

BOARD AGENDA SUMMARY SHEET

Committee or Board: Board	Date: September 11, 2020	Board Meeting Date: September 23, 2020
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For All Board Voting Items:

Title of Agenda Item: Approval of a Contract for Governance Consultant Services

Consent Agenda: Yes No

Accompanying Presentation: Yes No

Recommendation from Committee: N/A F&A; GP&P; Oversight & Clean Energy

LIPA Presenter: N/A

PSEG Long Island Presenter: N/A

For Contract Approvals Only:

RFP: Yes No

Term: 5 years

Requested Action:	The Board is being requested to authorize the Chief Executive Officer or his designee to engage Leading Resources, Inc. ("LRI") to provide Governance Consultant Services for LIPA.
Summary: (include proposed amendments to Board Policies, if applicable)	<p>LIPA has an on-going need for Governance Consulting services to, among other things, support the Board members in their role, assess the overall effectiveness of LIPA's policy governance model, evaluate LIPA's procedures for reviewing, monitoring and reporting on governance-related items, and identify opportunities for improvements to comply with best practices of comparable organizations and enhance the overall effectiveness of the governance model.</p> <p>Based upon the written submissions and an assessment of LIPA's needs, LRI was judged to be best suited to provide LIPA with Governance Consulting services for the term of this engagement. Some of the strengths of LRI include extensive experience providing governance consulting services to other large public power companies and familiarity with the policy governance model adopted by the LIPA Board of Trustees. LRI's costs were also determined to be reasonable.</p>

FOR CONSIDERATION

September 23, 2020

TO: The Board of Trustees

FROM: Thomas Falcone

SUBJECT: Approval of a Contract for Governance Consulting Services

Requested Action

The Board of Trustees (the “Board”) of the Long Island Power Authority is requested to approve a resolution, attached hereto as **Exhibit “A”**, authorizing the Chief Executive Officer, or his designee, to engage Leading Resources, Inc. (“LRI”) to provide Governance Consulting services to the Long Island Power Authority and its wholly-owned subsidiary, the Long Island Lighting Company d/b/a LIPA (collectively, “LIPA”), for a term not to exceed five years.

Background

LIPA has an on-going need for Governance Consulting services to, among other things, support the Board members in their role, assess the overall effectiveness of LIPA’s policy governance model, evaluate LIPA’s procedures for reviewing, monitoring and reporting on governance-related items, and identify opportunities for improvements to comply with best practices of comparable organizations and enhance the overall effectiveness of the governance model.

Discussion

On July 15, 2020, LIPA issued a Request for Proposals (“RFP”) seeking qualified firms to provide Governance Consulting services to LIPA. The RFP was distributed to over 100 firms, advertised in the NYS Contract Reporter, and posted on LIPA’s website.

On or before August 6, 2020, seven firms responded to the RFP. One of the responses was from a NY State Certified woman business enterprise. LIPA staff formed a selection committee to review the responses. The selection committee performed a technical evaluation by scoring each proposal, while LIPA’s procurement staff evaluated cost and the Minority and Women-Owned Business Enterprises (“MWBEs”) and Service-Disabled Veteran-Owned Business criteria.

The proposals were evaluated by a team composed of LIPA’s Chief Administrative Officer, an Assistant General Counsel, LIPA’s Senior Manager of Enterprise Risk Management, and Procurement staff, according to the guidelines set forth in the RFP, which included assessments of the firms’ experience and qualifications, their hourly rates, proposed changes to LIPA’s standard consulting contract, and their proposals to comply with state requirements for participation by MWBEs.

Based upon the written submissions and an assessment of LIPA’s needs, LRI was judged to be best suited to provide LIPA with Governance Consulting services for the term of this engagement.

Some of the strengths of LRI include extensive experience providing governance consulting services to other large public power companies and familiarity with the policy governance model adopted by the LIPA Board of Trustees. LRI’s costs were also determined to be reasonable.

Recommendation

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

Attachment

Exhibit "A" Resolution

Exhibit "A"

**RESOLUTION AUTHORIZING THE ENGAGEMENT OF A FIRM TO PROVIDE
GOVERNANCE CONSULTING SERVICES**

NOW, THEREFORE, BE IT RESOLVED, that consistent with the attached Memorandum, the Chief Executive Officer or his designee be, and hereby is, authorized to engage Leading Resources, Inc. to provide Governance Consulting services to the Long Island Power Authority and its wholly-owned subsidiary, the Long Island Lighting Company d/b/a LIPA, for a term not to exceed five years

Dated: September 23, 2020