provide for third party administrative services for the Authority's self-insured Workers' Compensation program	12/31/20	B/S			\$970,000*
						*Note: represents total for up to 5-year term (does <u>not</u> include actual claims funding)		

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

**EXHIBIT "B"**  
**September 29, 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 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>
EXECUTIVE OFFICES	<b>9 related contracts:</b>	Various Effective Dates (of which the earliest is 04/25/13)	Provide for management consulting services for the Executive Offices, on an "on-call, as required" basis	03/31/18	B/P	\$8,500,000 (Aggregate Target Value)	\$8,207,630 (Aggregate Released Amount)	<b>\$11,500,000*</b>
	<b>1. ALEXANDER SCOTT &amp; ASSOCIATES</b> Decatur, GA <b>4600002693</b>							
	<b>2. BURO HAPPOLD CONSULTING ENGINEERS, PC d/b/a HAPPOLD CONSULTING</b> New York, NY <b>4600002689</b>							
	<b>3. CUSTOMER CARE NETWORK, INC.</b> Marietta, GA <b>4600002687</b>							
	<b>4. ICF RESOURCES, LLC</b> Fairfax, VA <b>4600002685</b>							
	<b>5. MCKINSEY &amp; COMPANY, INC.</b> Washington, D.C. <b>4600002690</b>							
	<b>6. MJ BRADLEY &amp; ASSOCIATES, LLC</b> Concord, MA <b>4600002686</b>							
	<b>7. NAVIGANT CONSULTING, INC.</b> Chicago, IL (HQ) New York, NY (Branch Office) <b>4600002691</b>							

\*Note: includes originally approved aggregate total of \$8 million + an additional \$500,000 authorized per the EAPs + **CURRENT REQUEST for \$3 million**

[continued on next page]

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 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"  
September 29, 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 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>8. PA CONSULTING GROUP, INC.</b> New York, NY <b>4600002688</b>							
	<b>9. UMS GROUP, INC.</b> Parsippany, NJ <b>4600002692</b>							
OPERATIONS SUPP SERV - PROJ MGMT + STL	<b>ATLAS PAINTING &amp; SHEETING CORP.</b> Amherst, NY <b>4600002548</b>	08/01/12	Provide for services in connection with the Barnhart Island Bridge painting and rehabilita- tion project at STL	10/30/15	B/C	\$11,407,865 ("Target Value")	\$11,407,865 ("Released Amount")	<b>\$11,407,865*</b>
						*Note: includes original award amount of \$10,014,000 + an additional \$1,393,865 authorized per the EAPs; <b>NO additional funding requested;</b> <b>Ontario Power Generation will reimburse the Authority for 50% of the project costs.</b>		
OPERATIONS SUPP SERV - PROJ MGMT + CEC and STL	<b>AVIAT U.S., INC.</b> Santa Clara, CA <b>4500248767</b>	08/18/14	Provide for services required to complete the upgrade of the microwave communication system from STL to CEC	02/17/16	B/C	\$498,452	\$297,991	<b>\$498,452*</b>
						*Note: represents original award amount; <b>NO additional funding requested</b>		
OPERATIONS SUPP SERV - PROJ MGMT + NIA PROJ	<b>DIDONATO ASSOC- IATES ENGINEERING &amp; ARCHITECTURE, PC</b> Buffalo, NY <b>4500252036</b>	11/10/14	Provide for A/E services (including assessment, design and construction support) for the fishing pier access elevator project at the Robert Moses Niagara Power Plant	12/31/16	B/A	\$65,300	\$41,250	<b>\$65,300*</b>
						*Note: represents original award amount; <b>NO additional funding requested</b>		

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 2 **Contract Type:** P= Personal Service; S= (Non-Personal) Service; C= Construction; E= Equipment; N= Non-Procurement; L= Legal Service