

52266

TO: Board of Acquisition and Contract

FROM: Thomas J. Lauro, PE
Acting Commissioner of Public Works and Transportation

DATE: June 21, 2016

SUBJECT: Authorization to enter into a Customer Installation Commitment Agreement with the New York Power Authority (NYPA) for the Equipment & Control Systems Upgrades, Central Heating Plant, Valhalla Campus, Valhalla, New York (Agreement No. 16-901)

The County of Westchester (the "County") purchases electricity for its own use from the Power Authority of the State of New York, also known as the New York Power Authority ("NYPA"). The Agreement under which the County purchases such electricity provides, among other things, that NYPA and the County will work in partnership to identify energy efficiency projects and clean energy technology projects at County facilities and will undertake such projects as are deemed economically feasible and agreeable to the parties. On May 29, 2008, your Honorable Board authorized the County to enter into an agreement with NYPA for the study, design and construction of Energy Efficiency and Clean Energy Projects at various County facilities for the period July 1, 2008 through June 30, 2013 (the "2008 EECEP Agreement"). On May 8, 2014, your Honorable Board authorized the County to enter into a new agreement with NYPA for the study, design and construction of Energy Efficiency and Clean Energy Projects at various County facilities for the period May 1, 2014 through April 30, 2019 (hereinafter the "2014 EECEP Agreement").

The County identified the upgrades to the equipment and control systems at the Central Heating Plant located on the Valhalla Campus in Valhalla, New York as an energy efficiency project (the "Project"). The Project commenced on or about February 28, 2013 under the 2008 EECEP Agreement and authority is hereby being requested to continue the Project under the 2014 EECEP Agreement. Pursuant to the terms of the 2008 and 2014 EECEP Agreements, if the County determines to proceed with the construction of any project and to retain NYPA's services in connection with the construction of any project, the County must enter into a separate Customer Installation Commitment agreement with NYPA for each approved project (hereinafter the "CIC Agreement"). All CIC Agreements and their funding are subject to your Honorable Board's approval.

The County wishes to proceed with construction of the Project. Therefore, the County and NYPA must enter into a CIC Agreement in connection with the upgrades to the equipment and control systems at the Central Heating Plant. The services will include, but not be limited to, feasibility study, design, construction management, equipment procurement, installation, disposal of waste, and financing.

NYPA's recommendations consist of upgrading the obsolete burner controls to a modern, efficient control scheme; condensate tank replacement; replacing portions of steam, condensate, and feedwater piping; upgrade of motors and controls; and associated work. This work will be completed at a cost not to exceed \$3,175,000.00. The estimated annual energy savings resulting from this project is projected to be approximately \$156,000.00.

This CIC Agreement will reduce the County's utility costs, improve energy efficiency, and help reduce the County wide carbon footprint.

Board of Acquisition and Contract
CIC Agreement No. 16-901
CHP Equipment & Control Systems Upgrades
New York Power Authority
Page 2

The Department of Public Works and Transportation will track scheduling and accomplishments by NYPA and perform on-site inspections to ensure the successful completion of this project.

This CIC Agreement is exempt from the procedures of the Procurement Policy under Section 3(a)(iii) of said policy.

Your approval of the attached Resolution is respectfully requested.

RESOLUTION

Upon communication from the Acting Commissioner of Public Works and Transportation, be it hereby

RESOLVED, that the County of Westchester (the "County") has identified the upgrades of the equipment and control systems at the Central Heating Plant located on the Valhalla Campus in Valhalla, New York and accordingly seeks to enter into a Customer Installation Commitment ("CIC") Agreement with the New York Power Authority ("NYPA") for this project. Under the terms of the CIC Agreement, NYPA will be responsible for a feasibility report, design, construction management, equipment procurement, installation, and financing in connection with the upgrades of the equipment and control systems at the Central Heating Plant. The work will be completed at a total cost not to exceed \$3,175,000.00. The estimated annual energy savings for this project is projected to be \$156,000.00, and be it further

RESOLVED, that the County Executive or his duly authorized designee is hereby authorized and empowered to execute any and all documents necessary or appropriate to effectuate the purposes hereof.

Agreement No. 16-901

Account to be Charged/Credited	Fund	Dept	Major Program, Program & Phase or Unit	Object/ Sub Object	Bond Act No.	Dollars
	346	46	B008601S	6120-02	BA #35-2014	\$ 3,175,000.00
					Total:	\$ 3,175,000.00

Budget Funding Year(s): 2016 Start Date: 6/17/16 End Date: 12/31/18
 (must match resolution)

Funding Source: Tax Dollars: 100% County Contractor Federal I.D. No./
 State Aid: _____ Social Security No.: _____
 \$ 3,175,000.00 Federal Aid: _____ Vendor No.: _____
 (must match resolution) Other: _____ Encumbrance No.: _____