

39724

TO: Board of Acquisition and Contract

FROM: Jay T. Pisco, PE
Commissioner of Public Works and Transportation

DATE: April 14, 2014

SUBJECT: Authorization to enter into an agreement with the Power Authority of the State of New York, also known as the New York Power Authority, (“NYPA”) for the study, design and construction of Energy Efficiency & Clean Energy Projects at various County facilities for the period of May 1, 2014 through April 30, 2019. (Agreement No. 14-916)

The County of Westchester 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 electricity from NYPA 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. NYPA has indicated that it is willing to undertake a review of the feasibility of energy efficiency and clean energy projects at various County facilities, including conducting energy audits for the County. If projects are deemed feasible, NYPA proposes, at the County's sole discretion, to undertake those projects using either its own forces or contractors procured by it, or the County may undertake those projects with NYPA providing oversight and/or financing.

The goal of this program is for the energy efficiency projects to result in sufficient energy savings that the projects will pay for themselves over a defined period of time. In order to proceed with this program, NYPA and the County will have to enter into an Agreement, also known as the “Energy Efficiency & Clean Energy Projects Agreement” or “Umbrella Agreement”. The County and NYPA entered into similar agreements in 2002 and in 2008. The 2008 Umbrella Agreement expired on June 30, 2013. Authority is now being sought to enter into a new Umbrella agreement for the period May 1, 2014 through April 30, 2019, subject to future appropriations, and subject to Board of Legislators authorization of bonding legislation for the additional components of this project, as required. In addition, NYPA will only commence work on each phase of each project after the written authorization to proceed from the County, which will be provided, only after authorization from the Board of Acquisition and Contract.

As in the past, NYPA has proposed a three-stage process to determine whether a particular project will be undertaken by NYPA. After approval from the Board of Acquisition and Contract, and written authorization from the County, NYPA shall commence the first stage which involves the preparation by NYPA or its contractors of a Feasibility Audit and Report which shall describe the existing systems at the subject facility and provide load analysis, life cycle costs, analysis of various replacement alternatives, estimated energy savings and estimated project costs.

If, after review of the Feasibility Audit and Report the County determines to proceed, it will authorize NYPA to prepare designs and specifications for the project which will be submitted to the County for review. If the County determines to proceed with construction of any project, NYPA and the County will be required to enter into a Customer Installation Commitment (“CIC”) for that specific project which will either be an amendment to the Umbrella Agreement or a separate agreement as determined by the parties and all expenses for that project would be included in the CIC agreement. The costs of a project will vary based upon the size and scope of the project.

The proposed Umbrella Agreement also provides that the County, at its sole option, can elect to implement certain projects with its own contractors and NYPA shall provide oversight and/or financing for the project. The same three-stage process: Feasibility Audit and Report, Design and Construction, would be followed.

Whether the work is implemented by NYPA or the County, the written authorization to commence every stage of each project, the CIC agreement and the funding for each project will all be subject to the approval of the Board of Acquisition and Contract. It should be noted that if the County decides to discontinue a particular project at any time, the County will be responsible for the costs and expenses incurred by NYPA to the date of discontinuance.

The goals and objectives of the proposed agreement promote the public health, protect the environment and serve a public purpose by identifying and potentially reducing energy use by the County, thereby reducing the County's carbon footprint. The proposed projects will be monitored by the submission and review of the above mentioned Feasibility Audit and Report, the design and specifications and eventually the Customer Installation Commitment.

This 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.

JTP/jpi
Encl.

RESOLUTION

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

RESOLVED, that the County of Westchester is hereby authorized to enter into an Energy Efficiency and Clean Energy Projects Agreement with the Power Authority of the State of New York, also known as the New York Power Authority ("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; and be it further

RESOLVED, that NYPA shall not commence any phase of the work (study, design and construction) for any project without the prior written approval of the County, which shall be granted only after receipt of further authorization from the Board of Acquisition and Contract, and be it further

RESOLVED, that the Agreement is subject to County appropriations; 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. 14-916

Account to be Charged/Credited

Fund	Dept	Major Program, Program & Phase or Unit	Object/ Sub Object	Trust Account	Dollars
					N/A

Budget Funding Year(s): 2014 Start Date: 5/1/14 End Date: 4/30/19
 (must match resolution)

Funding Source: Tax Dollars: _____ Contractor Federal I.D. No./
 State Aid: _____ Social Security No.: _____
 \$ _____ Federal Aid: _____ Vendor No.: _____
 (must match resolution) Other: _____ Encumbrance No.: _____