

FOR CONSIDERATION

DATE: September 27, 2017

TO: The Trustees

FROM: Thomas Falcone

REQUEST: Approval of Contract to Provide Hazard Mitigation Support Consulting Services

Requested Action

The Trustees are requested to approve a resolution authorizing the Chief Executive Officer, or his designee, to engage a firm to provide Hazard Mitigation Support Consulting Services to the Authority and its subsidiary, LIPA (collectively “LIPA”) for a period of 5 years.

Background

Over the past several years, LIPA has incurred substantial storm costs as result of Hurricane Irene, Superstorm Sandy, and snowstorm NEMO for which it is entitled to and has collected at least 75% and up to 90% reimbursement from the Federal Emergency Management Agency’s (“FEMA”) Public Assistance (“PA”) Program.

LIPA has found it to be to our customers’ benefit to engage experienced consulting services to strategically manage claims development and administration to maximize eligibility of incurred costs. Other public authorities and municipalities entitled to FEMA reimbursement have similarly sought such professional assistance. LIPA currently has a contract for these services but the scope is limited to activities that were the result of Hurricane Sandy and events prior thereto.

On April 7, 2017, LIPA issued a request for proposals (“RFP”) for these services pursuant to the Disaster Recovery Purchasing Program of the U.S. General Services Administration (“GSA”), which is eligible for use by State and local governments and allows for a streamlined competition to procure products and services for recovery activities resulting from a major disaster declared by the President. The RFP, Questions and Answers and reminders were sent to 33 vendors with GSA contracts. The RFP response was due on April 28, 2017. LIPA received only one response. Two firms indicated they might have bid but for various competing priorities at the time of the RFP they did not.

On July 6, 2017 LIPA re-issued the RFP seeking responses from more than one firm. The RFP response was due August 3, 2017 and LIPA received responses from three firms; Deloitte & Touche; Grant Thornton; and Ernst & Young.

An evaluation team of three LIPA employees reviewed and scored the technical aspects of the RFP, while LIPA's Procurement department reviewed and scored the Cost and MWBE/SDVB responses.

Below are the final scores for the three vendors, including technical, cost and MWBE/SDVB criteria:

Firms	Score
Deloitte & Touche LLP	64.34
Grant Thornton LLP	74.10
Ernst & Young LLP	92.15

Recommendation

Based on the foregoing, I recommend the approval of the above requested action by adoption of a resolution in the form of the draft resolution to award the contract to Ernst & Young LLP.

Attachments

Resolution

EXHIBIT A

**ENGAGEMENT OF FIRMS TO PROVIDE HAZARD MITIGATION SUPPORT
CONSULTING SERVICES**

RESOLVED, that consistent with the attached memorandum, the Chief Executive Officer or his designee be, and hereby is, authorized to engage Ernst & Young LLP to provide hazard mitigation support consulting services to the Long Island Power Authority and its wholly-owned subsidiary, the Long Island Lighting Company d/b/a LIPA, on an as-needed basis, with the contract terms to be for a period of five years.