

FOR CONSIDERATION

January 23, 2025

TO: The Board of Trustees

FROM: John Rhodes

SUBJECT: Consideration of Approval of the Selection of a Firm to Provide Financial Budget Review Process Services

Requested Action

The Board of Trustees (the “Board”) of the Long Island Power Authority (“LIPA”) is requested to approve a resolution, attached hereto as **Exhibit “A”**, authorizing the Acting Chief Executive Officer, or designee, to engage 4Liberty, Inc. (“4Liberty”) to provide Budget Review services to LIPA for a term not to exceed five (5) years.

Background

LIPA is seeking qualified candidates to perform a review and propose actionable improvements to the current Operations & Maintenance (“O&M”) and capital budget process for Transmission and Distribution (“T&D”) services currently outsourced to LIPA’s Service Provider.

The scope of work includes a review of the current state activities and the development of a roadmap to a future state that incorporates industry best practices. The consultant is expected to prepare a gap analysis and recommend practical changes such that the future state of the budget and reporting processes provide timely insight into the activities and related budgets afforded the Service Provider under the existing Operations Services Agreement between LIPA and its Service Provider.

For capital budgeting, the consultant is expected to perform a deep dive analysis that identifies the activities currently undertaken by the Service Provider from a project’s conception through completion. Recommend practical improvements to enhance the process providing LIPA real time insight into capital planning, approvals, and spending.

With regards to the T&D O&M budgeting process, the consultant shall review how operating decisions are made daily to achieve efficiencies as well as how analysis of O&M costs impact long-term capital decisions. The consultant shall also review and provide recommendations for improvements related to the “blanket work orders” and “programs” as well as the O&M budgets not covered by “blankets” or “programs.”

Discussion

On November 5, 2024, LIPA issued a Request for Proposals (“RFP”) seeking qualified firms to provide budget review services to LIPA. The RFP was distributed to eight firms, advertised in the New York State Contract Reporter, and posted on LIPA’s website. The

RFP was also posted to LIPA's Solicitation Online Portal (Bonfire) which is where vendors are invited to respond through online notifications.

On or about December 10, 2024, three firms responded to the RFP. 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 the cost and the Minority and Women-Owned Business Enterprises and Service-Disabled Veteran-Owned Business criteria. 4 Liberty is a Woman-Owned Business in the state of California and is pending New York State MWBE Certification

Based upon the review of the submissions, and an assessment of LIPA's needs, the selection committee determined that 4Liberty was best suited to serve LIPA for this project. This recommendation was based on the strengths of the firm's ability to provide the required range of services within the timeframes specified by LIPA, the firm's demonstrated record of experience in the field, and the professional qualifications and experience of the team assigned to the audit by 4Liberty. 4Liberty's pricing was also determined to be reasonable given the scope of services to be provided to LIPA.

Recommendation

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

Attachment

Exhibit "A" Resolution

Exhibit "A"

**RESOLUTION AUTHORIZING THE ENGAGEMENT OF A FIRM TO PROVIDE
BUDGET REVIEW SERVICES**

NOW, THEREFORE, BE IT RESOLVED, that consistent with the attached Memorandum, the Acting Chief Executive Officer or designee be, and hereby is, authorized to engage 4Liberty to provide Budget Review services to the Long Island Power Authority with a contract for a period not to exceed five years.

Dated: January 23, 2025