

REQUEST FOR PROPOSAL
FOR
LEASED SPACE FOR A LIPA CUSTOMER
SERVICE CENTER TO BE
LOCATED IN THE LIPA SERVICE TERRITORY
IN THE ROCKAWAY PENINSULA NEW YORK

Long Island Power Authority

333 Earle Ovington Boulevard

Uniondale, New York 11553

July 29, 2011



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The Long Island Power Authority (“Authority”) hereby solicits information from landlords, firms and individuals (hereinafter referred to as “Respondents” or “Landlords”) in response to this Request for Proposal (“RFP”) to provide leased space for a LIPA customer service center to be located in the LIPA service territory in the Rockaway Peninsula New York.

I. CALENDAR OF EVENTS

Issuance of RFP	July 29, 2011
Deadline for Submission of Questions	August 15, 2011
Submission of Notice of Intent to Respond	August 22, 2011
Response Due Date	August 29, 2011 by 3:00p.m.
Interviews and Site Visits (if desired)	Dates to be Determined

Any questions regarding this RFP should be submitted in writing and emailed to Mr. William Funk, Contract Specialist at wfunk@lipower.org on or before **August 15, 2011**. Responses to any questions received will be posted on LIPA’s website at www.lipower.org as they are received. No other communication of questions and answers will be made.

Firms interested in submitting a response to this RFP should fax or email a Notice of Intent to Respond to the attention of Mr. William Funk, Contract Specialist at (516) 222-9137 or wfunk@lipower.org on or before **August 22, 2011**. Such notice should contain the Respondent’s name, address, phone number, e-mail address, contact person, and the scope(s) of services that will be proposed. Submission of a Notice of Intent is not a pre-requisite for submitting a response.

Two (2) copies of your response and a CD ROM of your response in either Microsoft Word or PDF format are due no later than **3:00 p.m.** on **August 29, 2011**, in a sealed package or packages. LIPA will not consider responses received after this deadline. All responses should be delivered to:

Long Island Power Authority
333 Earle Ovington Boulevard, Suite 403
Uniondale, NY 11553
Attention: William Funk, Contract Specialist

Responses received after the Response Due Date will not be considered, nor will faxed or e-mailed responses, whenever received. **Failure to submit a response on time will not be waived by LIPA under any circumstances (e.g., traffic conditions, mail or courier failure, etc.).**

LIPA may conduct interviews of those Respondents found to be the most qualified to provide the required services. If interviews are conducted, the Respondents selected for an interview will be notified in advance of the interview date(s).

Other than as provided for in this RFP, any contact with LIPA Board members, staff or LIPA consultants during the pendency of this RFP may be grounds for disqualification from the RFP process.

Pursuant to State Finance Law sections 139-j and 139-k, this RFP includes and imposes certain restrictions on communications between the Authority and Respondents during the procurement process. A Respondent is restricted from making contacts (i.e., an oral, written or electronic communications which a reasonable person would infer as an attempt to influence the award, denial, or amendment of a contract) from issuance of the RFP through final award and approval of the resulting Procurement Contract by the Authority and the Office of the State Comptroller (“restricted period”) to any Authority staff or Trustee (or consultants) other than as designated herein, unless it is a contact that is included among certain statutory exemptions as set forth in State Finance Law sections 139-j(3) (a). The Authority’s designated staff for this RFP, as of the date hereof, is Andy McCabe, Assistant General Counsel, Michael Standridge, Director of Corporate Contracts and Procurement, (516) 719-8620; and William Funk, Contract Specialist, (516) 719-9235 Please use Mr. Funk as the primary point of contact. Authority staff and Trustees (and consultants) are also required to obtain certain information when contacted during the restricted period and make a determination of the responsibility of the Respondent pursuant to statutory provisions. A finding of non-responsibility for certain impermissible contacts will preclude the award of a contract, and in the event of two such findings within a 4 year period, the Respondent is debarred from obtaining governmental Procurement Contracts. Further information about these requirements can be found in the Authority’s Guidelines Regarding Procurement Lobbying which is posted on the Authority’s web site for this RFP.

LIPA will not provide reimbursement for any costs or expenses incurred in connection with this RFP, including the costs of preparing and submitting a response, providing any additional information or attending an interview. All material that is submitted in response to this RFP will become the sole property of LIPA. LIPA expressly reserves the right to utilize any and all ideas submitted in the responses received unless covered by legal patent or proprietary rights which must be clearly noted in the response submitted in response to the RFP. See also RFP Section V.C.2.

II. LEASE PERIOD

The term of LIPA's lease for a LIPA customer service to be located in the LIPA service territory in the Rockaway Peninsula New York, shall be for a minimum of five (5) years and a maximum of fifteen (15) years.

III. BACKGROUND

The Long Island Power Authority is a corporate municipal instrumentality of the State of New York. The Authority was created by State legislation enacted in 1986, referred to as the "Long Island Power Authority Act" or "LIPA Act" (Public Authorities Law, Sections 1020 *et seq.*). In 1998, the Authority acquired pursuant to an Agreement and Plan of Merger ("Merger Agreement"), all of the outstanding common stock of LILCO, which then became a wholly owned subsidiary of the Authority. The Authority, through its subsidiary, LIPA, provides electric service to approximately 1.1 million customers in its service area, comprising the counties of Nassau and Suffolk, and a small portion of Queens County known as the Rockaways.

The Authority has entered into three principal Operating Agreements with subsidiaries of National Grid (formerly KeySpan Energy): a Management Services Agreement to provide day-to-day management of the transmission and distribution system owned by LIPA in accordance with policies established by LIPA; an Energy Management Agreement to provide fuel management and system power supply services to LIPA; and a Power Supply Agreement to sell to LIPA all of the capacity and, to the extent LIPA requests, the energy from National Grid's current generating facilities located on Long Island. Further information on LIPA projects can be found on LIPA's website at www.lipower.org.

IV. LEASE REQUIREMENTS

The Long Island Power Authority is seeking proposals from qualified landlords interested in entering into a lease agreement with a term of a minimum of five (5) years and a maximum of fifteen (15) years to provide approximately 1200-1500 usable square feet of space at ground floor level for the purpose of customer service center in the LIPA Service territory located in the Rockaway Peninsula. LIPA's customer service/ customer relations center can be a stand alone facility or located within the walls of an established business area. Responses must include only sites within geographic area defined as the LIPA Service Territory specifically in the Rockaway Peninsula New York.

The location should have access to parking for employees and customers. The location should also have access to public transportation.

Additional requirements include ADA compliant entrances and exits and an ADA compliant bathroom for employees. The location must be able to provide for a public area consisting of four (4) work stations with “bullet proof” glass, built in counters, and desks, public waiting area, and seating and space for a security guard station. The location must also be able to provide for a back office consisting of two supervisor offices, an employee kitchen and sitting area, conference space, safe space, communications closet, file space and employee ADA compliant bathroom.

V. RESPONSE REQUIREMENTS

The following is a list of the information to be provided in the Response. A response that does not include all the information requested below may be deemed non-responsive and subject to rejection. **Responses should respond to all areas listed below, in the order listed, and conclude with a separate section on cost.**

A. Landlord Information and Site Information

In setting forth its qualifications, each Respondent shall provide, in concise but adequate detail, the information requested below, as appropriate.

Cover Letter

A cover letter, which shall be considered an integral part of the response, shall be bound with the response and signed by the individual or individuals authorized to bind the Respondent contractually. In signing the cover letter, the Respondent agrees to be bound by the terms of this RFP and its submission hereunder for 180 days. The cover letter shall contain a statement that the Respondent’s work for the Authority will not create any conflict of interest. If your firm believes that a conflict may arise, the nature of the conflict should be described – see section V.A.8.

1. Provide a detailed description of the proposed lease property including maps and photos of the property proposed and identify how it meets LIPA’s Lease Requirements in Section IV of this RFP including access to parking and transportation and the date of availability.
2. Provide a detailed description of your proposed landlord tenant relationship. Provide information regarding the following:
 - a. As landlord would you be willing to build out the location as per LIPA’s specifications?

- b. As landlord what responsibilities and services would you provide?
 - c. As landlord what do you see as LIPA's responsibilities?
3. Identify the nature of any potential conflict of interest Landlord or its principals, parents, subsidiaries, affiliates, etc. and their officers and directors, might have and any conflicts of interest, actual or potential, which might arise in connection with providing lease space to LIPA, including any prior or current business transactions or relationships with LILCO, Brooklyn Union Gas Company National Grid, MarketSpan or KeySpan Energy, or any of their subsidiaries, and in what capacity. If Landlord believes that a conflict of interest might arise, please describe how such conflict would be resolved. Indicate in writing that Landlord's lease of space will not create any conflict of interest.
4. Discuss any past or present civil or criminal legal investigations, pertinent litigation and/or regulatory action involving Landlord or any of its principals, employees or its parents, subsidiaries or affiliates that could impact upon a prospective lease of space to LIPA. If none, include a statement that there are no past or present civil or criminal legal investigations, or pertinent litigation and or regulatory actions.

B. Cost

Respondents should include the following:

1. Respondents should indicate cost per square foot, the total square footage, the square footage of useable space, the ratio of useable space to total leased space and the annual lease costs and any proposed annual escalations for the term. This cost must be for the base rent and must exclude any common area maintenance, taxes utilities, garbage collection and any other costs.
2. Respondents must detail any common maintenance cost, taxes utilities, garbage collection and any other costs.
3. Respondents should indicate if they are willing to participate in the build out of the location as per LIPA's specifications to be developed. Respondents interested in participating in the build out should provide information as to how they would approach the build out and an explanation of costs.
4. Each firm may propose any alternative cost structure deemed appropriate in addition to the cost structure requested above. If an alternative cost structure is proposed, explain why you feel the alternative cost

structure(s) is more advantageous to LIPA. **Failure to provide the requested cost structure outlined in V (B) (1) above, may be deemed non-responsive.**

5. State any special considerations with respect to billing or payment of fees and expenses that your firm offers and that you believe would differentiate it from other Respondents and make your firm's services more cost effective for LIPA.

C. Other

1. Respondents should either provide a statement accepting the terms and conditions in LIPA's attached Lease identified as Exhibit A, or must alternately identify any exceptions taken to the terms and conditions. If exceptions are taken, the Respondent must clearly identify the language that is being taken exception to and provide the suggested alternate language for each such exception. The nature and extent of exceptions, if any, taken by the Respondent to LIPA's terms and conditions will be a factor considered in evaluating responses. Respondents that demonstrate a willingness to accept LIPA's terms and conditions will be given more favorable consideration.
2. Respondents shall indicate in their responses what information, if any, is proprietary and confidential. Respondents are hereby advised that LIPA is subject to the New York State Freedom of Information Law ("FOIL"). Material marked "Confidential and Proprietary" will be treated as such to the extent consistent with the obligations under FOIL, other applicable law, regulation or legal process, and will not be disclosed by the LIPA except as necessary for the evaluation of responses.

VI. EVALUATION CRITERIA AND SELECTION PROCESS

A. Response Evaluation Criteria

A Selection Committee consisting of LIPA staff will evaluate the responses. The Selection Committee will make its recommendation to LIPA's Board of Trustees for approval. The Selection Committee will consider the following criteria in its evaluation, not necessarily listed in the order of importance:

1. The Respondents proposed location and how it is able to meet LIPA's lease requirements.
2. The cost of the lease including the competitiveness of the proposed lease rates and any proposed discounts.

3. Overall responsiveness to the requirements of the RFP, including completeness, clarity and quality of the response.
4. Site Visits and Interviews, if conducted.

The non-cost criteria listed above will be given more consideration than the cost criteria in LIPA's evaluation of responses.

B. Selection Process

The Selection Committee will evaluate all responsive submissions based on the criteria enumerated in Section VI (A), as referenced above. The Selection Committee may afford firms the opportunity to clarify responses for the purpose of assuring a full understanding of their responsiveness to the RFP.

LIPA may conduct interviews of Respondents found to be most qualified to perform the services required, based upon the criteria listed in this RFP. If so, Respondents will be notified in advance of the proposed interview date.

Prior to award of any contracts(s), the Selection Committee will conduct a vendor responsibility determination and may require eligible Respondents to answer questions and provide additional information to supplement the information provided in the Exhibit B Vendor Responsibility Questionnaire to assist the Selection Committee in making such a determination.

All Respondents will be notified in writing once a Respondent has been selected.

VII. RESPONSE INSTRUCTIONS AND CONDITIONS

A. Limitations

1. This RFP does not commit LIPA to award a contract, pay any costs incurred in the preparation of a response, or procure or contract for services of any kind whatsoever. LIPA reserves the right, in its sole discretion, to accept or reject any or all responses to this RFP, to negotiate with any or all firms considered, or to cancel this RFP in whole or in part. LIPA reserves the right to request additional information from any or all Respondents.
2. Respondents may be requested to clarify the contents of their response. Other than to provide such information as may be required by LIPA, no Respondent will be allowed to alter its response or to add new information after the response due date.

3. A Respondent may be required to participate in negotiations and to submit any price, technical or other revisions to its response which may result from such negotiations.
4. Respondents must fully execute the following forms and submit with its response: MacBride Fair Employment Principles, Non-Collusive Bidding Certification, Contractor Disclosure of Prior Non-Responsibility forms and Contingent Fee certification identified as Exhibit C upon submission of the response. Respondents must also fully execute the State of New York Vendor Responsibility Questionnaire, Exhibit B for itself and any proposed sub-consultants, as well as any other forms included in the RFP, or included on LIPA's website for this RFP.
5. All material submitted in response to this RFP will become the sole property of LIPA.
6. From among the responses received, LIPA may select one or more firms to provide utility consulting services to LIPA in each of the areas listed in Section IV of the RFP.

B. Response Submission.

1. A cover letter, as described in Section V.A shall be submitted
2. Non-responsive submissions include, but are not limited to, those that:
 - (a) are irregular or not in conformance with RFP requirements and instructions;
 - (b) are conditional; or
 - (c) are not submitted on time or are submitted at any time via facsimile or e-mail.

LIPA may waive minor informalities or irregularities in a response that are merely a matter of form and not substance and the correction of which would not be prejudicial to other responses. **Failure to submit a response on time will not be waived by LIPA under any circumstance (e.g., traffic conditions, mail or courier failure, etc.).**

3. Joint responses will not be accepted, however, Respondents may use sub-consultants in the performance of work as set forth herein.

C. Administrative Specifications

1. All responses must be irrevocable for 180 days and signed by an

authorized officer of the firm.

2. The successful Respondent must agree to provide LIPA with audit access on request during the term of the contract and for seven years thereafter.
3. LIPA at any time, in its sole discretion, may terminate its contract with the selected firm(s), or postpone or delay all or any part of the contract, upon written notice to the selected firm(s).
4. All Respondents are obligated to update any changes in their response prior to the response due date.

D. Addenda: Errors and Omissions

If a Respondent discovers any ambiguity, conflict, discrepancy, omission or other error in this RFP, immediately notify William Funk, in writing, of such error and request clarification or modification to the document.

Should LIPA find it necessary, modification to the RFP will be made by written addenda to the RFP. Such modifications will be posted on LIPA's website.

If a Respondent fails to notify LIPA of a known error or an error that reasonably should have been known prior to the final filing date for submission, the Respondent shall assume the risk. If awarded the contract, the Respondent(s) shall not be entitled to additional compensation or time by reason of the error or its late correction.

VIII. CONTRACT APPROVAL

LIPA's selection of the successful Respondent must be approved by LIPA's Board of Trustees. In addition, any contracts issued pursuant to this RFP shall not be valid, effective or binding until approved by the State Comptroller and filed in his office, in accordance with Section 112 of the New York State Finance Law. No payment for services rendered can be made under the contract until such approval is obtained.

IX. DEBRIEFING OF UNSUCCESSFUL RESPONDENTS

Upon written request an unsuccessful Respondent may request a debriefing with LIPA staff. Debriefings will be scheduled after LIPA has provided notice of its selection of one or more successful Respondent.

Discussions during any such debriefing will be limited to an analysis of the response submitted to LIPA by the Respondent that requests the debriefing. Comparisons between responses or evaluations of the other responses will not be discussed. Debriefings may be conducted in person or by telephone, at LIPA's discretion.