

FOR CONSIDERATION

October 29, 2021

TO: The Finance and Audit Committee

FROM: Thomas Falcone

REQUEST: Recommendation to Approve the Selection of Cash Management Advisory & Custody Services

Requested Action

The Finance and Audit Committee (the “Committee”) of the Board of Trustees (the “Board”) of the Long Island Power Authority is requested to approve a resolution, attached hereto as **Exhibit “A,”** recommending that the Chief Executive Officer, or his designee, be authorized to engage Goldman Sachs Asset Management, L.P to provide Cash Management Advisory Services and U.S. Bank National Association to provide Custody Services, for the Long Island Power Authority and its subsidiary, the Long Island Lighting Company d/b/a LIPA (collectively, “LIPA”) for a term not to exceed five (5) years.

Background

LIPA currently maintains six separate and distinct cash management/investment accounts. Each has specific liquidity needs, however, they are all governed by either LIPA’s Investment Policy or UDSA Investment Guidelines. The consulting services to be provided by the firms selected in the Request for Proposals (“RFP”) will support Cash Management and Advisory in all investment decisions within the boundaries established by LIPA and Custodial Services to be provided by the Custodian. The proposed contracts will replace existing contracts that are due to expire in February of next year.

Discussion

On July 15, 2021, LIPA issued an RFP for experienced firms to provide Cash Management Advisory and Custody Services.

On or before August 12, 2021, LIPA received timely proposals from five firms. Responses were evaluated according to the criteria set forth in the RFP by LIPA’s finance team, while LIPA’s Procurement Department, as required by State law, ensured compliance with Minority/Women Based Enterprise (MWBE), Service-Disabled Veteran-Owned Business (SDVOB) solicitation opportunities, as well as cost aspects of the proposals.

The technical evaluation that resulted in the recommendation set forth in the accompanying resolution included assessments of the firm’s experience and qualifications, rates, proposed changes to LIPA’s standard consulting contract, and their proposals to comply with state requirements.

LIPA Staff recommends that the following firms be awarded contracts in the scopes indicated:

Scope Description	Firm
Cash Management Advisory Services	Goldman Sachs Asset Management, L.P
Custody Services	U.S. Bank National Association

Attachment

Exhibit "A" Resolution

**RESOLUTION RECOMMENDING THE ENGAGEMENT OF FIRMS TO PROVIDE
CASH MANAGEMENT ADVISORY AND CUSTODY SERVICES**

NOW, THEREFORE, BE IT RESOLVED, that consistent with the attached Memorandum, the Finance and Audit Committee hereby recommends that the Chief Executive Officer or his designee be authorized to engage the firms so designated in the Requested Action to provide Cash Management Advisory and Custody Services for the Long Island Power Authority and its subsidiary, the Long Island Lighting Company d/b/a LIPA (collectively, "LIPA") for a term not to exceed five (5) years.

Dated: October 29, 2021