

**LONG ISLAND POWER AUTHORITY**

**MINUTES OF THE 272ND MEETING**

**HELD ON JANUARY 24, 2018**

*The Long Island Power Authority (the “Authority”) was convened for the two-hundred-and-seventy second time at 11:40 a.m. at LIPA’s Headquarters, Uniondale, NY, pursuant to legal notice given on January 19, 2018, and electronic notice posted on the Authority’s website.*

*The following Trustees of the Authority were present:*

**Thomas McAteer, Acting Chair  
Drew Biondo  
Matthew Cordaro  
Mark Fischl  
Peter Gollon  
Jeffrey Greenfield**

**Representing the Authority were Thomas Falcone, Chief Executive Officer; Joseph Branca, Chief Financial Officer; Jon Mostel<sup>1</sup>, General Counsel & Secretary to the Board of Trustees; Rick Shansky, Vice President of Operations Oversight; Kenneth Kane, Vice President of Financial Oversight, Sid Nathan, Director of Public Affairs and Jason Horowitz, Assistant General Counsel.**

**Representing PSEG Long Island were Daniel Eichhorn, President and COO; Rick Walden, Vice President of Customer Service; John O’Connell, Vice President of Transmission & Distribution; David Lyons, Vice President of Business Operations; and Paul Napoli, Vice President of Power Markets.**

*Acting Chair McAteer welcomed everyone to the 272nd meeting of the Long Island Power Authority Board of Trustees and led the Pledge of Allegiance.*

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<sup>1</sup>Jon Mostel participated via conference call

*Acting Chair McAteer welcomed Drew Biondo, the recent addition to the Board of Trustees and, after the Chairman's opening remarks, then stated that the first item on the agenda was the Consideration of the Consent Agenda Items.*

*After questions and a discussion by the Trustees, and the opportunity for the public to be heard, upon a motion duly made and seconded, the following resolutions were unanimously adopted by the Trustees based on the memoranda summarized below.*

**1397. APPROVAL OF MINUTES AND RATIFICATION OF ACTIONS TAKEN AT THE DECEMBER 19, 2017 MEETING OF THE BOARD OF TRUSTEES OF THE LONG ISLAND POWER AUTHORITY**

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**RESOLVED**, that the Minutes of the meeting of the Authority held on December 19, 2017 are hereby approved and all actions taken by the Trustees present at such meeting, as set forth in such Minutes, are hereby in all respects ratified and approved as actions of the Authority.

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**Requested Action**

The Trustees are requested to approve a resolution authorizing the Chief Executive Officer, or his designee, to engage the following firms to provide Rate Consulting Services to the Long Island Power Authority and its subsidiary Long Island Lighting Company d/b/a LIPA (together, "the Authority"): Black & Veatch and Navigant Consulting, Inc.

**Discussion**

LIPA staff has an ongoing need to evaluate rate design alternatives and to craft multi-year rate plans.

On June 22, 2017, the Authority issued a Request for Proposals ("RFP") seeking qualified firms to provide Rate Consulting Services for a term of five years. The RFP was posted in the NYS Contract Reporter, posted to LIPA's webpage and distributed to firms that are known to have the resources and expertise to provide the requested services.

By July 20, 2017, seven firms responded to the RFP. A selection committee of staff evaluated the technical aspects of the proposals, while the Procurement staff evaluated MWBE, SDVOB and cost aspects.

Proposals were scored in relevant categories and all seven firms were interviewed, since all scores were less than 15 points apart from the leading firm. Based upon the written

submissions, hourly rates and the interviews conducted, Black & Veatch and Navigant Consulting Inc. received the highest overall scores and were determined to provide the best value for the Authority's customers.

### **Recommendation**

Based upon the foregoing, I recommend approval of the above-requested action by adoption of the following resolution.

### **1398. RESOLUTION APPROVING THE ENGAGEMENT OF RATE CONSULTING SERVICES**

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**RESOLVED**, that consistent with the attached memorandum, the Chief Executive Officer or his designee be, and hereby is, authorized to engage Black & Veatch and Navigant Consulting Inc. to provide Rate Consulting Services for a period of five (5) years.

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### **Requested Action**

The Trustees are requested to approve a resolution authorizing the Chief Executive Officer, or his designee, to engage law firms to provide as-needed legal services to the Authority and its subsidiary, Long Island Lighting Company d/b/a LIPA (collectively "LIPA") in the scopes of services set forth below, for a period of five years.

### **Background**

On December 6, 2017, LIPA issued a Request for Proposals ("RFP") seeking experienced law firms to provide legal services to LIPA for a period of five years in the following scopes of services:

1) Real Estate; 2) General; 3) Corporate & Securities; 4) Complex Litigation; 5) State Regulatory; and 6) Wholesale Energy Markets.

The RFP was distributed to ninety-five firms (60 of them MWBE), and posted on LIPA's website and the New York State Contract Reporter.

The due date of the RFP was originally January 4, 2018, 3 p.m., but due to inclement weather, LIPA postponed the deadline to January 8, 2018, 3 p.m.

Twenty-nine firms responded to the RFP. Four of the firms (Stem Success; Rozario & Associates, PC; Bond Schoeneck & King; and The Chandler Law Firm PLLC were deemed non-responsive. Stem Success is not a law firm, and the other three firms failed to indicate whether they agreed with LIPA's Terms & Conditions, or had any exceptions.

The remaining proposals were evaluated by a selection committee comprised of four members of LIPA’s legal department who carefully examined the technical (non-cost) portion of the proposals. The evaluation was conducted in accordance with the Office of State Comptroller’s (OSC) guidelines requiring the setting of an evaluation and scoring system prior to the opening of bids. The evaluation criteria were also summarized in the RFP.

Procurement staff separately evaluated the proposals on a cost basis and for MWBE/SDVOB, also in accordance with OSC procurement guidelines. The selection committee then conducted interviews of three of the top-qualifying firms for three of the scopes (i.e., Real Estate, Complex Litigation and State Regulatory) since their cumulative scores were less than 15 points apart.

Based upon the written proposals, interviews and an assessment of LIPA’s needs, it was determined that the firms listed below provide the best value to LIPA for the services sought, considering both technical expertise and proposed hourly rates.

Scopes	Firms
1- Real Estate	Koeppel, Martone & Leistman, LLP Tullis Wilkes Huff Geiger, LLP Lazer, Apthker, Rosella & Yedid, PC
2- General	Lazer, Apthker, Rosella & Yedid, PC Krez & Flores, LLP Rivkin Radler LLP
3- Corporate & Securities	Holland & Knight LLP Rivkin Radler LLP
4- Complex Litigation	Rivkin Radler LLP Holland & Knight LLP
5- State Regulatory	Read & Laniado, LLP Holland & Knight LLP
6- Wholesale Energy Markets	Van Ness Feldman LLP Stinson Leonard Street LLP

**Recommendation**

Based on the foregoing, I recommend approval of the above-requested action by adoption of a resolution in the form of the attached resolution.

**1399. ENGAGEMENT OF FIRMS TO PROVIDE LEGAL SERVICES**

RESOLVED, that consistent with the attached memorandum, the Chief Executive Officer or his designee be, and hereby is, authorized to engage the following law firms to provide legal services to the Long Island Power Authority, 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: (i) Koeppel, Martone & Leistman, LLP; (ii) Tullis Wilkes Huff Geiger, LLP; (iii) Lazer, Apthker, Rosella & Yedid, PC; (iv) Krez & Flores, LLP; (v) Holland & Knight LLP; (vi)

Rivkin Radler LLP; (vii) Read & Laniado, LLP; (viii) Van Ness Feldman LLP; and (ix) Stinson Leonard Street LLP.

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*The Acting Chair stated that the next item on the agenda was the CEO's Report presented by Thomas Falcone.*

*Mr. Falcone presented the CEO Report and took questions from the Trustees.*

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*The Acting Chair stated that the next item on the agenda was the Discussion of Progress on Taxes, PILOTs and Assessments Policy presented by Thomas Falcone.*

*Mr. Falcone presented the Discussion of Progress on Taxes, PILOTs and Assessments Policy and took questions from the Trustees.*

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*The Acting Chair stated that the next item on the agenda was the CFO's Report presented by Joseph Branca.*

*Mr. Branca presented the CFO Report and took questions from the Trustees.*

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*The Acting Chair stated the next item on the agenda was the PSEG Long Island Operating Report and Discussion of PSEG Long Island's 2017 Metric Performance presented by Daniel Eichhorn.*

*Mr. Eichhorn s presented the PSEG Long Island Operating Report and Discussion of PSEG Long Island's 2017 Metric Performance and took questions from the Trustees.*

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*The Acting Chair then allowed public comment to be heard, after which he announced that the next Board Meeting would be scheduled for March 28, 2018.*

*The Chair then asked for a motion to adjourn to executive session and announced that no votes would be taken in executive session, and that the Trustees would not be returning to open session. The motion was duly made and seconded, and the following resolution was adopted:*

**1400. EXECUTIVE SESSION – PURSUANT TO SECTION 105 OF THE PUBLIC OFFICERS LAW**

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**RESOLVED, that pursuant to Section 105 of the Public Officers Law, the Trustees of the Long Island Power Authority shall convene in Executive Session for the purpose of discussing personnel and litigation matters.**

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*At approximately 1:19 pm the open session of the Board of Trustees was adjourned on a motion to enter executive session which ended at approximately 2:20 pm.*

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