



**Robert P. Astorino**  
County Executive

**Public Utility Service Agency**

**Thomas Geiger, Chair**

**Stewart M. Glass**  
Executive Director

**13321**

August 5, 2010

To: Honorable Members of the Board of Acquisition and Contract

From: Stewart M. Glass, Executive Director  
County of Westchester Public Utility Service Agency

Re: Authority to enter into an agreement with Harvey Arnett d/b/a Arnett Energy for the provision of professional consulting services in connection with various energy issues facing the County, for the period from June 1, 2010 through May 31, 2011, for an amount not-to-exceed Forty Thousand (\$40,000.00) Dollars

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Authority is requested for the County to enter into an agreement with Harvey Arnett d/b/a Arnett Energy, 189 Gordon Road, Carmel, New York 10512, (the "Consultant") for the provision of professional consulting services in connection with various energy issues facing the County, including, but not limited to, the procurement of electricity for use by the County. In particular, the Consultant will assist the County in the review of the rates charged by the Power Authority of the State of New York ("NYPA") and NYPA's proposed rate re-design. It is anticipated that the proposed NYPA Rate Redesign could result in substantial net savings to the County itself and to the other municipal entities in Westchester that procure power from NYPA. The proposed agreement would be for the term from June 1, 2010 through May 31, 2011.

The proposed agreement will be for an amount not-to-exceed Forty Thousand (\$40,000.00) Dollars and payable at the rate of Two Hundred (\$200.00) Dollars per hour. The maximum amount that the Consultant may be paid for any single day shall not exceed eight (8) hours. The Consultant will also be reimbursed for reasonable and customary out-of-pocket expenses.

The services to be provided by the Consultant in connection with such matters may include, but not be limited to, review of technical data; review of Cost of Service studies; review of analyses prepared by others; preparation of technical analysis and cost analysis; attend meetings and work groups; assist with negotiations; preparation and delivery of presentations and assistance with the preparation of statements and position papers.

The Consultant is a licensed Professional Engineer in New York with thirty-five years of experience at the New York State Department of Public Service (“DPS”), including twenty-five years as team lead for Con Edison rate issues, ten years as a member of the Commission’s Advisory Staff. At the DPS he served as the former Deputy Director of Electric and Gas Rates. The Consultant has the experience and technical expertise necessary to assist the County to achieve a range of objectives, particularly, knowledge of the intricacies of the energy market in New York which makes him uniquely qualified to assist the County in the above described matters as well as related issues.

The proposed agreement will serve a public purpose by permitting the Consultant to continue to assist the County in its efforts to ensure that the electric rates of NYPA are reasonable for the County and the other 103 municipal entities in Westchester served by NYPA. The Consultant’s long-standing experience and expertise have already benefited the County and continuing this relationship would serve a public purpose by providing the County with a trusted expert to help maintain fair energy rates for the County.

The goals and objectives of the proposed agreement are assuring that the County, municipalities within the County and residents and businesses in the County pay the lowest possible rates for electric service.

The goals and objectives of the proposed agreement are in the best interests of the County in terms of fiscal responsibility because without the County’s active participation in the review of the electric rates proposed by NYPA to be charged to the municipalities in Westchester, including the County itself, and the review of the proposed NYPA Rate Redesign, the County may be paying higher rates for electricity than it should.

The goals and objectives of the proposed agreement will be tracked and monitored by the Chair of the County of Westchester Public Utility Service Agency and its Executive Director.

Authority to exempt this agreement from the requirements of the Westchester County Procurement Policy, pursuant to Section 3(a)(xxi) thereof, has been submitted to your Honorable Board in accordance with a separate resolution of even date herewith.

Accordingly, your favorable action on the annexed Resolution is most respectfully urged and recommended.

SMG:me

## RESOLUTION

Upon a communication from the Executive Director of the Westchester County Public Utility Service Agency, be it hereby

**RESOLVED**, that the County of Westchester, acting by and through the County of Westchester Public Utility Service Agency, is hereby authorized to enter into an agreement with Harvey Arnett d/b/a Arnett Energy, 189 Gordon Road, Carmel, New York 10512 (the "Consultant") for the provision of professional consulting, including, without limitation, the review of the rates proposed to be charged by the Power Authority of the State of New York ("NYPA") and NYPA's proposed Rate Re-Design, for the period from June 1, 2010 through May 31, 2011; and be it further

**RESOLVED**, that in consideration for his services, the Consultant shall be paid an amount not-to-exceed Forty Thousand (\$40,000.00) Dollars, payable at the rate of Two Hundred (\$200.00) Dollars per hour, noting that the maximum amount that the Consultant may be paid for any single day shall not exceed eight (8) hours and that Consultant shall be reimbursed for reasonable and customary out-of-pocket expenses; and be it further

**RESOLVED**, that this Agreement is subject to County appropriations; and be it further

**RESOLVED**, that this Agreement is also subject to further financial analysis of the impact of any New York State Budget (the "State Budget") proposed and adopted during the term of this Agreement. The County shall retain the right, upon the occurrence of any release by the Governor of a proposed State Budget and/or the adoption of a State Budget or any amendments thereto, and for a reasonable period of time after such release(s) or adoption(s), to conduct an analysis of the impacts of any such State Budget on County finances. After such analysis, the County shall retain the right to either terminate this Agreement or to renegotiate the amounts and rates approved herein. If the County subsequently offers to pay a reduced amount to the Contractor, then the Contractor shall have the right to terminate this Agreement upon reasonable prior written notice; and be it further

**RESOLVED**, that the County Executive or his duly authorized designee is hereby authorized to take such action and execute such documents as may be necessary and proper to effect the purposes hereof.

Account to be  
Charged/Credited

Fund	Dept	Major Program, Program & Phase Or Unit	Object/ Sub-Object	Trust Account	Dollars
	52	2110	5100		\$40,000.00

Budget Funding Year(s) 2010-2011 Start Date: June 1, 2010 End Date: May 31, 2011  
(must match resolution)

Funding Source Tax Dollars X \_\_\_\_\_  
State Aid \_\_\_\_\_  
**\$ 40,000.00** Federal Aid \_\_\_\_\_  
(must match resolution) Other \_\_\_\_\_

APPROVED BOARD OF ACQUISITION & CONTRACT - 9-10-2010 - JOMARY VIEIRA, SECRETARY