



Metropolitan Transportation Authority

December 2022

MTA Board Action Items



MTA Board Meeting

**2 Broadway
20th Floor Board Room
New York, NY 10004**

**Wednesday, 12/21/2022
10:00 AM - 12:00 PM ET**

1. PUBLIC COMMENT PERIOD

2. PRESENTATIONS

3. MTA 2023 BUDGET ADOPTION MATERIALS (Action Items) (Budget Materials distributed separately and available in the Exhibit Book and MTA.Info)

4. APPROVAL OF MINUTES

MTA and MTA Agencies Regular Board Meeting Joint Minutes - November 30, 2022

MTAHQ

NYCT/MaBSTOA/SIRTOA/MTA Bus Company

MTA Metro-North Railroad

MTA Long Island Rail Road

MTA Triborough Bridge and Tunnel Authority

MTA Construction & Development

MTA and MTA Agencies Regular Board Meeting Joint Minutes - November 30, 2022 - Page 4

5. COMMITTEE ON CAPITAL PROGRAM

C&D Procurements

C&D Procurements - Page 17

6. COMMITTEE ON METRO-NORTH RAILROAD & LONG ISLAND RAIL ROAD

MNR Action Items

i. NYSDOT Grant for Connecting Services

NYSDOT Grant for Connecting Services - Page 60

ii. Ferry Landing/Parking Agreement with City of Newburgh

Ferry Landing/Parking Agreement with City of Newburgh - Page 61

MNR Procurements Report

i. Competitive

MNR Competitive Procurement - Page 63

7. COMMITTEE ON NYCT & BUS

NYCT & Bus Procurements Report

Procurement Staff Summaries - Page 69

8. COMMITTEE ON MTA BRIDGES & TUNNELS OPERATIONS (no items)

9. COMMITTEE ON FINANCE

Action Items

i. 2023 MTA and TBTA New Money Bonds, Bond Anticipation Notes and Refunding Obligations; and Reimbursement Resolutions for Federal Tax Purposes (Resolution available in the Exhibit book)

Authorization to Issue MTA and TBTA New Money Bonds, Bond Anticipation Notes, and Refunding Obligations; and Reimbursement Resolutions for Federal Tax Purposes - Page 81

ii. Authorizing the Issuance of a Subordinated Contract Obligation under the Transportation Revenue Bond Resolution in connection with the ADA P3 Accessibility Project (Resolution available in the Exhibit book)

Issuance of Subordinated Contract Obligation Supplemental Resolution ADA P3 - Page 84

iii. Grand Central Madison Zone 1 and Combo Ticket

Approval of Grand Central Madison Zone 1 and Combo Ticket Pilots - Page 87

MTAHQ Procurements Report (no items)

Real Estate Items

i. Real Estate Agenda and Staff Summaries

Real Estate Agenda and Staff Summaries - Page 88

10. FIRST MUTUAL TRANSPORTATION ASSURANCE CO (FMTAC) (no items)

11. EXECUTIVE SESSION

**Joint Minutes of the
Metropolitan Transportation Authority,
the New York City Transit Authority, the Manhattan and Bronx Surface Transit Operating
Authority, the Staten Island Rapid Transit Operating Authority, the Metropolitan
Suburban Bus Authority, the Triborough Bridge and Tunnel Authority,
the Long Island Rail Road Company, Metro-North Commuter Railroad Company,
MTA Construction & Development, the MTA Bus Company and
the First Mutual Transportation Assurance Company
Regular Board Meeting
2 Broadway
New York, NY 10004
Wednesday, November 30, 2022
10:00 a.m.**

The following Board Members were present (**Attended remotely*):

**Hon. Janno Lieber, Chair & CEO
Hon. Andrew Albert
Hon. Jamey Barbas
Hon. Frank Borelli, Jr.
Hon. Samuel Chu
Hon. Michael Fleischer*
Hon. David Jones
Hon. Blanca Lopez
Hon. David Mack
Hon. Isabel Midori Valdivia Espino
Hon. Haeda B. Mihaltses
Hon Frankie Miranda
Hon. Robert F. Mujica
Hon. Harold Porr, III
Hon Sherif Soliman*
Hon Lisa Sorin
Hon. Vincent Tessitore, Jr.
Hon. Elizabeth Velez
Hon. Neal Zuckerman**

The following alternate non-voting members were present:

**Hon. Gerard Bringmann
Hon. Norman Brown
Hon. Randolph Glucksman***

The following members were absent:

Hon. John Samuelsen

Paige Graves, General Counsel, Lisette Camilo, Chief Administrative Officer, Quemuel Arroyo, Chief Accessibility Officer and Special Advisor to the Chair, Kevin Willens, Chief Financial Officer, Patrick Warren, Chief Safety and Security Officer, Richard Davey, President, NYCTA, Craig Cipriano, Chief Operating Officer, NYCT, Frank Annicaro, Acting President, MTA Bus Company, Catherine Rinaldi, President, Metro-North Railroad/LIRR Interim President, Daniel DeCrescenzo, President, TBTA, Jamie Torres-Springer, President, MTA C&D, Chris Pangilinan, Vice President, Paratransit, Jaibala Patel, Chief, Office of the CFO, Hugo Pizzaro, Chief People Officer, Shanifah Rieara, Senior Advisor for Communications and Policy/Interim Chief Customer Officer, Cate Contino, Director, Special Projects & Strategic Initiatives, also attended the meeting.

The Board of the Metropolitan Transportation Authority also met as the Boards of the New York City Transit Authority, the Manhattan and Bronx Surface Transit Operating Authority, the Staten Island Rapid Transit Operating Authority, the Metropolitan Suburban Bus Authority, the Triborough Bridge and Tunnel Authority, the Long Island Rail Road Company, Metro-North Commuter Railroad Company, the MTA Construction and Development Company, the MTA Bus Company, and the First Mutual Transportation Assurance Company.

Unless otherwise indicated, these minutes reflect items on the agenda of the Board of the Metropolitan Transportation Authority, the New York City Transit Authority, the Manhattan and Bronx Surface Transit Operating Authority, the Staten Island Rapid Transit Operating Authority, the Metropolitan Suburban Bus Authority, the Triborough Bridge and Tunnel Authority, the Long Island Rail Road Company, Metro-North Commuter Railroad Company, the MTA Construction and Development Company, and the First Mutual Transportation Assurance Company.

Chair Lieber called to order the November 2022 Board meeting.

General Counsel Paige Graves confirmed a quorum of the Board members in attendance and noted the Board members joining the meeting remotely.

A recorded audio public safety announcement was played.

1. PUBLIC SPEAKERS' SESSION.

The MTA Moderator announced that the following public speakers will speak either live virtually or in-person.

The MTA Moderator reminded public speakers of the rules of conduct and the two-minute speaking limit. The Moderator reminded speakers of the warning beep when 30 seconds remain to conclude their remarks.

The following public speakers commented (*live virtual comments):

Mr. X, private citizen
Christopher Greif, PCAC
Lisa Daglian, Executive Director, PCAC

Charlton D’Souza, President, Passengers United
Jason Anthony, Amazon Labor Union*
Lisa Gesson, Brooklyn Center for Independence of the Disabled (“BCID”)*
David Paul Gerber, private citizen*
Jack Nierenberg, Passengers United
Tashia Lerebours, Center for Independence of the Disabled, NY (“CIDNY”)
Michael Howard, private citizen
Cara Liebowitz, Advocacy Coordinator, BCID
Jacqueline Spellen, Riverton Tenants Association*
Ricardo Pacheco, Jackson Heights Coops Alliance*
Lucy Koteen, private citizen*
Elizabeth Valdez, BCID
Michael Ring, Disabled In Action (“DIA”)
Bruce Hain, private citizen
Rick Horan, QueensLink*
Rachel Fauss, Reinvent Albany*
Dr. Luck Tran, Columbia University*
Gian Pedulla, private citizen
Joe Rappaport, BCID
Jean Ryan, President, DIA
Jane Buchcanan, private citizen*
Derek Franks, private citizen*
Luana Green, Penn South*
Pong Muongshan, CUNY*
Ruth Connor, Penn South*

The Moderator announced that the allotted time for the public speakers’ session has been reached and advised the remaining registered speakers to standby as the agency transitions to a separate live recording session. Remote public speakers participating via Zoom were advised to standby and wait for further instructions from the Moderator. Public speakers in attendance were advised to assemble in conference room #4.

Refer to the video recording of the meeting produced by the MTA and maintained in MTA records for the content of speakers’ statements.

2. CHAIR LIEBER’S REMARKS.

Chair Lieber thanked everyone for joining this month’s meeting.

Chair Lieber, commenting on crime and safety, stated that he is pleased that the subway safety initiative set in motion by Governor Hochul and Mayor Adams is beginning to make a difference. The Chair stated that anyone who is using the subway can see the enormous numbers of police officers who have surged into the system—on platforms and on trains. Passengers are also hearing announcements made by conductors, who Chair Lieber stated are a big piece of the MTA’s relationship with the public and are doing a great job letting the public

know that there are police officers on the platform nearby if they have issues or if they want to report an issue.

Chair Lieber acknowledged two NYPD officers who, with the help of a Good Samaritan, rescued a man who had a medical episode and who fell onto the tracks in Harlem. In addition, the Chair recognized the arrest made by MTAPD of two terror suspects who had been identified by the Joint Terrorism Task Force as individuals who had been online making threats against the Jewish community and had taken action and had weapons. Chair Lieber stated that both events could have ended in tragedy, but they did not thanks to the incredible work by the MTA's partners in law enforcement—the men and women in blue.

Chair Lieber stated that the positive impact of the joint State/City effort is also starting to show in statistics. Reversing a concerning trend, in November subway crime was down 13+% versus the same week in 2021. The Chair stated that year-to-date, the agency is 6.5% below 2019 levels, the year before COVID, however, he stated that we also have fewer riders, so it is not apples to apples, and it is too early to celebrate. Chair Lieber stated that the November drop represents progress, and he expressed gratitude to Governor Hochul and Mayor Adams for coming together a few weeks ago to act—bringing more officers into the system, and generally for their continuing focus on subway safety.

Chair Lieber noted another key win on safety announced yesterday at the Railroad Committee meeting, the implementation by Suffolk County courts of the first-ever ban in MTA history, keeping people who harm riders off the LIRR. Chair Lieber stated that this is something that he has discussed with judges and District Attorneys for some time, asking the courts to consider keeping people who harm riders, and MTA employees, out of the transit system. Chair Lieber stated that victims of attacks should not have to face their assailants on the system the next day, subway bans make sense as part of a balanced criminal justice toolbox and the Chair stated that he will continue pushing MTA's partners in the District Attorneys' offices and in the courts to use their power where appropriate.

With respect to Grand Central Madison, Chair Lieber stated that, as discussed yesterday by C&D President Jamie Torres-Springer, there are people literally working 24/7 to get the project completed by the end of the year, especially commissioning, and finalizing all the complex building and safety systems. The Chair noted his visit to the site yesterday and on Friday and he stated that the new station is basically the size of the Chrysler Building laid on its side, so it is not a shock that commissioning those types of building-wide systems would be complicated. Chair Lieber stated that it is worth noting that we would not be where we are today if we had not committed, four years ago, not to extend the deadline for the project, which is the reason we are on the verge of opening Grand Central Madison. Together with Third Track, the MTA will increase LIRR service by 40%, dramatically shortening the commutes for thousands of people, changing lives and delivering on the MTA's promise to so many New Yorkers.

Chair Lieber stated that some riders have already had a chance to check out the facility as part of a wayfinding exercise, and he stated that his message to the team continues to be “keep going, keep going full speed.” Chair Lieber stated that the station will not open until everything necessary has been done to satisfy code authorities, and to comply with all the applicable rules, regulations, and standards that the State, the City and the professionals have set.

Chair Lieber stated that tomorrow the MTA will release the new draft plan for the Brooklyn Bus Network Redesign, as in Staten Island, and in the Bronx, and in Queens, the Brooklyn redesign will also be intended to simplify the network and improve connections, frequency, reliability, and especially bus speeds, with special attention paid to lower-income communities and to those that particularly depend on the bus system. The Chair stated that buses are mass transit and for many neighborhoods it is the only means of transportation, and we must make buses move faster, especially for those communities.

Chair Lieber stated that the new draft plan increases frequency on 24 routes out of the 69 in Brooklyn and adds another five overnight routes and more connections to LIRR stations. This is important because the MTA has an opportunity, with all the extra service on the LIRR combined with the reality that ridership is a little down from where it was before COVID, to put New York City residents, who can take advantage of the new City Ticket discount, on those LIRR trains and really use that additional capacity.

Chair Lieber stated that the agency is really excited to get this project going, and the next step is to conduct a robust public outreach, which is what was done in the prior redesign plans—Staten Island, the Bronx and Queens. The outreach work is set to begin in the new year and will include a wide range of both virtual and in-person options to make sure that everybody has a chance to participate, and the agency is systematically conducting briefings for elected officials, as part of the rollout.

Chair Lieber stated that redesigning bus routes is a great way to improve service, but it is not the MTA's only strategy to speed up the bus system. Last year, the State adopted legislation allowing the MTA to expand the use of automated bus lane enforcement cameras, which capture drivers violating busways and bus lanes in real time. Last month, the MTA announced a plan to expand the use of these devices on an additional 300 buses by the end of the year, and Chair Lieber stated that he is glad to announce that five routes now have activated cameras—the S79 SBS, Bx12 SBS, Bx41 SBS, Q43 and Bx19.

Chair Lieber stated that violators are not receiving tickets and fines just yet, as there is a 60-day warning period to try and make sure everyone is aware of the cameras, and ticketing will begin when the grace period expires in late December. Chair Lieber noted that the remaining four routes that have also been set in motion will be activated on schedule next month as well.

Chair Lieber stated that the November Financial Plan that is being presented today is the first take on the MTA's budget for the upcoming year. The goal today is to discuss the plan, refine it over the next month, and then come back in four weeks with the full December Financial Plan that the Board will be asked to vote on.

Chair Lieber stated that before CFO Kevin Willens presents the details of the November Financial Plan, he wants to reiterate what he has said in the past, which is everybody expected the MTA to run full service in the middle of COVID when the current ridership was at 10% because continuing to provide these services were essential for the City to survive at that time. Additionally, Chair Lieber stated that everyone wanted the agency to run robust service in the last year because mass transit is essential to support Governor Hochul and Mayor Adams and everybody who is working to get the city and the region back to normal. However, the Chair

stated that today, almost three years after the onset of the pandemic, mass transit service is still as essential as it ever was.

Chair Lieber stated that there are dozens of working-class communities, many of them communities of color and immigrant neighborhoods, where transit ridership is back at the 80% and 90% levels relative to pre-pandemic, and these New Yorkers are back to work five to six days a week, cannot afford a \$50 Uber, and deserve the same frequent, safe, reliable service that they have come to depend on over time. Chair Lieber stated that the MTA will work with all the stakeholders—Washington, an important part of the equation, City Hall, Albany, Comptrollers, advocates, budgeteers, and anyone else to address the MTA's financial issues. Chair Lieber noted that CFO Kevin Willens will present the MTA's proposed budget and Financial Plan, and President Catherine Rinaldi and President Rich Davey will discuss the efficiencies that their agencies are pursuing to address lowering their operating expenses. However, Chair Lieber stated that the bottom line is that, for New Yorkers mass transit is like air and water and that means it needs to be reliable, safe, and affordable for everyone.

Chair Lieber stated that everyone is well aware that the MTA is required by law to adopt a balanced budget for the upcoming year, and that many people may not realize that the MTA's fiscal year does not align with the State's fiscal year. The Chair stated that in this year of great uncertainty, where we know that transit needs to be funded but we do not necessarily know where all the funding is going to come from, what the MTA is presenting to the Board today is a plan that balances the 2023 Budget, which preserves some flexibility about how the agency is going to accomplish its goal, which is not dissimilar to what was done in the end of 2020 when the agency was waiting to see if the federal government was going to come through with more COVID relief for transit.

Chair Lieber stated that overall, the MTA's deficit is in the outyears, not 2023, and the deficits in the outyears is in the \$2.6 to \$2.9 billion range, which is an increase from the July plan, resulting from the way the city has recalculated its pension obligations and the way that those obligations translate through to the MTA because many of the MTA's employees are on the City pension plans. Chair Lieber stated that through a series of strategic moves, some of which were sketched out in July, the agency was able to reduce the deficit from \$2.6 billion to \$1.2 billion starting in 2024, and in 2023 the agency's plan is to reduce the gap to \$600 million.

Chair Lieber stated that before CFO Kevin Willens presents the proposed budget and financial plan, President Catherine Rinaldi and President Rich Davey will present some of the initiatives that they have underway to save money without sacrificing any of the progress made on service reliability and quality. The Chair stated, like any business, the MTA is always looking for ways to improve the way it does business and as it turns out this year, the agency is lucky to be able to rely on the expertise of two leaders who are really well placed to accomplish these goals.

Chair Lieber stated that President Rich Davey, in addition to his extraordinary resume in the transportation industry, is also a refugee from the consulting world, has worked with transit systems around the world, and has seen best practices in a variety of contexts, and the agency is taking advantage of President Davey's expertise.

Chair Lieber stated that President Catherine Rinaldi has unique expertise, not just because of her storied history as MTA General Counsel, and Chief of Staff, and the President of Metro-North Railroad, but because President Rinaldi is the first person to manage both railroads and to be able to look at the ways in which one is more efficient than the other and look at opportunities to deliver service more efficiently.

Chair Lieber stated that the MTA has a credible track record of cutting costs. Between 2010 and 2018, the era of the financial crisis, which was probably the last time that the MTA attacked a problem like what it is facing now, the agency identified and eliminated \$3 billion of recurring operating budget costs. The Chair stated that the Transformation begun in 2019, it did not have the same success, and one of the first things that he did when he became Chair was to alter the course of the Transformation to make sure the agency was delivering the substantive goals without creating more disruption. Chair Lieber stated that everyone is aware that with the Transformation there were aspirational commitments to reduce costs that were not always grounded in reality, were not achieved, and which the MTA does not want to repeat now. Chair Lieber stated that what the MTA wants to do, and what will be outlined in President Rinaldi's and President Davey's presentations today, are real initiatives, some of which are being piloted right now, and which are actually based on work done to date. Chair Lieber stated that the presentations will show that President Rinaldi and President Davey are serious about saving millions of dollars that can be baked into the plan and expanding that type of approach significantly in the outyears as well.

Refer to the video recording of the meeting, produced by the MTA and maintained in MTA records, for the details of Chair Lieber's remarks and Board members' comments.

3. STRATEGIES TO LOWER RAILROADS' AND NEW YORK CITY TRANSIT'S OPERATING COSTS.

Catherine Rinaldi, President, Metro-North Railroad/LIRR Interim President, presented the railroads' strategies to lower operating costs.

Chair Lieber thanked Catherine Rinaldi for the presentation and invited President Richard Davey to present the strategies for reducing operating costs for NYCT.

Richard Davey, President, NYCT, presented NYCT's strategies for reducing operating costs for NYCT.

Chair Lieber thanked Richard Davey for the presentation and invited Board discussion.

Refer to the video recording of the meeting, produced by the MTA and maintained in MTA records, for the details of Catherine Rinaldi's and Richard Davey's presentations and Board members' comments and discussion.

4. CHIEF FINANCIAL OFFICER'S PRESENTATION ON MTA 2023 FINAL PROPOSED BUDGET AND NOVEMBER FINANCIAL PLAN 2023-2026.

Chair Lieber introduced MTA Chief Financial Officer Kevin Willens who presented the MTA 2023 Final Proposed Budget and November Financial Plan for 2023-2026 for Board information.

Copies of the proposed budget and plan were distributed to Board members.

Following the presentation, the Chair thanked Kevin Willens and invited Board discussion concerning the proposed budget and the financial plan.

Refer to the video recording of the meeting, produced by the MTA and maintained in MTA records, for the details of CFO Kevin Willens' presentation and Board members' comments and discussion

5. APPROVAL OF MINUTES.

Upon motion duly made and seconded, the Board approved the Joint Minutes of the MTA and MTA Agencies Regular Board meeting held on October 26, 2022.

Refer to the video recording of the meeting, produced by the MTA and maintained in MTA records for the details.

6. MTA BRIDGES AND TUNNELS COMMITTEE.

A. Procurements:

Board Member David Mack stated that there are no items to report for Board approval for MTA Bridges and Tunnels.

7. JOINT LONG ISLAND RAIL ROAD/METRO-NORTH RAILROAD COMMITTEE.

A. MNR Procurement Item:

Upon a motion duly made and seconded, the Board:

1. Approved a non-competitive contract with Powell Electric Systems, Inc. for new and/or refurbished original equipment manufacturer circuit breakers at seven alternating current transaction power substations on Metro-North's New Haven line in both Connecticut and New York.

Refer to the staff summary and documentation filed with the records of this meeting for the details on this item.

8. NEW YORK CITY TRANSIT AND BUS COMMITTEE.

B. Procurement Items:

Upon a motion duly made and seconded, the Board:

1. Approved a non-competitive two-year personal service contract with JBA Corporation for consulting services for the NYCT Department of Subways, Division of Maintenance of Way.
2. Approved a modification to a non-competitive contract with Cubic Transportation Systems, Inc., in connection with New Fare Payment System - One Metro New York, to implement software and hardware enhancements that will unify the Metro-North Railroad, Long Island Rail Road, and NYC Transit Configurable Vending Machine designs, streamline maintenance and Revenue Collection activities, upgrade the communication switch for more efficient and flexible operations and provide improvements to both internal and external security measures.
- 3&4. Approved modifications to competitive contracts with Nova Bus, Inc. and New Flyer of America, Inc. for an option to furnish and delivery 289 low-floor 40-foot diesel buses by NYCT Transit on behalf of MTA Bus Company; 173 buses from Nova Bus, Inc. and 116 diesel buses from New Flyer of America, Inc.
5. Ratify the declaration of an Immediate Operating Need (“ION”) approved by the MTA Deputy Chief Procurement Officer, waiving competitive bidding pursuant to Article III.B.1 of the All-Agency Procurement Guidelines and Public Authorities Law Section 1209, subsection 9(a) and approve the award made to Transit Sourcing Services, Inc. for 10,000 subway car wheels.

Refer to the staff summaries and documentation filed with the records of this meeting for the details on these items.

9. CAPITAL PROGRAM COMMITTEE.

A. Procurement Items:

Upon a motion duly made and seconded the Board approved the following items. Board Member Jones was not present for the vote.

1. Approved the award of a publicly advertised and competitively solicited public-private partnership contract (A37140) for elevated accessibility enhancements for the design, construction, financing and maintenance of elevators and other ADA improvements at selected New York City Transit subway stations in the amount of \$965,257,102 and for a duration of fifteen years following substantial completion of the project.

2. Approved the award of a publicly advertised and competitively solicited contract (6478) to Citnalta/Scalamandre Joint Venture (a joint venture consisting of Citnalta Construction Corporation and Scalamandre & Sons Inc.) for design-build services for ADA improvements to nine Long Island Rail Road stations in the amount of \$114,571,000 and for a duration of thirty-six months.
3. Approved the award of a publicly advertised and competitively solicited contract (RK-93) to DeFoe Corporation for design-build services to reconstruct the Randall's Island ramps of the Robert F. Kennedy Bridge in the amount of \$108,173,500 and for a duration of 840 calendar days.
4. Approved the award of a publicly advertised and competitively solicited contract (A37145) to Judlau Contracting, Inc. for design and construction of accessibility upgrades at the Borough Hall Station in the amount of \$106,398,530 and for a duration of 852 calendar days.
5. Approved the award of a long-term elevator maintenance contract (number to be determined) to Modern Elevator Innovations in connection with Contract A37145 in the amount of \$2,358,680 and for a duration of fifteen years.
6. Approved the award of a publicly advertised and competitively solicited contract (6382) to MLJT (a joint venture consisting of MLJ Contracting Corp. and J-Track LLC) for design-build services for a new railroad bridge and two new mainline tracks in Hall Interlocking in the amount of \$91,794,500 and for a duration of 1008 calendar days.
7. Approved the award of a publicly advertised and competitively solicited contract (A37693) to Skanska USA Civil Northeast Inc. for design-build services for circulation improvements at Grand Central – 42nd Street Station in the amount of \$74,470,000 and for a duration 715 calendar days.
8. Approved the award of a publicly advertised and competitively solicited contract (C52146) to CRC Associates Inc. for design-build services to provide a laser intrusion detection system in thirteen underwater subway tubes and twenty-nine stations in the amount of \$52,550,000 and for a duration of 1460 calendar days.
9. Approved the award of a publicly advertised and competitively solicited contract (E30645) to J-Track LLC for design-build services for escalator replacements at two stations in the amount of \$48,299,000 and for a duration 967 calendar days.
10. Approved the award of a publicly advertised and competitively solicited contract (6359) to Power Resources International, Inc. for design-build services for the replacement of Babylon and Hillside motor generators in the amount of \$13,255,286 and for a duration of twenty-eight months.
11. Approved the award of a publicly advertised and competitively solicited contract (131618) to J-Track LLC for design-build services for the replacement of timber ties on

the Moodna Viaduct in the amount of \$7,358,420 and for a duration of twenty-four months.

12. Approved the award of a modification to the vertical circulation elements for the East Side Access Project contract (VM014) with Schindler Elevator Corporation for maintenance of all of the elevators and escalators of the new Grand Central Madison Terminal in the amount of \$7,063,032 and for a duration of up to seven months from the commencement of revenue service.

Refer to the staff summaries and documentation filed with the records of this meeting for the details on these items.

10. MTA COMMITTEE ON FINANCE.

A. Procurement Items.

Upon a motion duly made and seconded the Board approved the procurement items listed below. The specifics are set forth in the staff summaries and documentation filed with the meeting materials.

1. PruTech, Inc. – Staffing Support for Transit Adjudication Bureau (“TAB”) – No. 351189. Approved the award of an estimated quantity contract to provide staffing to support the non-adjudicatory functions and responsibilities of TAB under the supervision of NYCT Transit’s Executive Director of TAB.
2. Caremark PCS Health, LLC – Pharmacy Benefit Management Services – No. 0006000020 AWO 2. Approved modification of a personal service contract to continue to provide pharmacy benefit management services for active NYC Transit represented employees, retirees, and their dependents in accordance with the collective bargaining agreements.
3. TDX Construction Corporation – Small Business Mentoring Program – No. 16148-0100 AWO 7. Approved modification of a personal service contract to provide mentoring services for the MTA’s Small Business Mentoring Program, in order to extend the contract for a period of up to 13 months.
4. Various Vendors – COVID-19 Immediate Operating Need (“ION”). Approved ratification of contracts awarded pursuant to the COVID-19 ION declared by the Chief Procurement Officer on August 18, 2021 to address and procure urgent services for the MTA resulting from the pandemic

B. Real Estate Items.

Upon a motion duly made and seconded the Board approved the real estate items listed below. The specifics are set forth in the staff summaries and documentation filed with the meeting materials.

Long Island Rail Road

1. Acquisition of property interests from various sellers and locations, through negotiated agreement or eminent domain, in connection with Phase 2 of the Jamaica Capacity Improvement Project, Queens, N.Y.

New York City Transit

2. Approval of Determination of Findings under the New York State Eminent Domain Procedure Law with respect to the acquisition of fee interests and temporary easements in properties needed to facilitate the Jamaica Bus Depot Reconstruction Project.
3. Lease extension agreement with Raisin Realty and NYCT for space located at 70-10 74th Street, Glendale, N.Y.

C. Information Item.

1. 2021-2022 Station Maintenance Receivable. The Board was informed of the station maintenance billings and collections as of September 30, 2022. The specifics are set forth in the staff summary and documentation filed with the meeting materials.

11. COMMITTEE ON CORPORATE GOVERNANCE.

A. Action Items.

Upon motion duly made and seconded the Board approved the action items listed below. The specifics are set forth in the staff summaries and documentation filed with the meeting materials.

1. Public Authorities Law Required Policies. Approved revisions to the MTA Travel Business and Expense Policy, to comply with Public Authorities Law Section 2824.
2. All-Agency Responsibility Guidelines. Approved the revisions to the MTA's All Agency Responsibility Guidelines to incorporate the use of MTA C&D's new contractor evaluation program and MTA's VENDEVAL performance evaluation program in making determinations of responsibility for contractors, consultants and vendors.

12. ADJOURNMENT.

Upon motion duly made and seconded, the Board voted to adjourn the meeting at 1:00 p.m.

Respectfully submitted,

Susan Sarch
Vice President,
General Counsel and Secretary
Metro-North Railroad

Stephen N. Papandon
Acting Vice President,
General Counsel and Secretary
Long Island Rail Road Company

Mariel A. Thompson
Assistant Secretary
NYCT

David K. Cannon
Assistant Secretary
MTA C&D

Paul Friman
Acting General Counsel
and Corporate Secretary
TBTA

Victoria Clement
Assistant Secretary
MTAHQ

Contracts Department

David Cannon, Vice President

PROCUREMENT PACKAGE

December 2022

PROCUREMENTS

The Procurement Agenda this month includes nineteen actions for a proposed expenditure of \$2.5B.

Subject Request Authorization to Award Various Procurement Actions					
Contract Department David K. Cannon, Vice President					
Board Action					
Order	To	Date	Approval	Info	Other
1	Capital Program Committee	12/19/22	X		
2	Board	12/21/22	X		

Date: December 16, 2022			
Internal Approvals			
	Approval		Approval
X	Deputy Chief Development Officer, Delivery	X	President
X	Deputy Chief Development Officer, Development	X	Executive Vice President & General Counsel

Purpose

To obtain the approval of the Board to award several procurement actions and to inform the Capital Program Committee of these procurement actions.

Discussion

MTA Construction & Development proposes to award Competitive Procurements in the following categories:

<u>Schedules Requiring Two-Thirds Vote</u>	<u># of Actions</u>	<u>\$ Amount</u>
C. Competitive Requests for Proposals (Award of Purchase/Public Work Contracts)	18	\$2,459,088,853
SUBTOTAL	18	\$2,459,088,853

MTA Construction & Development proposes to award Ratifications in the following category:

<u>Schedules Requiring Majority Vote</u>	<u># of Actions</u>	<u>\$ Amount</u>
K. Ratification of Completed Procurement Actions	1	\$ 2,160,143
SUBTOTAL	1	\$ 2,160,143
TOTAL	19	\$2,461,248,996

Budget Impact

The approval of these procurement actions will obligate capital and operating funds in the amounts listed. Funds are available in the capital and operating budgets for this purpose.

Recommendation

That the procurement actions be approved as proposed. (The items are included in the resolution of approval at the beginning of the Procurement Section.)

MTA Construction & Development

BOARD RESOLUTION

WHEREAS, in accordance with Sections 559, 2879, 1209 and 1265-a of the Public Authorities Law and the All Agency General Contract Procurement Guidelines, the Board authorizes the award of certain non-competitive purchase and public works contracts, and the solicitation and award of request for proposals in regard to purchase and public work contracts; and

WHEREAS, in accordance with the All Agency Service Contract Procurement Guidelines and the All Agency General Contract Procurement Guidelines, the Board authorizes the award of certain non-competitive miscellaneous service and miscellaneous procurement contracts, certain change orders to purchase, public work, and miscellaneous service and miscellaneous procurement contracts;

WHEREAS, in accordance with Section 2879 of the Public Authorities Law and the All-Agency Guidelines for Procurement of Services, the Board authorizes the award of certain service contracts and certain change orders to service contracts.

NOW, the Board resolves as follows:

1. As to each purchase and public work contract set forth in annexed Schedule A, the Board declares competitive bidding to be impractical or inappropriate for the reasons specified therein and authorizes the execution of each such contract.
2. As to each request for proposals (for purchase and public work contracts) set forth in Schedule B for which authorization to solicit proposals is requested, for the reasons specified therein, the Board declares competitive bidding to be impractical or inappropriate, declares it is in the public interest to solicit competitive request for proposals and authorizes the solicitation of such proposals.
3. As to each request for proposals (for purchase and public work contracts set forth in Schedule C for which a recommendation is made to award the contract), the Board authorizes the execution of said contract.
4. As to each action set forth in Schedule D, the Board declares competitive bidding impractical or inappropriate for the reasons specified therein, and ratifies each action for which ratification is requested.
5. The Board authorizes the execution of each of the following for which Board authorization is required: i) the miscellaneous procurement contracts set forth in Schedule E; ii) the personal service contracts set forth in Schedule F; iii) the miscellaneous service contracts set forth in Schedule G; iv) the modifications to personal/miscellaneous service contracts set forth in Schedule H; v) the contract modifications to purchase and public work contracts set forth in Schedule I; vi) the modifications to miscellaneous procurement contracts set forth in Schedule J.
6. The Board ratifies each action taken set forth in Schedule K for which ratification is requested.

December 2022

LIST OF COMPETITIVE PROCUREMENTS FOR BOARD APPROVAL

Procurements Requiring Two-Third Vote:

Schedule C. Competitive Requests for Proposals (Award of Purchase/Public Work Contracts)

(Staff Summaries required for all items greater than \$1M)

- | | | | |
|----|--|----------------------|--------------------------------------|
| 1. | Skanska USA Civil Northeast Inc.
Contract No. C40355
1460 Calendar Days | \$483,775,300 | <u>Staff Summary Attached</u> |
|----|--|----------------------|--------------------------------------|

MTA Construction & Development requests Board approval to award a publicly advertised and competitively solicited contract for design-build services for a new Jamaica Bus Depot.

- | | | | |
|--------|--|----------------------|---|
| 2 & 3. | Crosstown Partners
Contract No. S48012
Sixty Months | \$405,779,259 | <u>Staff Summary Attached</u>
↓ |
|--------|--|----------------------|---|

- | | | | |
|--|--|----------------------|---|
| | Thales Transport and Security
Contract No. To Be Determined
Twenty-Five Years | \$ 36,951,697 | ↓ |
|--|--|----------------------|---|

MTA Construction & Development requests Board approval to award a publicly advertised and competitively solicited contract for design-build services to provide a wayside communication-based train control system on the New York City Transit G Line from Court Square station to Church Avenue and to award a long-term maintenance contract.

- | | | | |
|----|--|----------------------|--------------------------------------|
| 4. | Schiavone Construction Co. LLC
Contract No. C35327
1339 Calendar Days | \$392,685,186 | <u>Staff Summary Attached</u> |
|----|--|----------------------|--------------------------------------|

MTA Construction & Development requests Board approval to award a publicly advertised and competitively solicited contract for design-build services for rehabilitation and flood resiliency work along New York City Transit's Rockaway Line in Queens.

- | | | | |
|----|--|----------------------|--------------------------------------|
| 5. | Halmar International
Contract No. 171020
Thirty-Nine Months | \$382,297,027 | <u>Staff Summary Attached</u> |
|----|--|----------------------|--------------------------------------|

MTA Construction & Development requests Board approval to award a publicly advertised and competitively solicited contract for design-build services for Phase 1 of the replacement of Metro-North Railroad's Park Avenue Viaduct in Manhattan.

December 2022

LIST OF COMPETITIVE PROCUREMENTS FOR BOARD APPROVAL (Continued)

6 & 7.	J-Track – TC Electric JV Contract No. A37139 900 Calendar Days	\$145,885,000	<u>Staff Summary Attached</u> ↓
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Modern Elevators Installations Inc.	Contract No. To Be Determined	\$ 10,324,635	↓
Fifteen Years			

MTA Construction & Development requests Board approval to award a publicly advertised and competitively solicited contract for design-build services for the installation of new elevators and other improvements at four New York City Transit Authority subway stations in Brooklyn, the Bronx, Manhattan and Queens and to award a long-term elevator maintenance contract.

8.	Tully Construction Co. Inc. Contract No. P36343 882 Calendar Days	\$112,654,261	<u>Staff Summary Attached</u>
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MTA Construction & Development requests Board approval to award a publicly advertised and competitively solicited contract for design-build services for flood mitigation at twenty-six New York City Transit substations in the boroughs of Brooklyn, Manhattan, and Queens.

9 & 10.	Forte Construction Corp. Contract No. E34052 1020 Calendar Days	\$ 92,345,000	<u>Staff Summary Attached</u> ↓
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Mid-American Elevator Co., Inc	Contract No. To Be Determined	\$ 43,215,600	↓
Fifteen Years			

MTA Construction & Development requests Board approval to award a publicly advertised and competitively solicited contract for design-build services for the replacement of nineteen elevators and other Americans with Disabilities Act improvements at New York City Transit subway stations in the Boroughs of Manhattan and Queens and to award a long-term elevator maintenance contract.

11.	JTCM Partners Contract No. C33942 789 Calendar Days	\$ 91,900,000	<u>Staff Summary Attached</u>
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MTA Construction & Development requests Board approval to award a publicly advertised and competitively solicited contract for design-build services for a New York City Transit rail car acceptance and testing facility in Brooklyn.

12.	Hellman/PJS JV Contract No. BW-96/VN-12 Two Years and Ten Months	\$ 78,737,231	<u>Staff Summary Attached</u>
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MTA Construction & Development requests Board approval to award a publicly advertised and competitively solicited contract for design-build services for power redundancy and resiliency improvements at the Bronx-Whitestone and Verrazzano-Narrows Bridges.

December 2022

LIST OF COMPETITIVE PROCUREMENTS FOR BOARD APPROVAL (Continued)

13. **Verde Electric Corp.** \$ 51,983,502 *Staff Summary Attached*
Contract No. 6481
Forty-Five Months

MTA Construction & Development requests Board approval to award a publicly advertised and competitively solicited contract for design-build services for a new Long Island Rail Road substation in Queens.

14. **A.M. Rizzo Electrical Contractors, Inc.** \$ 46,600,000 *Staff Summary Attached*
Contract No. 192229
Forty-Eight Months

MTA Construction & Development requests Board approval to award a publicly advertised and competitively solicited contract for design-build services to replace two AC traction power substations on Metro-North Railroad's New Haven Line at Mamaroneck and Harrison.

15. **Ecco III Enterprises, Inc.** \$ 37,978,000 *Staff Summary Attached*
Contract No. 168362
821 Calendar Days

MTA Construction & Development requests Board approval to award a publicly advertised and competitively solicited contract for design-build services to replace Metro-North Railroad's existing Fulton Avenue and South Street Bridges located in Mount Vernon, New York.

16. **Infinity Contracting Corp.** \$ 19,996,000 *Staff Summary Attached*
Contract No. 6482
Twenty-Three Months

MTA Construction & Development requests Board approval to award a publicly advertised and competitively solicited contract for design-build services to update the fire protection system at the Long Island Rail Road's Hillside Maintenance Facility.

17. **Railroad Construction Company, Inc.** \$ 19,564,820 *Staff Summary Attached*
Contract No. C42006
614 Calendar days

MTA Construction & Development requests Board approval to award a publicly advertised and competitively solicited contract for design-build services for the replacement of an abutment wall system in New York City Transit's Coney Island Yard Complex and the replacement of the St. Marks Avenue Bridge.

18. **Aventura Construction Corporation** \$ 6,416,335 *Staff Summary Attached*
Contract No. 144457
Twenty Months

MTA Construction & Development requests Board approval to award a publicly advertised and competitively solicited contract for design-build services for the upgrade of the auto fueling systems at Metro-North's Brewster and Harmon Yard facilities.

Dept & Dept Head Name: Infrastructure, Delivery/Dana Hecht, Senior Vice President					
Contracts Department: Connor Luff, Outside Agency Counsel					
Board Reviews					
Order	To	Date	Approval	Info	Other
1	Capital Program Committee	12/19/22	X		
2	Board	12/21/22	X		
Internal Approvals					
Order	Approval	Order	Approval		
X	Deputy Chief, Development	X	President		
X	Deputy Chief, Delivery	X	Executive VP & General Counsel		

SUMMARY INFORMATION	
Vendor Name Skanska USA Civil Northeast Inc.	Contract Number C40355
Description Design and Construction of a New Jamaica Bus Depot in the Borough of Queens	
Total Amount	
1. Design-Build Base Contract:	\$479,956,000
2. Option:	\$ 3,819,300
2. Stipend Payments:	\$ 2,250,000
Contract Term 1460 Calendar Days	
Option(s) included in Total Amount? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	
Renewal? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
Procurement Type <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Non-competitive	
Solicitation Type <input checked="" type="checkbox"/> RFP <input type="checkbox"/> Bid <input type="checkbox"/> Other:	
Funding Source <input type="checkbox"/> Operating <input checked="" type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other	

Purpose/Recommendation

MTA Construction & Development (“C&D”) requests Board approval to award a publicly advertised and competitively solicited contract to Skanska USA Civil Northeast Inc. for design-build services for a new Jamaica Bus Depot, in the amount of \$479,956,000 and a duration of 1460 Calendar Days. In accordance with MTA policy regarding the use of design-build contracts, and to enhance competition and defray proposal costs, this solicitation includes a stipend of \$750,000 to be paid to each unsuccessful proposer whose proposal met the defined proposal standards. Accordingly, approval is also requested to pay stipends totaling \$2,250,000 to the three unsuccessful proposers.

Discussion

The work under this contract (the “Contract”) includes the design and construction of a new LEED certified bus depot facility located at 165-18 Tuskegee Airmen Way, Queens, New York 11433 in the Borough of Queens and the phased demolition of the existing Jamaica Bus Depot located at the same address. A temporary offsite bus parking lot will be created to accommodate buses from the current bus depot during construction on land to be leased from the City University of New York (“CUNY”). The new bus depot, which is being designed to accommodate the transition to a 100% electric bus fleet, will be a one-story building with 272 Standard Bus Equivalent parking spaces, three bus washing lanes, two interior bus washing stations, one chassis washing station, fifteen maintenance bays and rooftop bus parking. Additionally, there will be a new three-story administrative building on the northwest end, connected to the new bus depot via an enclosed bridge.

The Contract contains an option that can be exercised by MTA in its discretion, to demolish the temporary offsite parking lot and restore it to its original condition. Pursuant to the Term Sheet with CUNY for the lease for the offsite bus parking lot, the MTA is obligated to restore the site unless CUNY elects that the MTA return the property at the conclusion of the lease term with the alterations and improvements constructed by the MTA.

A two-step procurement process was conducted for the Contract. In Step 1, a Request for Qualifications was advertised, resulting in the submission of five Statements of Qualifications that were evaluated against pre-established Threshold Criteria (addressing completeness, timeliness, capacity, responsibility, and financial capability) and Substantive Evaluation Criteria (addressing key personnel and organization, project approach, prior experience, past performance, financial strength and diversity compliance). Based on these criteria, the following four firms were selected to receive the Request for Proposal (“RFP”) in Step 2:

- DeMatteis/Yonkers JV (“DY JV”)
- Halmar International, LLC (“Halmar”)
- Judlau Contracting Inc. (“Judlau”)
- Skanska USA Civil Northeast Inc. (“Skanska”)

In response to the RFP, all four teams submitted technical and price proposals. The selection committee, consisting of representatives from C&D Delivery and Contracts Departments and NYCT’s Department of Bus Facilities, first reviewed the technical proposals and heard oral presentations from each of the proposers. The selection committee evaluated the technical proposals using the following pre-established selection criteria: design and construction, schedule, management plan, experience, record of performance, safety and quality, diversity compliance, and other relevant matters. The selection committee determined that all four proposers submitted technical proposals that were responsive. The selection committee next opened the price proposals, which were as follows:

- DY JV: Base - \$578,820,000; Option - \$3,201,939
- Halmar: Base - \$571,108,302; Option - \$3,948,998
- Judlau: Base - \$523,731,010; Option - \$3,102,300
- Skanska: Base - \$495,700,000; Option - \$3,819,300

After reviewing the price proposals, the selection committee invited all four proposers for cost discussions to identify factors that drove costs. Following these discussions, a post-proposal Addendum was issued to each proposer that relaxed certain work hour restrictions and three of the proposers submitted the revised pricing listed below. DY JV elected not to revise its pricing.

- Skanska: Base - \$479,956,000; Option - \$3,819,300
- Judlau: Base - \$508,551,010; Option - \$3,102,300
- Halmar: Base - \$538,903,170; Option - \$3,905,944

Based upon its review of the technical proposal and the revised price proposals, the selection committee unanimously evaluated Skanska as the highest technically ranked proposer. In addition to Skanska’s superior technical ranking, they also provided the lowest price and presented a schedule that demonstrated a thorough understanding of the phasing restrictions of the Contract, as well as the attendant risks. Due to compact work site and the coordination necessary to maintain the operations of the existing Jamaica Bus Depot, while the new depot is being constructed, the selection committee valued Skanska’s detailed understanding of the work and its proposed scheduling of the work to address the inherent risks. As a result, the selection committee unanimously recommended that only Skanska be invited in for negotiations.

Negotiations with Skanska focused on clarification of the design-build requirements and overall cost. Following negotiations, Skanska was requested to submit a best and final offer. Skanska stated that its previously revised price proposal was its best and final offer as they could not reduce their pricing any further. Skanska’s price of \$479,956,000 for the base and \$3,819,300 for the Option is deemed to be fair and reasonable.

DBE/MBE/WBE/SDVOB Information

The MTA Department of Diversity and Civil Rights has established 15% MBE, 15% WBE and 6% SDVOB goals for the Contract. Although this is a design-build contract with some undefined scope, Skanska is committed to meet the required goal requirements and their utilization plan is under review. Skanska has achieved its DBE/MBE/WBE goals on recently completed MTA contracts.

Impact on Funding

Funding for the Contract, and stipends for the three (3) unsuccessful proposers are included in the NYCT portion of the MTA’s 2020-2024 Capital Program.

Alternatives

None recommended. Currently, MTA lacks available in-house technical personnel to perform the scope of work included associated with this Contract.

Dept & Dept Head Name:
Signals & Train Control, Delivery/Daniel Creighton, Senior VP

Contracts Department:
Marc Metson, VP and Associate General Counsel

Board Reviews					
Order	To	Date	Approval	Info	Other
1	Capital Program Committee	12/19/22	X		
2	Board	12/21/22	X		

Internal Approvals			
Order	Approval	Order	Approval
X	Deputy Chief, Development	X	President
X	Deputy Chief, Delivery	X	Executive VP & General Counsel

SUMMARY INFORMATION

Vendor Name	Contract Number
1. Crosstown Partners 2. Thales Transport and Security	S48012 (D/B) TBD (Maintenance)

Description
Design-Build Services for CBTC on the Crosstown Line, "B" Division in Brooklyn and Queens

Total Amount	
1. Design-Build Base Contract:	\$368,697,000
2. Option 1:	\$ 15,700,000
3. Option 2:	\$ 16,555,000
4. Option 3A:	\$ 1,829,259
5. Option 3B:	\$ 934,518
6. Option 4:	\$ 18,698,000
7. Maintenance Contract:	\$ 36,951,697
8. Stipend Payment:	\$ 500,000

Contract Term	
1. Design-Build Contract:	Fifty-Seven Months
2. Maintenance Contract:	Twenty-Five Years

Option(s) included in Total Amount? Yes No N/A

Renewal? Yes No

Procurement Type
 Competitive Non-competitive

Solicitation Type
 RFP Bid Other:

Funding Source
 Operating** Capital* Federal Other

*Design-Build Contract **Maintenance Contract

Purpose/Recommendation

MTA Construction and Development ("C&D") requests Board approval to award a publicly advertised and competitively solicited contract, to a consortium of TC Electric, LLC and Ground Transportation Systems USA Inc., d/b/a Thales Transport and Security ("Crosstown Partners") for design-build services to provide a wayside communication-based train control ("CBTC") system on the New York City Transit ("NYCT") G Line from Court Square station to Church Avenue station (the "Crosstown Line") in the amount of \$368,697,000 and a duration of fifty-seven months (the "Design-Build Contract"). As more fully described below, the Design-Build Contract also includes five options, to be exercised in MTA's sole discretion, for additional related services. Board approval is also sought to award Ground Transportation Systems USA Inc., d/b/a Thales Transport and Security ("Thales") a contract in the amount of \$36,951,697 to maintain the CBTC system for a period of 25 years. In accordance with MTA policy regarding the use of design-build contracts, to encourage technical innovation in development of the proposal, enhance competition and defray proposal costs, this solicitation includes a stipend of \$500,000 to be paid to each unsuccessful proposer that submitted a proposal which met the defined proposal standards. Accordingly, approval is also requested to pay a stipend totaling \$500,000 to the unsuccessful proposer.

Discussion

The work under this Design-Build Contract provides for the design, installation, testing, and commissioning of a wayside (on the right of way) CBTC system on the Crosstown Line that can operate with CBTC-equipped trains and with the existing New York City Transit (“NYCT”) automatic train supervision system deployed on NYCT’s “B” Division. This CBTC system will replace the existing fixed-block, relay-based system in service now on the Crosstown Line. The Contract also provides for track replacement work on portions of the Crosstown Line and the construction of new/or the fit-out of existing facilities to serve as train control rooms and house equipment for the new CBTC system.

The Contract also contains the following options to be exercised at C&D’s discretion:

- Option 1 – Provision of an internet protocol based wayside Data Communication System using 5G technology that will allow the trains equipped with on-board CBTC equipment operating on the Crosstown Line to communicate with the wayside CBTC system provided under the base Contract.
- Option 2 – Provision of an internet protocol based wayside Data Communication System, using Wi-Fi technology that will allow the trains equipped with on-board CBTC equipment operating on the Crosstown Line to communicate with the wayside CBTC system provided under the base Contract.
- Option 3A – Act as lead engineer in providing software upgrades and design modifications to enhance MTA’s existing integrated CBTC test facility.
- Option 3B – Provide engineering support to the CBTC supplier selected by MTA to act as lead engineer for software upgrades and design modifications to enhance MTA’s existing integrated CBTC test facility, if the CBTC supplier member of the Design-Builder’s team is not chosen as lead engineer pursuant to Option 3A.
- Option 4 – Provide a physical train “trip stop” at selected wayside signals. The trip stop is a device that automatically stops a train if it attempts to pass a signal indicating a stop.

For clarity, Options 1 and 2 are alternative solutions and only one of these 2 options will be exercised if MTA elects to add this scope. Similarly, Options 3A and 3B are alternative solutions and only one of these options will be exercised if MTA elects to add this scope.

In addition, C&D will enter into a separate long-term maintenance contract for the CBTC system with the CBTC supplier that is part of the Design-Build team to provide on-going maintenance, engineering and technical support services for a period of 25 years, with two 5-year option periods, exercisable at MTA’s discretion. The goal of the Maintenance Contract is to ensure long-term stability and reliability of the CBTC system. By procuring the Maintenance Contract at the same time as the Design-Build Contract, C&D seeks to reduce the overall cost of maintaining the CBTC system by encouraging each proposer team to competitively price the Maintenance Contract cost as part of its overall proposal and incentivizing the Design-Builder to provide a CBTC system that it can reliably maintain for many years.

A two-step procurement process was conducted for the Contracts. In Step 1, a Request for Qualifications was publicly advertised, resulting in the submission of two Statements of Qualifications, which were evaluated against pre-established Threshold Criteria (addressing completeness, timeliness, capacity, responsibility, and financial capability) and Substantive Evaluation Criteria (addressing key personnel and organization, project approach, prior experience, past performance, financial strength and diversity compliance). Based on these criteria, both of the following firms were selected to receive the Request for Proposals (“RFP”) under Step 2.

- A consortium of L.K. Comstock & Company LLC and Siemens Mobility, Inc. (“LKC-SMI Consortium”)
- Crosstown Partners

Siemens Mobility, Inc. is the CBTC supplier for the LKC-SMI Consortium. Thales is the CBTC supplier for Crosstown Partners. It is a requirement of the Design-Build Contract that both members of the selected proposer be jointly and severally liable to the MTA for the performance of the work.

In response to the RFP both teams submitted technical and cost proposals. A selection committee consisting of representatives from C&D Delivery and Contracts Departments and NYCT’s Department of Subways first reviewed the technical proposals and heard oral presentations from each of the proposers. The selection committee evaluated the technical proposals using the following pre-established selection criteria set forth in the RFP: technical approach to the CBTC design with a focus on innovation, longevity and maintainability of the equipment; proposed approach to execution of the Contract work with an emphasis on “cutover” strategy and limiting impact of service interruptions; demonstrated ability to meet the contract schedule; qualifications and experience of proposed staff; qualifications

and experience of the overall proposer team; and diversity practices. The selection committee determined that both teams submitted technical proposals that were responsive and ranked the technical proposals. The selection committee then reviewed the price proposals, which were as follows:

	Design-Build Base	Option 1	Option 2	Option 3A	Option 3B	Option 4	Maintenance Contract
LKC-SMI Consortium	\$1,053,228,326	\$32,907,390	\$28,380,454	\$4,045,591	\$1,008,793	\$9,305,705	\$139,515,191
Crosstown Partners	\$440,390,000	\$22,582,000	\$26,725,000	\$1,829,259	\$934,518	\$51,975,000	\$37,376,697

Negotiations were held with both teams and focused on addressing cost-savings through risk mitigation, scope clarification and enlargement of MTA provided services such as additional service outages. Thereafter, C&D issued post-proposal addenda that increased service outages and modified contract requirements related to signaling and headway restrictions and requested revised price proposals from both proposer teams. The revised price proposals were as follows:

	Design-Build Base	Option 1	Option 2	Option 3A	Option 3B	Option 4	Maintenance Contract
LKC-SMI Consortium	\$729,972,326	\$32,586,390	\$28,059,454	\$4,045,591	\$1,008,793	\$9,307,705	\$166,511,175
Crosstown Partners	\$384,600,000	\$15,700,000	\$16,555,000	\$1,829,259	\$934,518	\$18,698,000	\$37,376,697

Based upon review of the technical and price proposals, and discussions during the oral presentations, the selection committee unanimously determined that the proposal submitted by Crosstown Partners was the highest ranked technically, more innovative, provided the lowest overall project cost, and provided the best value to the MTA. Crosstown Partners’ proposal demonstrated a deep technical understanding of CBTC design, proposed innovative technical solutions for the wayside equipment and associated construction work, and included a schedule that promises to deliver the work in approximately 57 months. For those reasons, the selection committee requested that only Crosstown Partners submit a Best and Final Offer. The Best and Final Offer submitted by Crosstown Partners was as follows:

	Design-Build Base	Option 1	Option 2	Option 3A	Option 3B	Option 4	Maintenance Contract
Crosstown Partners	\$368,697,000	\$15,700,000	16,555,000	\$1,829,259	\$934,518	\$18,698,000	\$36,951,697

After review of the Best and Final Offer from Crosstown Partners, the selection committee unanimously recommended Crosstown Partners for award of the Contract. The Best and Final Offer submitted by Crosstown Partners is considered to be fair and reasonable.

DBE/MBE/WBE/SDVOB Information

The MTA Department of Diversity and Civil Rights has established goals of 7.5% MBE, 7.5% WBE and 2.5% SDVOB for the Contract due to the specialized requirements. Although this is a design-build contract with some undefined scope, Crosstown Partners is committed to meet the required goal requirements and their utilization plan is under review. Neither Crosstown Partners nor Ground Transportation Systems USA Inc., d/b/a Thales Transport and Security have completed any MTA contracts with DBE/MBE/WBE goals; therefore, no assessment of their DBE/MBE/WBE performance is available at this time. TC Electric, LLC has achieved their assigned DBE/MBE/WBE goals on recently completed MTA contracts

The MTA Department of Diversity and Civil Rights has established a 0% MBE/WBE/SDVOB goal for the Maintenance Contract due to the specialized nature of the maintenance work and the related lack of MBE/WBE/SDVOB firms in the marketplace.

Impact On Funding

Funding for the Design-Build Contract and the stipend for the unsuccessful proposer, are included in the NYCT portion of the MTA’s 2015-2019). Capital Program. Funding for the Maintenance Contract will be included in NYCT’s future operating budget (funding will not be required until the one year warranty period, which runs from Final Completion of the Design-Build Contract, has expired).

Alternatives

None. Currently, MTA lacks available in-house technical personnel to perform the scope of work associated with these Contracts.

Dept & Dept Head Name: Infrastructure Business Unit, Delivery/Dana Hecht, SVP					
Contracts Department: Teresa McLoughlin Rice, Assistant Vice President					
Board Reviews					
Order	To	Date	Approval	Info	Other
1	Capital Program Committee	12/19/22	X		
2	Board	12/21/22	X		
Internal Approvals					
Order	Approval	Order	Approval		
X	Deputy Chief, Development	X	President		
X	Deputy Chief, Delivery	X	Executive VP & General Counsel		

SUMMARY INFORMATION	
Vendor Name	Contract Number
Schiavone Construction Co. LLC	C35327
Description Design-Build Services for Rockaway Line Resiliency and Rehabilitation	
Total Amount	
1. Design-Build Contract:	\$392,685,186
2. Stipend Payments:	\$ 674,300
Contract Term 1339 Calendar Days	
Option(s) included in Total Amount? <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> N/A	
Renewal? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
Procurement Type	
<input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Non-competitive	
Solicitation Type	
<input checked="" type="checkbox"/> RFP <input type="checkbox"/> Bid <input type="checkbox"/> Other:	
Funding Source	
<input type="checkbox"/> Operating <input checked="" type="checkbox"/> Capital <input checked="" type="checkbox"/> Federal <input type="checkbox"/> Other	

Purpose/Recommendation

MTA Construction & Development (“C&D”) requests Board approval to award a publicly advertised and competitively solicited contract to Schiavone Construction Co. LLC. (“Schiavone”) for design-build services for rehabilitation and flood resiliency work along New York City Transit’s (“NYCT”) Rockaway Line in Queens in the amount of \$392,685,186 and a duration of 1339 Calendar Days. In accordance with MTA policy regarding the use of design-build contracts, and to enhance competition and defray proposal costs, the solicitation included a stipend of \$337,150 to be paid to each unsuccessful proposer whose proposal met defined proposal standards. Accordingly, approval is also requested to pay stipends totaling \$674,300 to the two unsuccessful proposers.

Discussion

The work under this contract (the “Contract”) includes the following: (a) design and construction of viaduct repairs at the Hammels Wye Campus and along the east and west branches of the Rockaway Line; (b) design and installation of flood mitigation elements at various locations along the Rockaway Line, as well as design and installation of a new signal tower, track crossover and related traction-power, signal system and utility work at the Beach 105th Street Station; and (c) replacement of electrical and mechanical components of the South Channel Bridge in conformance with a 100% design provided by C&D.

A two-step procurement process was conducted for this Contract. In Step 1, a Request for Qualifications was advertised resulting in the submission of five Statements of Qualifications, which were then evaluated against pre-established Threshold Criteria (addressing completeness, timeliness, capacity, responsibility, and financial capability) and Substantive Evaluation Criteria (addressing key personnel and organization, project approach, prior experience and past performance). Based on these criteria, the following four firms were selected to receive the Request for Proposal (“RFP”) in Step 2:

- Judlau Contracting, Inc. (“Judlau”)
- Kiewit – ASW, a JV (“Kiewit/ASW”)
- Schiavone Construction Co. LLC. (“Schiavone”)
- Tully Construction Co., Inc. (“Tully”)

In response to the RFP, Judlau, Kiewit and Schiavone submitted technical and price proposals, while Tully elected not to participate, citing, among other things, capacity and commitments to other projects. The selection committee, consisting of representatives from C&D Delivery, Development and Contracts and NYCT Maintenance of Way Engineering, reviewed the technical proposals and attended the oral presentations of each of the three teams. The selection committee evaluated the technical proposals using the following preestablished selection criteria: design and construction approach, overall project schedule, management plan, experience, record of performance, safety and quality control/quality assurance plans, and other relevant matters. The selection committee determined that each of the three proposers submitted technical proposals that were responsive. The selection committee thereafter opened the price proposals which were as follows:

- Judlau: \$527,500,000
- Kiewit: \$507,854,330
- Schiavone: \$402,222,570

Given that each technical proposal was responsive and supported by experienced design and construction teams, the selection committee unanimously recommended that all three proposers be invited for negotiations. Negotiations with the three proposers included detailed discussions of the proposer's overall cost, as well as proposed design and construction approach. Following negotiations, each proposer was asked to submit a revised cost proposal. The revised cost proposals submitted were as follows:

- Schiavone: \$392,685,186
- Kiewit: \$503,854,330
- Judlau: \$507,970,000

Although each of the three proposers offered a reduction to its original price proposal, Kiewit's and Judlau's revised cost proposals were significantly higher than Schiavone. The selection committee determined that Schiavone's proposal offered the best overall value considering the quality of its technical proposal, its overall price and reduced reliance on NYCT Force Account and services which provided additional savings. Schiavone's revised proposal of \$392,685,186 is deemed to be fair and reasonable.

In connection with a previous contract awarded to Schiavone, Schiavone was found to be responsible notwithstanding significant adverse information pursuant to the All-Agency Responsibility Guidelines and such responsibility finding was approved by the MTA Chairman and CEO in consultation with the MTA General Counsel in April 2014. No new significant adverse information has been found relating to Schiavone and Schiavone has been found to be responsible.

DBE/MBE/WBE/SDVOB Information

The MTA Department of Diversity and Civil Rights has established a DBE goal of 22.5% for the Contract. Although this is a design-build contract with some undefined scope, Schiavone is committed to meet the required goal requirements and their utilization plan is under review. Schiavone has achieved its DBE/MBE/WBE goals on recently completed MTA contracts.

Impact on Funding

Funding for the Contract, and stipends for the two unsuccessful proposers, are included in the NYCT portion of the MTA's 2020-2024 Capital Program. Funding for the Maintenance Contract is included in the NYCT operating budget.

Alternatives

None recommended. Currently, MTA lacks available in-house technical personnel to perform the scope of work associated with this Contract.

Dept & Dept Head Name: Railroads Business Unit/ Delivery Anthony Tufano, SVP					
Contracts Department: John Abili, Sr. Vice President & Deputy General Counsel					
Board Reviews					
Order	To	Date	Approval	Info	Other
1	Capital Program Committee	12/19/22	X		
2	Board	12/21/22	X		
Internal Approvals					
Order	Approval	Order	Approval		
X	Deputy Chief, Development	X	President		
X	Deputy Chief, Delivery	X	Executive VP & General Counsel		

SUMMARY INFORMATION	
Vendor Name Halmar International, LLC	Contract Number 171020
Description Design-Build Services for the Replacement of the Park Avenue Viaduct – Phase 1	
Total Amount	
1. Design-Build Contract:	\$381,077,027
2. Option 1:	\$700,000
3. Option 2:	\$520,000
4. Stipend Payments:	\$1,100,000
Contract Term Thirty-Nine Months	
Option(s) included in Total Amount? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	
Renewal? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
Procurement Type	
<input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Non-competitive	
Solicitation Type	
<input checked="" type="checkbox"/> RFP <input type="checkbox"/> Bid <input type="checkbox"/> Other:	
Funding Source	
<input type="checkbox"/> Operating <input checked="" type="checkbox"/> Capital <input checked="" type="checkbox"/> Federal <input type="checkbox"/> Other	

Purpose/Recommendation

MTA Construction & Development (“C&D”) requests Board approval to award a publicly advertised and competitively solicited contract to Halmar International, LLC for design-build services for Phase 1 of the replacement of Metro-North Railroad’s (“MNR”) Park Avenue Viaduct in the amount of \$381,077,027 and a duration of Thirty-Nine Months. In accordance with MTA policy regarding the use of design-build contracts, and to enhance competition and defray proposal costs, this solicitation includes a stipend of \$550,000 to be paid to each unsuccessful proposer whose proposal met the defined proposal standards. Accordingly, approval is also requested to pay a stipend of \$1,100,000 to the two unsuccessful proposers.

Discussion

The Park Avenue Viaduct is an elevated steel structure that carries four tracks along Park Avenue between East 115th Street and the Harlem River Lift Bridge in Manhattan. The work under this contract (the “Contract”) includes design build services for the replacement of the Viaduct from the north side of East 115th Street to the south side of East 123rd Street. The work includes the replacement of the existing structures, as well as the tracks, power, communications and signals systems. The Contract also includes two options to be exercised at MTA's discretion. Option 1, if exercised, will provide new raised concrete sidewalks between E.117th Street and E. 123rd Street in lieu of restoration of the existing at-grade east-west crosswalks between the northbound and southbound travel lanes of Park Avenue beneath the viaduct structure. Option 2, if exercised, will provide a new accessible pedestrian signal system at designated street crossings along the Viaduct. MTA C&D expects funding for both options to be provided by the New York City Department of Transportation.

A two-step procurement process was conducted for the Contract. In Step 1, a Request for Qualifications was advertised, resulting in the submission of six Statements of Qualifications that were evaluated against pre-established Threshold Criteria (addressing completeness, timeliness, capacity, responsibility, and financial capability) and Substantive Evaluation Criteria (addressing key personnel and organization, project approach, prior experience, past performance, and diversity compliance). Based on these criteria, the following four firms were selected to receive the Request for Proposal (“RFP”) in Step 2:

- Halmar International, LLC (“Halmar”)
- Kiewit Infrastructure Co. (“Kiewit”)
- Posillico American Bridge Joint Venture (“PAB JV”)
- Skanska USA Civil Northeast (“Skanska”)

In response to the RFP, Halmar, Posillico, and Skanska submitted technical and price proposals, while Kiewit elected not to participate, citing, among other things, the aggressive project schedule. The selection committee, consisting of representatives from C&D Delivery and Contracts Departments, and MNR Engineering Department, first reviewed the technical proposals and heard oral presentations from each of the proposers. The selection committee evaluated the technical proposals utilizing the following pre-established selection criteria: construction plan, schedule, key personnel, design plan, management plan, safety and quality, prior experience and past performance. The selection committee determined that all four proposers submitted technical proposals that were responsive. The selection committee next opened the price proposals, which were as follows:

- Halmar: Base - \$398,777,027, Option 1 - \$700,000, Option 2 - \$520,000
- PAB JV: Base - \$499,967,000, Option 1 - \$1,617,000, Option 2 \$1,896,000
- Skanska: Base - \$345,606,000, Option 1 - \$1,414,000, Option 2 \$1,760,000

All three proposers were invited to participate in negotiations and technical discussions which focused on opportunities for cost reductions and the introduction of a proposed Project Labor Agreement (“PLA”) with the Building & Construction Trades Council of Greater New York and Vicinity, its participating affiliated Local Unions, and their members (collectively, “BCTC”) for the Park Avenue Viaduct Phase-1 project. Following negotiations, a post-proposal addendum was issued to each proposer, incorporating into the Contract items discussed and C&D requested that each proposer to submit its Best and Final Offer (“BAFO”). The BAFOs submitted were as follows:

- Skanska: Base - \$336,840,000, Option 1 - \$1,414,000, Option 2 - \$1,760,000
- Halmar: Base - \$381,077,027, Option 1 - \$700,000 Option 2 - \$520,000
- PAB JV: Base - \$489,112,000, Option 1 - \$1,617,000 Option 2 - \$1,896,000

Based upon review of the technical and price proposals, and discussions during the oral presentations, the selection committee unanimously determined that the proposal submitted by Halmar was the highest ranked technically, provided the lowest overall project cost, and provided the best value to the MTA. Halmar showed a thorough understanding of the design and construction challenges and the most complete plan to address those challenges and to mitigate risk. Of note, Halmar submitted the most favorable schedule – thirty-nine months (13 months less than the schedule proposed by Skanska and 21 months less than the schedule proposed by PAB JV)) which provides for reduced project management costs to the MTA. Halmar’s construction approach is also the most favorable, relying on extended 2-day track outages for bridge replacements, which is the least impactful to both the traveling public, railroad operations, and railroad supplied services. Halmar plans to replace multiple bridge spans per weekend outage, which translates to the least number of bridge replacement outages, the lowest number of days to perform bridge replacement work, the lowest number of days for major track outages and the least risk to the project in terms of cost, schedule and service interruptions. All of this translates into project cost savings that exceed the difference between Halmar’s proposal and that of the next lowest proposal.

Halmar’s Best and Final Offer in the amount of \$382,297,027 was deemed to be fair and reasonable.

C&D also requests Board approval to enter into the PLA for this project with BCTC and the associated agreements necessary to fully implement the PLA. The PLA will address, among other things, wage rates, work rules and a cap on shift differentials which have been accounted for through savings in the BAFO’s received from the proposers. In addition, the PLA will provide for a process whereby claims for workplace injuries or occupational disease which are compensable under the New York State Workers’ Compensation Law will be resolved exclusively through an alternative process overseen by a joint committee with representatives from the MTA, the Design-Builder and BCTC. In the initial phase of the claims process, employees receive assistance from a representative jointly selected by the joint committee rather than a personal attorney. Disputes are submitted to mediation and arbitration for resolution. Medical care is provided by a designated network of providers. This process is expected to provide better and faster treatment for workers, and a reduction in lost time injuries and their associated claims.

DBE/MBE/WBE/SDVOB Information

The MTA Department of Diversity and Civil Rights has established a 22.5% DBE goal for the Contract. Although this is a design-build contract with some undefined scope, Halmar is committed to meet the required goal requirements and their utilization plan is under review. Halmar has achieved its DBE/MBE/WBE goals on recently completed MTA contracts.



Impact on Funding

Funding for the Contract is included in the MNR's portion of the MTA's 2020-24 Capital Program.

Alternatives

None are recommended. Currently, C&D lacks the in-house technical personnel to perform the scope of work associated with the Contract.

In addition, C&D will enter into a separate long-term Elevator Maintenance Contract. In order to ensure long-term, optimum performance of the elevators, the procurement was structured to require continuity between the design and installation of the elevator equipment and their subsequent maintenance. Only the elevator manufacturer or installer chosen for this contract is eligible for the award of the Maintenance Contract. The goal is to ensure that the Design-Builder works in concert with its elevator subcontractor to choose sufficiently robust equipment that would not only withstand the rigors of the NYCT system, but that would also take into consideration the elevator subcontractor's ultimate responsibility for a performance-based, long-term Maintenance Contract. The term of the Maintenance Contract will be fifteen years, commencing on achievement of Substantial Completion of the Design-Build Contract, with two 5-year option periods, exercisable at MTA's discretion.

A two-step procurement process was conducted for the Contract. In Step 1, a Request for Qualifications was advertised, resulting in the submission of six Statements of Qualifications that were evaluated against pre-established Threshold Criteria (addressing completeness, timeliness, capacity, responsibility, and financial capability) and Substantive Evaluation Criteria (addressing key personnel and organization, project approach, prior experience, past performance, and diversity compliance). Based on these criteria, the following four firms were selected to receive the Request for Proposal ("RFP") in Step 2:

- Citnalta-Forte JV ("CFJV")
- J-Track – TC Electric JV ("JTTC JV")
- John Civetta & Sons, Inc. ("Civetta")
- Judlau Contracting, Inc. ("Judlau")

In response to the RFP, three of the four firms, CFJV, JTTC JV, and Civetta, submitted technical and price proposals. Judlau elected not to submit a proposal for this contract. The selection committee, consisting of representatives from C&D Delivery and Contracts Departments and NYCT Department of Subways, first reviewed the technical proposals and heard oral presentations from each of the proposers. The selection committee evaluated the technical proposals using the following pre-established selection criteria: design and construction, schedule, maintenance, management plan, experience, record of performance, safety and quality, diversity compliance, and other relevant matters. The selection committee determined that all three teams submitted technical proposals that were responsive. The selection committee next opened the price proposals, which were as follows:

- CFJV: \$195,127,000 (Maintenance: \$10,324,635)
- Civetta: \$209,450,000 (Maintenance: \$21,880,000)
- JTTC JV: \$157,140,800 (Maintenance: \$10,324,635)

For the installation and the long-term maintenance of the elevators, CFJV and JTTC JV proposed Modern Elevator Installations Inc. ("Modern") and Civetta proposed Mid-American Elevator Co.

Based upon its review of the technical and price proposals, the selection committee ranked JTTC JV technically first determining that their proposal demonstrated a technically superior approach to the design and construction work and full understanding of potential risks. JTTC JV's proposal also included reductions in both the number of diversions of service and the overall contract duration which will provide significant cost savings to the MTA. While both CFJV and Civetta submitted strong technical proposals, their cost proposals were significantly higher than that of JTTC JV and did not contain any reductions to schedule and diversions of service. Accordingly, the selection committee unanimously recommended that only JTTC JV be invited in for negotiations.

Negotiations with JTTC JV included discussions regarding design requirements, project schedule, and overall cost. Following negotiations, JTTC JV submitted their Best and Final Offer in the amount of \$145,885,000 (Maintenance: \$10,324,635), and the selection committee unanimously recommended them for award of the Design-Build Contract and Modern for the award of the long-term Maintenance Contract. The selection committee determined that JTTC JV's proposal offered the best overall value considering their superior technical proposal, understanding of the work, lowest proposed cost, and reductions to schedule and diversions of service, which are expected to minimize the impact of the work on MTA's customers. JTTC JV's and Modern's prices are considered fair and reasonable.



DBE/MBE/WBE/SDVOB Information

The MTA Department of Diversity and Civil Rights (“DDCR”) has established a 22.5% DBE goal for the Contract. Although this is a design-build contract with some undefined scope, JTTC JV is committed to meet the required goal requirements and their utilization plan is under review. JTTC JV and each member of the JTTC JV joint venture has achieved its DBE/MBE/WBE goals on recently completed MTA contracts.

DDCR has established a 0% MBE/WBE/SDVOB goal for the Maintenance Contract due to the lack of MBE/WBE/SDVOB firms in the marketplace. Meetings are being coordinated with the MBE/WBE/SDVOB community to establish certified firms in the areas of elevator and escalator maintenance. Modern has not completed any MTA contracts with DBE/MBE/WBE goals, therefore, no assessment of their performance can be determined at this time.

Impact on Funding

Funding for the Contract, and stipends for the two unsuccessful proposers, are included in the NYCT portion of the MTA’s 2015-2019 and 2020-2024 Capital Programs. Funding for the Maintenance Contract is included in the NYCT operating budget.

Alternatives

None recommended. Currently, MTA lacks available in-house technical personnel to perform the scope of work associated with this Contract.

Dept & Dept Head Name: Infrastructure Business Unit, Delivery/Dana Hecht, SVP					
Contracts Department: Teresa McLoughlin Rice, Assistant Vice President					
Board Reviews					
Order	To	Date	Approval	Info	Other
1	Capital Program Committee	12/19/22	X		
2	Board	12/21/22	X		
Internal Approvals					
Order	Approval	Order	Approval		
X	Deputy Chief, Development	X	President		
X	Deputy Chief, Delivery	X	Executive VP & General Counsel		

SUMMARY INFORMATION	
Vendor Name Tully Construction Co. Inc.	Contract Number P36343
Description Design-Build Services for Flood Mitigation at Twenty-Six Substations in the Boroughs of Brooklyn, Queens and Manhattan	
Total Amount 1. Design-Build Contract: \$112,654,261 2. Stipend Payments: \$150,000	
Contract Term 882 Calendar Days	
Option(s) included in Total Amount? <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> N/A	
Renewal? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
Procurement Type <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Non-competitive	
Solicitation Type <input checked="" type="checkbox"/> RFP <input type="checkbox"/> Bid <input type="checkbox"/> Other:	
Funding Source <input type="checkbox"/> Operating <input checked="" type="checkbox"/> Capital <input checked="" type="checkbox"/> Federal <input type="checkbox"/> Other	

Purpose/Recommendation

MTA Construction & Development (“C&D”) requests Board approval to award a publicly advertised and competitively solicited contract to Tully Construction Co. Inc. for design-build services for flood mitigation at twenty-six substations in the boroughs of Brooklyn, Manhattan, and Queens in the amount of \$112,654,261 and a duration of 882 Calendar Days. In accordance with MTA policy regarding the use of design-build contracts, and to enhance competition and defray proposal costs, the solicitation included a stipend of \$75,000 to be paid to each unsuccessful proposer whose proposal met defined proposal standards. Accordingly, approval is also requested to pay stipends totaling \$150,000 to the two unsuccessful proposers.

Discussion

The work under this contract (the “Contract”) requires the Design-Builder to design, furnish and install flood mitigation and prevention elements at twenty-six New York City Transit (“NYCT”) substations in Brooklyn, Manhattan and Queens to reduce exposure to damage and to minimize delays in return to operations following a shutdown caused by severe meteorological events, such as hurricanes and floods. Nineteen of the substations are above grade and seven are below grade. The Design-Builder will be responsible for all aspects of design, engineering, scheduling, coordination, construction and timely completion of the Project.

A two-step procurement process was conducted for this contract. In Step 1, a Request for Qualifications was advertised resulting in the submission of eleven statements of qualifications, which were evaluated against pre-established Threshold Criteria (addressing completeness, timeliness, capacity, responsibility, and financial capability) and substantive evaluation criteria (addressing key personnel and organization, project approach, prior experience, past performance and diversity compliance). Based on these criteria, the following four firms were selected to receive the Request for Proposal (“RFP”) in Step 2:

- J-Track LLC (“J-Track”)
- Judlau Contracting, Inc. (“Judlau”)
- Tully Construction Co., Inc. (“Tully”)
- Walsh Construction Company II (“Walsh”)

In response to the RFP, three of the four firms, J-Track, Judlau and Tully, submitted technical and price proposals. Walsh elected not to submit a proposal for this contract citing other commitments. After the receipt of the proposals, and in consultation with NYCT Maintenance of Way, it was determined that the contract specified flood elevations at ten substation locations could be reduced. A Post-Proposal Addendum reflecting this design criteria change was issued and revised proposals were submitted by each of the three firms on September 29, 2022.

The selection committee, consisting of representatives from C&D Delivery, Development and Contracts Departments and NYCT's Power Department, reviewed the technical proposals and heard oral presentations from all three teams. The selection committee evaluated the technical proposals using the following preestablished selection criteria: design and construction approach, overall project schedule, management plan, experience, record of performance, safety and quality plans, quality and the thoroughness of the proposal and oral presentation. The selection committee determined that all three proposers submitted technical proposals that were responsive. The selection committee next opened the cost proposals which were as follows:

- J-Track: \$128,971,170
- Judlau: \$109,989,350
- Tully: \$114,404,261

Each technical proposal was supported by experienced design and construction teams. Although all three firms submitted acceptable technical proposals, the selection committee determined that J-Track's proposal was not in a competitive range with the other two proposals. Accordingly, the selection committee unanimously recommended that only Judlau and Tully be invited for negotiations.

Negotiations with Judlau and Tully each included detailed discussions of the proposer's design and construction approach, project schedule and overall cost. Following negotiations, each proposer was asked to submit its Best and Final Offer ("BAFO"). The BAFOs submitted were as follows:

- Judlau: \$109,789,350
- Tully: \$112,904,260

Both proposals included a reduction from its original price; however, Tully also included a reduction in Railroad Supplied Services and schedule, offering further savings. Tully's BAFO included a schedule reduction of 195 days, compared to the 61 day reduction proposed by Judlau.

After reviewing the BAFOs, the selection committee recommended Tully, the overall highest ranked proposer for award of the Contract. The selection committee determined that Tully's proposal offered the best overall value to the MTA considering the quality of its technical proposal and its reductions to the contract duration and use of Railroad Supplied Services. A subsequent review of Tully's BAFO identified areas that warranted clarification, as Tully had indicated concessions during negotiations that it was willing to make but did not appear to be reflected in the BAFO price. Tully was contacted regarding these items and, as a result, Tully submitted a revised BAFO in the amount of \$112,654,261 and a contract duration of 882 days, representing a revised total schedule reduction of 213 days. Tully's price is considered fair and reasonable.

DBE/MBE/WBE/SDVOB Information

The MTA Department of Diversity and Civil Rights has established DBE goals of 22.5% for the Contract. Although this is a design-build contract with some undefined scope, Tully is committed to meet the required goal requirements and their utilization plan is under review. Tully has achieved its DBE/MBE/WBE goals on recently completed MTA contracts.

Impact on Funding

Funding for the Contract, and stipends for the three unsuccessful proposers, are included in the NYCT portion of the MTA's 2010-2014 Sandy and Core Capital Programs.

Alternatives

None recommended. Currently, MTA lacks available in-house technical personnel to perform the scope of work associated with this Contract.

Dept & Dept Head Name:
Stations, Delivery/William Montanile, VP & Deputy Program Exec.

Contracts Department:
Mark Zancolli, Vice President & Associate General Counsel

Board Reviews

Order	To	Date	Approval	Info	Other
1	Capital Program Committee	12/19/22	X		
2	Board	12/21/22	X		

Internal Approvals

Order	Approval	Order	Approval
X	Deputy Chief, Development	X	President
X	Deputy Chief, Delivery	X	Executive VP & General Counsel

SUMMARY INFORMATION

Vendor Name	Contract Number
1. Forte Construction Corp. (Design-Build Contract)	E34052 (D/B)
2. Mid-American Elevator Co. Inc (Maintenance Contract)	TBD (Maintenance)

Description
Design-Build Services for Elevator Replacements at Various Stations

Total Amount

1. Design-Build Contract:	\$92,345,000
2. Maintenance Contract:	\$43,215,600
3. Stipend Payment:	\$ 71,000

Contract Term

1. Design-Build Contract:	1,020 Calendar Days
2. Maintenance Contract:	15 Years

Option(s) included in Total Amount? Yes No N/A

Renewal? Yes No

Procurement Type
 Competitive Non-competitive

Solicitation Type
 RFP Bid Other:

Funding Source
 Operating** Capital* Federal MTA*/**

*Design-Build Contract

**Maintenance Contract

Purpose/Recommendation

MTA Construction & Development (“C&D”) requests Board approval to award a publicly advertised and competitively solicited contract to Forte Construction Corp. for design-build services for the replacement of nineteen elevators in the amount of \$92,345,000 and a duration of 1,020 Calendar Days. Board approval is also sought to award a long-term elevator Maintenance Contract to Mid-American Elevator Co., Inc. in the amount of \$43,215,600 and a duration of fifteen years. In accordance with MTA policy regarding the use of design-build contracts, and to enhance competition and defray proposal costs, this solicitation includes a stipend of \$71,000 to be paid to the unsuccessful proposer whose proposal met the defined proposal standards. Accordingly, approval is also requested to pay a stipend of \$71,000 to the unsuccessful proposer.

Discussion

The work under this contract (the “Contract”) provides for the replacement of nineteen elevators and other Americans with Disabilities Act (“ADA”) improvements at the following New York City Transit (“NYCT”) subway stations in the Boroughs of Manhattan and Queens: 175th Street Station serving the A Line; two stations within the 14th Street Union Square Complex serving the 4, 5, 6, L, Q, R, and W Lines; 14th Street – 8th Avenue Station serving the A, C, E, and L Lines; 42nd Street – Times Square Station serving the N, Q, R and W Lines; 125th Street Station serving the A, B, C and D Lines; West 4th Street – Washington Square Station serving the A, B, C, D, E, F, and M Lines; Jackson Heights-Roosevelt Avenue Station serving the E, F, M and R Lines; 74th Street – Broadway Station serving the 7 Line; and Lexington Avenue – 53rd Street Station serving the E and M Lines.

In addition, C&D will enter into a separate long-term Elevator Maintenance Contract. In order to ensure long-term, optimum performance of the elevators, the procurement was structured to require continuity between the design and installation of the elevator equipment and their subsequent maintenance. Only the elevator manufacturer or installer chosen for this contract is eligible for the award of the Maintenance Contract. The goal is to ensure that the Design-Builder works in concert with its elevator subcontractor to choose sufficiently robust equipment that would not only withstand the rigors of the NYCT system, but that would also take into consideration the elevator subcontractor's ultimate responsibility for a performance-based, long-term Maintenance Contract. The term of the Maintenance Contract will be fifteen years, commencing on achievement of Substantial Completion of the Design-Build Contract, with two 5-year option periods, exercisable at MTA's discretion.

A two-step procurement process was utilized for the Contract. In Step 1, a Request for Qualifications was advertised, resulting in the submission of two statements of qualifications that were evaluated against pre-established Threshold Criteria (addressing completeness, timeliness, capacity, responsibility, and bonding capability) and Substantive Evaluation Criteria (addressing major participants, personnel and organizational capacity, project approach, prior experience, past performance, and diversity compliance). Based on these criteria, the following two firms were selected to receive the Request for Proposals ("RFP") in Step 2:

- Forte Construction Corp. ("Forte")
- J-Track, LLC-TC Electric LLC JV ("JTTC JV")

In response to the RFP, both teams submitted technical and price proposals. The selection committee, consisting of representatives from C&D Delivery and Contracts Departments and NYCT's Elevators & Escalators Department, first reviewed the technical proposals and heard oral presentations from each of the proposers. The selection committee evaluated the technical proposals using the following pre-established selection criteria: design and construction, schedule, maintenance, management plan, experience, record of performance, safety and quality, diversity compliance, and other relevant matters. The selection committee determined that both proposers submitted technical proposals that were responsive and acceptable. The selection committee next opened the price proposals, which were as follows:

- Forte: \$104,655,000 (Maintenance: \$43,215,600)
- JTTC JV: \$115,618,285 (Maintenance: \$43,215,600)

For the installation and the long-term maintenance of the elevators, Forte and JTTC JV both proposed Mid-American Elevator Co. Inc.

Based upon its review of the technical and cost proposals, the selection committee determined that the proposals submitted by Forte and JTTC JV demonstrated an understanding of the project, included a reduction in the overall contract duration, and identified potential risks and detailed risk mitigation measures. For those reasons, the selection committee unanimously recommended that both Forte and JTTC JV be invited in for negotiations.

Negotiations with Forte and JTTC JV included discussions of design requirements and cost, project schedule, the number of diversions of service, and overall cost. Discussions also included the scope of the communication and electrical work required under this contract. Following negotiations, a Best and Final Offer ("BAFO") was requested from each of the proposers and the results of the BAFOs were as follows:

- Forte: \$92,345,000 (Maintenance: \$43,215,600) and a reduction in project schedule of an additional 90 days
- JTTC JV: \$114,115,785 (Maintenance: \$43,215,600)

After review of the BAFOs, the selection committee unanimously recommended Forte for award of the Design-Build Contract and Mid-American Elevator Co. Inc. for the award of the long-term Maintenance Contract. The Selection Committee determined that Forte's proposal offered the best overall value considering their technical proposal, their understanding of the work, their lowest proposed cost, and reductions to schedule and diversions of service, which will minimize the impact of the work on MTA's customers. Forte's and Mid-American Elevator Co. Inc.'s prices are considered fair and reasonable.

DBE/MBE/WBE/SDVOB Information

The MTA Department of Diversity and Civil Rights ("DDCR") has established a 22.5% DBE goal for the Contract. Although this is a design-build contract with some undefined scope, Forte is committed to meet the required goal requirements and their utilization plan is under review. Forte has achieved its DBE/MBE/WBE goals on recently completed MTA contracts.

DDCR has established a 0% MBE/WBE/SDVOB goal for the Maintenance Contract due to the lack of MBE/WBE/SDVOB firms in the marketplace. Meetings are being coordinated with the MBE/WBE/SDVOB community to establish certified firms in the areas of elevator and escalator maintenance. Mid-American Elevator Co. Inc.'s has not completed any MTA contracts with DBE/MBE/WBE goals, and therefore no assessment of their performance can be determined at this time.

Impact on Funding

Funding for the Contract, and stipend for the unsuccessful proposer, are included in the NYCT portion of the MTA's 2020-2024 Capital Program. Funding for the Maintenance Contract is included in the NYCT operating budget.

Alternatives

None recommended. Currently, MTA lacks available in-house technical personnel to perform the scope of work associated with this Contract.

Dept & Dept Head Name: Infrastructure/Dana Hecht, Senior Vice President					
Contracts Department: Connor Luff, Outside Agency Counsel					
Board Reviews					
Order	To	Date	Approval	Info	Other
1	Capital Program Committee	12/19/22	X		
2	Board	12/21/22	X		
Internal Approvals					
Order	Approval	Order	Approval		
X	Deputy Chief, Development	X	President		
X	Deputy Chief, Delivery	X	Executive VP & General Counsel		

SUMMARY INFORMATION	
Vendor Name JTCM Partners.	Contract Number C33942
Description Design and Construction of a Railcar Acceptance and Testing Facility in the Borough of Brooklyn	
Total Amount 1. Design-Build Contract: \$91,900,000 2. Stipend Payments: \$ 210,000	
Contract Term 789 Calendar Days	
Option(s) included in Total Amount? <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> N/A	
Renewal? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
Procurement Type <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Non-competitive	
Solicitation Type <input checked="" type="checkbox"/> RFP <input type="checkbox"/> Bid <input type="checkbox"/> Other:	
Funding Source <input type="checkbox"/> Operating <input checked="" type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other	

Purpose/Recommendation

MTA Construction & Development (“C&D”) requests Board approval to award a publicly advertised and competitively solicited contract to JTCM Partners (a joint venture between J-Track LLC, TC Electric LLC and MLJ Contracting Corporation) for design-build services for a new railcar acceptance and testing facility in the Borough of Brooklyn in the amount of \$91,900,000 and a duration of 789 Calendar Days. In accordance with MTA policy regarding the use of design-build contracts, and to enhance competition and defray proposal costs, this solicitation includes a stipend of \$70,000 to be paid to each unsuccessful proposer whose proposal met the defined proposal standards. Accordingly, approval is also requested to pay stipends totaling \$210,000 to the three unsuccessful proposers.

Discussion

The work under this contract (the “Contract”) is for the design and construction a new facility to test and accept rail cars for New York City Transit (“NYCT”). The new facility, which is to include two indoor tracks, each accommodating five railcars at a time, shall be designed and constructed to ensure operational efficiency and shall include all features, systems and equipment needed to support a railcar receiving and testing operation.

A two-step procurement process was conducted for this Contract. In Step 1, a Request for Qualifications was advertised, resulting in the submission of seven Statements of Qualifications that were evaluated against pre-established Threshold Criteria (addressing completeness, timeliness, capacity, responsibility, and financial capability) and Substantive Evaluation Criteria (addressing major participants, personnel and organizational capacity, project approach, prior experience, past performance, and diversity compliance). Based on these criteria, the following four firms were selected to receive the Request for Proposal (“RFP”) in Step 2:

- Citnalta Construction Co. – Verde Electric Co. JV (“Citnalta-Verde”)
- Forte Construction Co. (“Forte”)
- JTCM Partners (“JTCM”)
- Railroad Construction Co. – Plaza Construction Co. JV. (“Railroad-Plaza”)

In response to the RFP, all four teams submitted technical and price proposals. The selection committee, consisting of representatives from C&D Delivery and Contracts Departments and NYCT's Department of Car Equipment, first reviewed the technical proposals and heard oral presentations from each of the proposers. The selection committee evaluated the technical proposals using the following pre-established selection criteria: design and construction, schedule, maintenance, management plan, experience, record of performance, safety and quality, diversity compliance, and other relevant matters. The Selection committee determined that all four proposers submitted technical proposals that were responsive and acceptable. The selection committee next opened the price proposals, which were as follows:

- Citnalta-Verde: \$108,527,000
- Forte: \$ 81,800,000
- Railroad-Plaza: \$127,939,721
- JTCM: \$ 96,000,000

Based upon its review of the technical and cost proposals, the selection committee determined that the proposals submitted by Forte and JTCM presented a superior combination of technical approach, cost and schedule, and unanimously recommended that both firms be invited to negotiate. The selection committee determined that Both Citnalta-Verde and Railroad Plaza were not within the competitive range.

Negotiations with Forte and JTCM included discussions of the proposed design and construction approach, project schedule, overall cost and clarification of the design/build requirements. A Post-Proposal Addendum was issued to both firms clarifying the flooring requirements for the new Facility and changing the staffing requirements for the Environmental Manager Key Personnel position from full-time to part-time.

Following negotiations, a Best and Final Offer ("BAFO") was requested from JTCM and Forte. The results of the BAFOs were as follows:

- Forte: \$89,890,000
- JTCM: \$91,900,000

Forte's increased price was the result of it increasing certain quantities to accurately reflect the RFP requirements and due to an error in its estimate for the signal scope of work.

After review of the BAFOs, the selection committee unanimously recommended JTCM for award of the Contract as their proposal offered the best overall value to the MTA. JTCM's proposal was the highest technically ranked and demonstrated a thorough and superior understanding of the work and a reduced risk to the project schedule as compared to the other proposal. JTCM's BAFO is considered fair and reasonable.

DBE/MBE/WBE/SDVOB Information

The MTA Department of Diversity and Civil Rights has established 15% MBE, 15% WBE, and 6% SDVOB goals for the Contract. Although this is a design-build contact with some undefined scope, JTCM is committed to meet the required goal requirements and their utilization plan is under review. JTCM Partners has not completed any MTA contracts with goals; therefore, no assessment of their DBE/MBE/WBE performance can be determined at this time. Each member of the JTCM joint venture has achieved its DBE/MBE/WBE goals on recently completed MTA contracts, with the exception of MLJ Contracting Corp. which did not meet its goals on contract A-37116 - Station Reconstruction & ADA Accessibility at the Times Square & Grand Central Stations. However, MLJ Contracting Corp. has achieved its DBE/MBE/WBE goals on all other recently completed MTA contracts.

Impact on Funding

Funding for the Contract, and stipends for the three unsuccessful proposers are included in the NYCT portion of the MTA's 2020-2024 Capital Program.

Alternatives

None recommended. Currently, MTA lacks available in-house technical personnel to perform the scope of work associated with this Contract

Dept & Dept Head Name: B&T Business Unit, Joe Keane, PE, Sr. VP and Chief Engineer					
Contracts Department: David K. Cannon, Vice President					
Board Reviews					
Order	To	Date	Approval	Info	Other
1	Capital Program Committee	12/19/22			
2	Board	12/21/22			
Internal Approvals					
Order	Approval	Order	Approval		
	Deputy Chief, Development		President		
	Deputy Chief, Delivery		Executive VP & General Counsel		

SUMMARY INFORMATION	
Vendor Name	Contract Number
Hellman/PJS JV	BW-96/VN-12
Description Design-Build Services for Power Redundancy and Resiliency Improvements at the Bronx-Whitestone and Verrazzano Narrows Bridges	
Total Amount	
1. Design-Build Contract:	\$78,737,231
2. Stipend Payments:	\$ 225,000
Contract Term	
Two Years and Ten Months	
Option(s) included in Total Amount? <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> N/A	
Renewal? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
Procurement Type	
<input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Non-competitive	
Solicitation Type	
<input checked="" type="checkbox"/> RFP <input type="checkbox"/> Bid <input type="checkbox"/> Other:	
Funding Source	
<input type="checkbox"/> Operating <input checked="" type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other	

Purpose/Recommendation

MTA Construction & Development (“C&D”) requests Board approval to award a publicly advertised and competitively solicited contract to Hellman/PJS JV (a joint venture consisting of Hellman Electric, LLC and Paul J. Scariano, Inc.) for design-build services to provide power redundancy and resiliency improvements at the Bronx-Whitestone Bridge (“BWB”) and Verrazzano-Narrows Bridge (“VNB”) in the amount of \$78,737,231 and a duration of two years and ten months. In accordance with MTA policy regarding the use of design-build contracts, and to enhance competition and defray proposal costs, this solicitation includes a stipend in the amount of \$75,000 to be paid to each unsuccessful proposer whose proposal met defined proposal standards. Accordingly, approval is also requested to pay stipends totaling \$225,000 to the three unsuccessful proposers.

Discussion

The work under this contract (the “Contract”) includes design-build services for (i) the replacement of existing outdated heating, air conditioning and sewer systems at the BWB and VNB facilities; ii) new electronic power monitoring and lane control systems and electric substation upgrades at the VNB; and (iii) installation of new fiber optic cable and associated underdeck conduit for use by the New York City Fire Department (“FDNY”) at the BWB. The cost of the fiber optic cable and conduit work will be funded by FDNY.

A two-step procurement process was conducted for the Contract. In Step 1, a Request for Qualifications was advertised resulting in the submission of eight Statements of Qualifications, which were evaluated against pre-established selection criteria addressing record of performance for the design-build team, technical and managerial capacity and legal structure, as well as contractor responsibility. The following four firms were selected to receive the Request for Proposal (“RFP”) in Step 2:

- E-J Electric Installation Co. (“E-J”)
- Hellman/PJS JV (“Hellman/PJS”)
- TAP Electrical Contracting Service, Inc. (“TAP”)
- TC Electric, LLC (“TCE”)

In response to the RFP, all four firms submitted technical and price proposals. The selection committee, consisting of representatives from C&D Delivery and Contracts Departments and B&T Operations, first reviewed the technical proposals and heard oral presentations from each of the proposers. The selection committee evaluated the technical proposals utilizing pre-established selection criteria set forth in the RFP addressing technical approach, qualifications of the firm, team organization, schedule, and record of diversity practices. The selection committee determined that all four teams submitted technical proposals that were responsive and acceptable. The selection committee next opened the price proposals, which were as follows:

- E-J: \$130,574,800
- Hellman/PJS: \$ 85,772,580
- TAP: \$ 97,319,000
- TCE: \$133,515,000

Based upon its review of the technical and price proposals, the selection committee unanimously determined the proposal submitted by Hellman/PJS provided the best value to the MTA based on the strength of its technical proposal, reduction of the schedule to thirty-four months (four months less than the schedule contained in the RFP), and lowest cost. Hellman/PJS demonstrated a strong understanding of all components of the scope of work as established in its technical approach and the need to mitigate negative impacts to the operations of the facilities. In addition, Hellman/PJS's key personnel have successfully completed design-build projects of similar scope and magnitude.

Negotiations were held with Hellman/PJS focusing on cost reduction initiatives. Following negotiations, Hellman/PJS submitted a Best and Final Offer in the amount of \$78,737,231, which is deemed to be fair and reasonable.

In connection with a previous contracts awarded to PJS, PJS was found to be responsible notwithstanding significant adverse information pursuant to the All-Agency Responsibility Guidelines and such responsibility finding was approved by the MTA Chairman and Chief Executive Officer in consultation with the MTA General Counsel in February 2016. No new significant adverse information has been found relating to PJS and PJS has been found to be responsible.

DBE/MBE/WBE/SDVOB Information

The MTA Department of Diversity and Civil Rights has established 15% MBE, 15% WBE and 6% SDVOB goals on this contract. Although this is a design-build contract with some undefined scope, Hellman/PJS JV is committed to meet the required goal requirements and their utilization plan is under review. Hellman Electric, LCC and Paul J. Scariano, Inc. each individually have achieved their assigned DBE/MBE/WBE goals on recently completed MTA Contracts.

Impact on Funding

Funding for the Contract is included in Bridge and Tunnel funds derived from its portion of the MTA's 2020-24 Capital Program, Bridges and Tunnels Operating Program and from the FDNY. Funding for stipends for the three unsuccessful proposers are included in Bridge and Tunnel funds derived from its portion of the MTA's 2020-24 Capital Program.

Alternatives

None. Currently, MTA lacks the in-house technical personnel to perform the scope of work associated with the Contract.

Dept & Dept Head Name: Railroads Business Unit, Delivery/Anthony Tufano, SVP					
Contracts Department: Ian Goldrich, SVP and Deputy General Counsel					
Board Reviews					
Order	To	Date	Approval	Info	Other
1	Capital Program Committee	12/19/22	X		
2	Board	12/21/22	X		
Internal Approvals					
Order	Approval	Order	Approval		
X	Deputy Chief, Development	X	President		
X	Deputy Chief, Delivery	X	Executive VP & General Counsel		

SUMMARY INFORMATION	
Vendor Name Verde Electric Corp.	Contract Number 6481
Description Design-Build Services for the Jamaica Substation Replacement Project	
Total Amount \$51,983,502	
Contract Term Forty-Five Months	
Option(s) included in Total Amount? <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> N/A	
Renewal? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
Procurement Type <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Non-competitive	
Solicitation Type <input checked="" type="checkbox"/> RFP <input type="checkbox"/> Bid <input type="checkbox"/> Other:	
Funding Source <input type="checkbox"/> Operating <input type="checkbox"/> Capital <input checked="" type="checkbox"/> Federal <input type="checkbox"/> Other	

Purpose/Recommendation

MTA Construction and Development (“C&D”) requests Board approval to award a publicly advertised and competitively solicited contract to Verde Electric Corp. for design-build services for a new substation in the amount of \$51,983,502 and for a duration of forty-five months.

Discussion

The work under this contract (the “Contract”) provides for the design, fabrication and installation a new AC/DC traction power substation in a new pre-fabricated modular substation building along the Long Island Rail Road (“LIRR”) Mainline Branch in Queens, NY, to replace the existing substation which is beyond its useful life.

A one-step procurement process was conducted for this Contract. A Request for Proposals (“RFP”) was publicly advertised, resulting in the submission of technical and price proposals from the following three firms:

- T. Moriarty & Sons, Inc. (“TMS”)
- Verde Electric Corporation (“Verde”)
- Voltamp Electrical Contractors, Inc. (“Voltamp”)

The selection committee, consisting of members from the C&D Delivery and Development Departments and the LIRR Operational Support and Engineering Departments, first reviewed the technical proposals and heard oral presentations from each of the proposers. The selection committee evaluated the technical proposals using the following pre-established selection criteria: technical approach; schedule; proposer qualifications and experience, including qualifications of proposed key personnel, subcontractors and suppliers, organizational structure, and past performance on similar projects; and management plan, including proposed approach to managing design and construction of the work, mitigating risks to the schedule, and plans to ensure quality control and assurance and site safety.

The selection committee next opened the price proposals, which were as follows:

- TMS: \$54,829,965
- Verde: \$53,793,502
- Voltamp: \$30,826,522

After evaluation of the technical and price proposals, as well as oral presentations, the selection committee determined that Voltamp's proposal was not contractually compliant with regard to technical approach and schedule and did not demonstrate a clear understanding of the work or the contractual requirements for the work and did not demonstrate prior experience as a prime design-build contractor managing similar work. For those reasons the selection committee unanimously determined not to move forward with Voltamp.

With regard to TMS and Verde, the selection committee determined that both had submitted contractually compliant proposals, were technically qualified, and were in a competitive range with each other. Accordingly, TMS and Verde were invited to participate in negotiations in which discussions focused on scope clarifications and ways to reduce costs. At the conclusion of those discussions, both proposers submitted revised price proposals as follows:

- TMS: \$56,762,965
- Verde: \$52,651,391

After review of the revised proposals, the selection committee unanimously determined that the proposal submitted by Verde provided the best value to the MTA. C&D entered into final negotiations with Verde with a focus on additional areas for price reduction. Following negotiations, Verde submitted its Best and Final Offer in the amount of \$51,983,502, which is considered to be fair and reasonable.

DBE/MBE/WBE/SDVOB Information

The MTA Department of Diversity and Civil Rights has established a goal of 22.5% DBE for the Contract. Although this is a design-build contract with some undefined scope, Verde is committed to meet the required goal requirements and their utilization plan is under review. Verde has achieved its DBE/MBE/WBE goals on recently completed MTA Contracts.

Impact On Funding

Funding for this Contract is included in the LIRR portion of the MTA's 2020-2024 Capital Program.

Alternatives

None. Currently, MTA lacks available in-house technical personnel to perform the scope of work associated with the Contract.

Dept & Dept Head Name: Railroads Business Unit, Delivery/Anthony Tufano, SVP					
Contracts Department: John Abili, SVP & Deputy General Counsel					
Board Reviews					
Order	To	Date	Approval	Info	Other
1	Capital Program Committee	12/19/22	X		
2	Board	12/21/22	X		
Internal Approvals					
Order	Approval	Order	Approval		
X	Deputy Chief, Development	X	President		
X	Deputy Chief, Delivery	X	Executive VP & General Counsel		

SUMMARY INFORMATION	
Vendor Name A.M. Rizzo Electrical Contractors, Inc.	Contract Number 192229
Description Design-Build Services - Replacement of Substations located at Mamaroneck and Harrison, New York	
Total Amount	
1. Design-Build Contract:	\$46,600,000
2. Stipend Payments:	\$ 90,000
Contract Term Forty-Eight months	
Option(s) included in Total Amount? <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> N/A	
Renewal? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
Procurement Type	
<input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Non-competitive	
Solicitation Type	
<input checked="" type="checkbox"/> RFP <input type="checkbox"/> Bid <input type="checkbox"/> Other:	
Funding Source	
<input type="checkbox"/> Operating <input checked="" type="checkbox"/> Capital <input checked="" type="checkbox"/> Federal <input type="checkbox"/> Other	

Purpose/Recommendation

MTA Construction & Development (“C&D”) requests Board approval to award a publicly advertised and competitively solicited contract to A.M. Rizzo Electrical Contractors, Inc. for design-build services to replace two AC traction power substations on Metro-North Railroad’s (“MNR”) New Haven Line at Mamaroneck and Harrison in the amount of \$46,600,000 and a duration of forty-eight months. In accordance with MTA policy regarding the use of design-build contracts, and to enhance competition and defray proposal costs, this solicitation includes a stipend of \$45,000 to be paid to each unsuccessful proposer whose proposal met the defined proposal standards. Accordingly, approval is also requested to pay a stipend of \$90,000 to the two unsuccessful proposers.

Discussion

The work under this contract (the “Contract”) provides for the replacement of MNR’s AC traction power Substation 128 at Mamaroneck and Substation 178 at Harrison. The Design-Builder will provide architectural, engineering, construction and testing services for the design and construction of the substations, which will include new prefabricated walk-in substation enclosures, autotransformers, arc resistant switchgear, control equipment, riser structures, wash lines, a power supervisory control and data acquisition (“SCADA”) system and other required elements, including a connection between the new Substation at Harrison and the existing Substation 193 at Pike. The new substations will improve MNR’s power supply capacity and the resiliency of the AC traction power supply system with energy efficiency upgrades.

A two-step procurement process was conducted for the Contract. In Step 1, a Request for Qualifications was advertised, resulting in the submission of four Statements of Qualifications that were evaluated against pre-established Threshold Criteria (addressing completeness, timeliness, capacity, responsibility, and financial capability) and Substantive Evaluation Criteria (addressing key personnel and organization, project approach, prior experience, past performance, financial strength and diversity compliance). Based on these criteria, three of the responding firms were selected to receive the Request for Proposal (“RFP”) in Step 2:

- Mass Electric Construction Co. (“Mass Electric”)
- A.M. Rizzo Electrical Contractors, Inc. (“Rizzo”)
- Verde Electric Corporation (“Verde”)

All three firms submitted technical and price proposals in response to the RFP. The selection committee, consisting of representatives from C&D Delivery and Contracts Departments, and MNR’s Power Department, first reviewed the technical proposals and heard oral presentations from each of the respondents. The selection committee evaluated the technical proposals utilizing the following pre-established selection criteria: construction plan, schedule, key personnel, design plan, management plan, safety and quality, prior experience, past performance and diversity practices. The selection committee determined that all three firms submitted technical proposals that were responsive and acceptable. The selection committee then opened the price proposals, which were as follows:

- Rizzo: \$49,989,700
- Mass Electric: \$77,680,000
- Verde: \$53,746,551

Based upon its review of the technical and price proposals, and discussions during the oral presentations, the selection committee determined that the proposal submitted by Rizzo was the highest ranked technically, provided the lowest prices and provided the best value to the MTA as it demonstrated a superior combination of technical approach, price, and schedule. Rizzo’s proposal demonstrated a strong understanding of all components of the scope of work as established in their technical approach, and their key personnel have successfully completed design-build projects of similar scope and magnitude..

Based on their evaluation, the selection committee unanimously recommended that Rizzo be invited to negotiations.

Negotiations focused on technical approach, schedule and costs. Following negotiations, Rizzo submitted a Best and Final Offer in the amount of \$46,600,000 which was deemed to be fair and reasonable.

DBE/MBE/WBE/SDVOB Information

The MTA Department of Diversity and Civil Rights has established a 22.5% DBE goal for the Contract. Although this is a design-build contract with some undefined scope, Rizzo is committed to meet the required goal requirements and their utilization plan is under review. Rizzo has achieved its DBE/MBE/WBE goals on recently completed MTA contracts.

Impact on Funding

Funding for the Contract is included in the MNR’s portion of the MTA’s 2020-24 Capital Program.

Alternatives

None are recommended. Currently, C&D lacks the in-house technical personnel to perform the scope of work associated with the Contract.

Dept & Dept Head Name: Railroads Business Unit, Delivery/ Anthony Tufano, SVP					
Contracts Department: John Abili, SVP & Deputy General Counsel					
Board Reviews					
Order	To	Date	Approval	Info	Other
1	Capital Program Committee	12/19/22	X		
2	Board	12/21/22	X		
Internal Approvals					
Order	Approval	Order	Approval		
X	Deputy Chief, Development	X	President		
X	Deputy Chief, Delivery	X	Executive VP & General Counsel		

SUMMARY INFORMATION	
Vendor Name	Contract Number
Ecco III Enterprises, Inc.	168632
Description Design-Build Services for the Replacement of Fulton Avenue and South Street Bridges	
Total Amount \$37,978,000	
Contract Term 821 Calendar Days	
Option(s) included in Total Amount? <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> N/A	
Renewal? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
Procurement Type <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Non-competitive	
Solicitation Type <input checked="" type="checkbox"/> RFP <input type="checkbox"/> Bid <input type="checkbox"/> Other:	
Funding Source <input type="checkbox"/> Operating <input checked="" type="checkbox"/> Capital <input checked="" type="checkbox"/> Federal <input type="checkbox"/> Other	

Purpose/Recommendation

MTA Construction & Development (“C&D”) requests Board approval to award a publicly advertised and competitively solicited contract to Ecco III Enterprises, Inc. for design-build services to replace the existing Metro-North Railroad (“MNR”) bridges at Fulton Avenue and South Street in Mount Vernon, New York in the amount of \$37,978,000 and a duration of 821 Calendar Days.

Discussion

The work under this contract (the “Contract”) includes the replacement of the existing superstructure of the Fulton Avenue and the South Street bridges, and the rehabilitation of the substructure of both bridges. In addition, the Contract provides for the relocation of MNR signal power at both bridges and replacement of MNR electrical equipment in the PB-1 Substation Yard under the Fulton Avenue bridge. The Contract also provides for a new track access staircase and new track level lighting.

A two-step procurement process was conducted for the Contract. In Step 1, a Request for Qualifications was advertised, resulting in the submission of eight Statements of Qualifications that were evaluated against pre-established Threshold Criteria (addressing completeness, timeliness, capacity, responsibility, and financial capability) and Substantive Evaluation Criteria (addressing key personnel and organization, project approach, prior experience, past performance, financial strength and diversity compliance). Based on these criteria, the following three firms were selected to receive the Request for Proposal (“RFP”) in Step 2:

- Ecco III Enterprises, Inc. (“Ecco”)
- John Civetta & Sons (“Civetta”)
- Michels Corporation (“Michels”)

In response to the RFP, all three firms submitted technical and price proposals. The selection committee, consisting of representatives from C&D Delivery and Contracts Departments and MNR’s Tunnels, Bridges and Track Department, first reviewed the technical proposals and heard oral presentations from each of the proposers. The selection committee evaluated the technical proposals utilizing the following pre-established selection criteria: key personnel, schedule, construction plan, design plan, track outage optimization, management plan, safety and quality, prior experience, past performance, and diversity practices. The selection committee determined that all three firms submitted technical proposals that were responsive. The selection committee next opened the price proposals, which were as follows:

- Ecco: \$38,578,000
- Civetta: \$42,697,500
- Michels: \$64,110,000

Based upon its review of the technical and price proposals, and discussions during the oral presentations, the selection committee determined that Ecco and Civetta had submitted contractually compliant proposals, were technically qualified, and were in the competitive range. Therefore, both Ecco and Civetta were invited to participate in negotiations in which discussions focused on scope clarifications and ways to reduce costs, including construction methodology for bridge demolition and utility relocation work. At the conclusion of the negotiations, the firms submitted the following Best and Final Offers (“BAFOs”):

- Ecco: \$37,978,000
- Civetta: \$39,474,500

After a review of the BAFOs, the selection committee unanimously recommended Ecco for the award of the contract. Ecco provided the lowest price and provided the best value to the MTA based upon a combination of technical approach, price, and schedule.

DBE/MBE/WBE/SDVOB Information

The MTA Department of Diversity and Civil Rights has established a 22.5% DBE goal for the Contract. Although this is a design-build contract with some undefined scope, Ecco is committed to meet the required goal requirements and their utilization plan is under review. Ecco has achieved its DBE/MBE/WBE goals on all recently completed MTA contracts.

Impact on Funding

Funding for the Contract and the stipends is included in MNR’s portion of the MTA’s 2020-24 Capital Program.

Alternatives

None are recommended. Currently, C&D lacks the in-house technical personnel to perform the scope of work associated with the Contract.

Dept & Dept Head Name: Railroads Business Unit, Delivery/Anthony Tufano, SVP					
Contracts Department: Ian Goldrich, SVP and Deputy General Counsel					
Board Reviews					
Order	To	Date	Approval	Info	Other
1	Capital Program Committee	12/19/22	X		
2	Board	12/21/22	X		
Internal Approvals					
Order	Approval	Order	Approval		
X	Deputy Chief, Development	X	President		
X	Deputy Chief, Delivery	X	Executive VP & General Counsel		

SUMMARY INFORMATION	
Vendor Name Infinity Contracting Services, Corp.	Contract Number 6482
Description Design-Build Services for the Hillside Fire Water Main Suppression System Replacement Project	
Total Amount \$19,996,000	
Contract Term Twenty - Three Months	
Option(s) included in Total Amount? <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> N/A	
Renewal? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
Procurement Type <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Non-competitive	
Solicitation Type <input checked="" type="checkbox"/> RFP <input type="checkbox"/> Bid <input type="checkbox"/> Other:	
Funding Source <input type="checkbox"/> Operating <input checked="" type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other	

Purpose/Recommendation

MTA Construction and Development (“C&D”) requests Board approval to award a publicly advertised and competitively solicited contract to Infinity Contracting Services Corp, a dual certified Minority and Women Owned Business, for design-build services to update the fire protection system at the Long Island Rail Road’s (“LIRR”) Hillside Maintenance Facility in the amount of \$19,996,000 and a duration of twenty-three months.

Discussion

The existing fire protection system at the Hillside Maintenance Facility is old, prone to failure and in need of updating. The work under this contract (the “Contract”) provides for significant and necessary safety upgrades to this system including, among other things, a new 8-inch fire water supply loop connecting to existing sprinkler risers; a new 12-inch fire water service from 183rd Street, including a new diesel fire pump in a new prefabricated pump house; a new 10 inch fire water service from 177th Street, and replacement of an existing mal-functioning diesel fire pump with a new pump.

A two-step procurement process was conducted for this Contract. In Step 1, a Request for Qualifications was advertised, resulting in the submission of three Statements of Qualifications that were evaluated against pre-established Threshold Criteria (addressing completeness, timeliness, capacity, responsibility, and financial capability) and Substantive Evaluation Criteria (addressing major participants, personnel and organizational capacity, project approach, prior experience, past performance, and diversity compliance). All three firms were selected to receive the Request for Proposal (“RFP”) in Step 2:

- Forte Construction Corp. (“Forte”)
- Infinity Contracting Services, Corp. (“Infinity”)
- Paul J. Scariano, Inc. (PJS)/Welkin Enterprises LLC (“PJS/Welkin”) – Joint Venture

In response to the RFP, all three teams submitted technical and price proposals. The selection committee, consisting of members from C&D Contracts and LIRR’s Engineering, System Safety and Operational Support Groups, first reviewed the technical proposals and

heard oral presentations from each of the proposers. The selection committee evaluated the technical proposals using the following pre-established selection criteria: design, overall project schedule and construction impact mitigation approach, management approach, financial strength, experience, record of performance, safety and quality, and diversity practices. They determined that all three proposers submitted technical proposals that were responsive. The selection committee then opened the cost proposals which were as follows:

- Forte: \$20,890,000
- Infinity: \$16,822,000
- PJS/Welkin: \$19,640,000

After evaluation of the technical and price proposals, the selection committee determined that all three proposers were technically qualified, and were in a competitive range with each other. Accordingly, all three were invited to participate in negotiations in which discussions focused on scope clarifications and ways to reduce costs. At the conclusion of those discussions, the proposers submitted revised price proposals as follows:

- Forte: \$20,890,000
- Infinity: \$20,356,000
- PJS/Welkin: \$26,900,000

After review of the revised proposals, the Selection Committee continued to negotiate and address technical clarifications. C&D issued a request for BAFOs from all three firms resulting in the following submissions:

- Forte: \$22,240,000
- Infinity: \$19,996,000
- PJS/Welkin: \$26,441,000

The Selection Committee determined that Infinity offered the best overall value to the MTA. Infinity offered the lowest cost (with a further reduction in its BAFO) and a one-month shorter schedule. In addition, Infinity's technical proposal provided the most detailed design and construction approaches of all the proposers and a well-conceived project phasing and work prioritization scheme.

DBE/MBE/WBE/SDVOB Information

The MTA Department of Diversity and Civil Rights has established a goal of 15% MBE, 15%WBE and 6% SDVOB for the Contract. Although this is a design-build contract with some undefined scope, Infinity is committed to meet the required goal requirements and their utilization plan is under review. Infinity, a dual certified Minority and Women Owned Business, has achieved its DBE/MBE/WBE goals on recently completed MTA contracts.

Impact On Funding

Funding for this Contract is included in the LIRR portion of the MTA's 2015-2019 and 2020-2024 Capital Program.

Alternatives

None. Currently, MTA lacks available in-house technical personnel to perform the scope of work associated with the Contract.

Dept & Dept Head Name: Infrastructure, Delivery/Dana Hecht, Senior Vice President					
Contracts Department: Connor Luff, Outside Agency Counsel					
Board Reviews					
Order	To	Date	Approval	Info	Other
1	Capital Program Committee	12/19/22	X		
2	Board	12/21/22	X		
Internal Approvals					
Order	Approval	Order	Approval		
X	Deputy Chief, Development	X	President		
X	Deputy Chief, Delivery	X	Executive VP & General Counsel		

SUMMARY INFORMATION	
Vendor Name Railroad Construction Company, Inc.	Contract Number C42006
Description Design-Build Services for Replacement of the Coney Island Abutment Wall & St. Marks Bridge	
Total Amount	
1. Design-Build Contract:	\$19,564,820
2. Stipend Payments:	\$ 102,000
Contract Term 614 Calendar Days	
Option(s) included in Total Amount? <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> N/A	
Renewal? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
Procurement Type	
<input checked="" type="checkbox"/> Competitive	<input type="checkbox"/> Non-competitive
Solicitation Type	
<input checked="" type="checkbox"/> RFP	<input type="checkbox"/> Bid <input type="checkbox"/> Other:
Funding Source	
<input type="checkbox"/> Operating	<input checked="" type="checkbox"/> Capital <input checked="" type="checkbox"/> Federal <input type="checkbox"/> Other

Purpose/Recommendation

MTA Construction & Development (“C&D”) requests Board approval to award a publicly advertised and competitively solicited contract to Railroad Construction Company, Inc. for design-build services for the replacement of an abutment wall system in the Coney Island Yard Complex and the replacement of the St. Marks Avenue Bridge in the amount of \$19,564,820 and a duration of 614 Calendar Days. In accordance with MTA policy regarding the use of design-build contracts, and to enhance competition and defray proposal costs, this solicitation includes a stipend of \$34,000 to be paid to each unsuccessful proposer whose proposal met the defined proposal standards. Accordingly, approval is also requested to pay stipends totaling \$102,000 to the three unsuccessful proposers.

Discussion

The work under this contract (the “Contract”) includes design-build services for a new abutment wall system in the Coney Island Yard Complex and replacement of the Saint Marks Avenue Bridge, located between Saint Marks Avenue and Prospect Place in Brooklyn. For the new abutment wall, the work also includes removing the existing structure while maintaining and protecting signal equipment, traction power and other systems and equipment during performance of the work and the replacement the existing light fixtures, and associate conduits and cables. For the Bridge replacement, the work also includes signal work, replacement of track, track ties and related track equipment.

A two-step procurement process was conducted for the Contract. In Step 1, a Request for Qualifications was advertised, resulting in the submission of five Statements of Qualifications that were evaluated against pre-established Threshold Criteria (addressing completeness, timeliness, capacity, responsibility, and financial capability) and Substantive Evaluation Criteria (addressing major participants, personnel and organizational capacity, project approach, prior experience and past performance). Based on these criteria, the following four firms were selected to receive the Request for Proposal (“RFP”) in Step 2:

- Anselmi and DeCicco Inc. (“A&D”)
- John Civetta & Sons, Inc. (“Civetta”)
- Paul J Scariano Inc. (“Scariano”)
- Railroad Construction Company, Inc. (“RCC”)

In response to the RFP, all four teams submitted technical and price proposals. The selection committee, consisting of representatives from C&D Delivery and Contracts Departments and New York City Transit Maintenance of Way Department, first reviewed the technical proposals and heard oral presentations from each of the proposers. The selection committee evaluated the technical proposals using the following pre-established selection criteria: design and construction, schedule, maintenance, management plan, experience, record of performance, safety and quality, diversity compliance, and other relevant matters. The selection committee determined that all four teams submitted technical proposals that were responsive. The selection committee next opened the price proposals, which were as follows:

- A&D: \$32,414,700
- Civetta: \$26,317,500
- Scariano: \$28,700,000
- RCC: \$19,964,820

Based upon its review of the technical and cost proposals, the selection committee unanimously determined that the proposals submitted by Civetta and RCC were in the competitive range as both presented a superior combination of technical approach, cost and schedule, and recommended that both firms be invited in for negotiations.

Negotiations and discussions with Civetta focused on the requirements for track and signal work, overall cost and clarification on key personnel staffing requirements. Negotiations and discussions with RCC focused on their project schedule, overall cost and clarification on key personnel staffing requirements. Following negotiations, a Best and Final Offer (“BAFO”) was requested from Civetta and RCC. The results of the BAFOs were as follows:

- RCC: \$19,564,820
- Civetta: \$24,297,500

After reviews of the BAFOs, the selection committee unanimously recommended RCC for award of the Contract as their proposal offered the best overall value considering the combined strength of their technical proposal along with reductions to the schedule, and their BAFO offering the lowest proposed price. RCC's BAFO price is considered fair and reasonable.

DBE/MBE/WBE/SDVOB Information

The MTA Department of Diversity and Civil Rights (“DDCR”) has established 22.5% DBE goals for the Contract. Although this is a design-build contract with some undefined scope, RCC is committed to meet the required goal requirements and their utilization plan is under review. RCC has achieved its DBE/MBE/WBE goals on recently completed MTA contracts.

Impact on Funding

Funding for the Contract, and stipends for the three unsuccessful proposers are included in the NYCT portion of the MTA’s 2020-2024 Capital Program.

Alternatives

None recommended. Currently, MTA lacks available in-house technical personnel to perform the scope of work associated with this Contract.

Dept & Dept Head Name: MNR Business Unit/Delivery Anthony Tufano, SVP					
Contracts Department: John Abili, SVP & Deputy General Counsel					
Board Reviews					
Order	To	Date	Approval	Info	Other
1	Capital Program Committee	12/19/22	X		
2	Board	12/21/22	X		
Internal Approvals					
Order	Approval	Order	Approval		
X	Deputy Chief, Development	X	President		
X	Deputy Chief, Delivery	X	Executive VP & General Counsel		

SUMMARY INFORMATION	
Vendor Name	Contract Number
Aventura Construction Corp.	144457
Description Design-Build Services To Upgrade the Auto Fueling Systems at Brewster & Harmon Train Yards	
Total Amount \$6,416,335	
Contract Term Twenty Months	
Option(s) included in Total Amount? <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> N/A	
Renewal? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
Procurement Type <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Non-competitive	
Solicitation Type <input checked="" type="checkbox"/> RFP <input type="checkbox"/> Bid <input type="checkbox"/> Other:	
Funding Source <input type="checkbox"/> Operating <input checked="" type="checkbox"/> Capital <input checked="" type="checkbox"/> Federal <input type="checkbox"/> Other	

Purpose/Recommendation

MTA Construction & Development (“C&D”) requests Board approval to award a publicly advertised and competitively solicited contract to Aventura Construction Corporation for design-build services to upgrade the auto fueling stations at Metro-North Railroad’s (“MNR”) Brewster and Harmon Train Yards in the amount of \$6,416,335 and a duration of Twenty Months.

Discussion

The work under this contract (the “Contract”) provides for the design, construction and installation of above-ground storage tank fueling stations at MNR’s Brewster and Harmon Train Yards. The work will include delivery and installation of double-walled steel tanks, fittings, signage and associated equipment. It will also include electrical connections, testing of the installed equipment, and training of MNR facility personnel in the use and maintenance of the equipment. The Design-Builder will also decommission, demolish, and dispose of the existing fueling facilities/systems and provide for the remediation and restoration of each site.

A two-step procurement process was conducted for the Contract. In Step 1, a Request for Qualifications was advertised, resulting in the submission of three Statements of Qualifications that were evaluated against pre-established Threshold Criteria (addressing completeness, timeliness, capacity, responsibility, and financial capability) and Substantive Evaluation Criteria (addressing team, key personnel, and organization; project approach; prior experience; past performance; and diversity compliance). Based on these criteria, all three firms were selected to receive the Request for Proposal (“RFP”) in Step 2:

- Aventura Construction Corporation (“Aventura”)
- Forte Construction Corporation (“Forte”)
- Skanska ECCO III Harmon Brewster JV (“Skanska - Ecco”)

All three firms submitted technical and price proposals in response to the RFP. The selection committee, consisting of representatives from C&D Contracts and Delivery Departments and MNR’s Environmental Department, first reviewed the technical proposals and heard oral presentations from each of the proposers during which technical discussions were conducted. The selection committee evaluated the technical proposals utilizing the following pre-established selection criteria: design and construction, schedule, management plan, experience, record of performance, safety and quality and diversity practices. The selection committee determined

that all three firms submitted technical proposals that were responsive. The selection committee next opened the price proposals, which were as follows:

- Aventura: \$6,586,335
- Skanska Ecco: \$11,079,000
- Forte: \$11,170,000

Based upon its review of the technical and price proposals, and discussions during the oral presentations, the selection committee unanimously determined that Aventura was the highest ranked technically, provided the lowest prices and provided the best value to the MTA as it demonstrated a superior combination of technical approach, price, and schedule. Aventura's proposal showed a thorough understanding of the scope of work, challenges, risks involved and how to ensure successful completion of the project goals. Aventura was invited for negotiations.

Negotiations with Aventura focused on scope clarifications and ways to reduce costs. At the conclusion of the negotiations, Aventura submitted a Best and Final Offer of \$6,416,335 which is considered to be fair and reasonable.

DBE/MBE/WBE/SDVOB Information

The MTA Department of Diversity and Civil Rights has established a 22.5% DBE goal for the Contract. Although this is a design-build contract with some undefined scope, Aventura is committed to meet the required goal requirements and their utilization plan is under review. Aventura has not completed any MTA contracts with goals; therefore, no assessment of their DBE/MBE/WBE performance can be determined at this time.

Impact on Funding

Funding for the Contract is included in the MNR's portion of the MTA's 2020-24 Capital Program.

Alternatives

None. Currently, MTA lacks available in-house technical personnel to perform the scope of work associated with this Contract.

DECEMBER 2022

LIST OF RATIFICATIONS FOR BOARD APPROVAL

Procurements Requiring Majority Vote:

Schedule K. Ratification of Completed Procurement Actions (Involving Schedule E – J)
(Staff Summaries required for all items)

19.	E-J Electric Installation Company	\$ 2,160,143	<u>Staff Summary Attached</u>
	Contract No. CS084.133		

MTA Construction and Development requests Board ratification of a modification to East Side Access Contract CS084 to provide services to energize, operate and maintain the project's new traction power substations in support of Physical Characteristics Training.

Schedule K: Ratification of Completed Procurement Actions

Item Number 19

Vendor Name (& Location) E-J Electric Installation Company (Long Island City, NY)	Contract Number CS084	Modification Number 133
Description Traction Power Systems Package No. 4 for the East Side Access Project	Original Amount:	\$ 71,248,884
Contract Term (including Options, if any) 52 Months	Prior Modifications:	\$ 42,217,221
Option(s) included in Total Amount? <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> N/A	Exercised Options:	\$ -0-
Procurement Type <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Non-competitive	Current Amount:	\$ 113,466,105
Solicitation Type <input checked="" type="checkbox"/> RFP <input type="checkbox"/> Bid <input checked="" type="checkbox"/> Other: Modification	This Request	\$ 2,160,143
Funding Source <input type="checkbox"/> Operating <input checked="" type="checkbox"/> Capital <input checked="" type="checkbox"/> Federal <input type="checkbox"/> Other:	% of This Request to Current Amount:	2%
Requesting Dept/Div & Dept/Div Head Name: East Side Access/Rob Troup	% of Modifications (including This Request) to Original Amount:	62%

Discussion:

This contract (the “Contract”) provides for the installation and testing of the traction power system for the East Side Access project (the “Project”). MTA Construction and Development (“C&D”) requests that the Board ratify a contract modification to provide services to energize, operate and maintain the Project’s new traction power substations in support of Physical Characteristics Training for a total cost of \$2,160,143. In addition, this modification will include an excusable delay of 29 days, extending the substantial completion date of the Contract to December 9, 2022.

The Federal Railroad Administration requires passenger train operators to undergo Physical Characteristics Training prior to placing a new territory, such as East Side Access and the new Grand Central Madison Terminal, into revenue service. The purpose of Physical Characteristics Training is to familiarize operators with the layout, characteristics and operational requirements of the new territory. In order to operate trains through the new territory to perform this training, the new traction power substations that provide the power to energize the third rail to operate trains needed to energize and operated. This function is designed to be performed remotely under the projects Project’s power supervisory control and data acquisition (“SCADA”) system, but until the SCADA system was complete and turned over to Long Island Rail Road (“LIRR”) for operation, the function needed to be performed manually.

This modification is for the manual energization, operation and maintenance of the new traction power substations in support of Physical Characteristics training for the period from August 21, 2022 until December 9, 2022, when control of the SCADA system was turned over to LIRR.

The Contractor proposed various weekly, weekday and weekend unit rates for operating these substations, and a monthly maintenance rate, with a total not-to-exceed cost of \$2,424,097. Negotiations were held and the parties agreed to reduced rates and a total not-to-exceed cost of \$2,160,143 for the work during this period.

To avoid delay to revenue service, the President approved a retroactive memorandum, and the Contractor was directed to proceed with this Work up to a Not-To-Exceed amount of \$2,400,000.

In connection with previous contracts awarded to E-J Electric Installation Company (“E-J”), E-J was found to be responsible notwithstanding significant adverse information (“SAI”) pursuant to the All-Agency Responsibility Guidelines, and such responsibility findings were approved by the MTA Managing Director in consultation with the MTA General Counsel in August 2018. No new SAI has been found relating to E-J and E-J has been found to be responsible.

Staff Summary

Subject NYSDOT Grant for Connecting Services	
Department Operations Planning and Analysis	
Department Head Name Bennett Cornelius	
Department Head Signature 	
Project Manager Name Donna Y Mason	Program Manager Name

Date November 14, 2022
Vendor Name N/A
Contract Number N/A
Contract Manager Name N/A
Table of Contents Ref#

Board Action					
Order	To	Date	Approval	Info	Other
1	M-N Comm. Mtg.	12/17/22			
2	MTA Finance Mtg				
3	MTA Board Mtg.	12/19/22			

Internal Approvals			
Order	Approval	Order	Approval
4	President		
3	Exec. Dir. Mgmt. & Budget		

Internal Approvals (cont.)							
Order	Approval	Order	Approval	Order	Approval	Order	Approval
1	SVP Operations					2	General Counsel
	Press						

Narrative

PURPOSE:
To obtain MTA Board approval to enter into a contract to accept up to \$365,000 in a Congestion Mitigation/Air Quality (CMAQ) grant from the New York State Department of Transportation (NYSDOT) to support connecting services covering the period from January 1, 2023 through December 31, 2023.

DISCUSSION:
Metro-North has worked with NYSDOT to implement various projects to improve access to Metro-North stations. These projects, which include connecting buses (e.g., Hudson Link, Newburgh-Beacon Shuttle, Dutchess LOOP, HARTransit, etc.), the Haverstraw-Ossining Ferry, the Newburgh-Beacon Ferry and Guaranteed Ride Home programs, create station access/egress and increase ridership and revenue for the Railroad, as well as reduce the number of single occupancy vehicles on the roads.

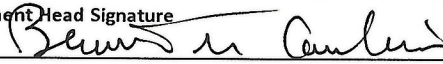
Over the past fifteen years, Metro-North has received over \$5 million from similar NYSDOT (CMAQ) grants. These funds have been used for a variety of operational and marketing activities: providing customer information (e.g., signage, kiosks, pocket timetables, etc.); marketing/advertising to launch and support these services; supporting Metro-North's Guaranteed Ride Home programs; for customer parking and miscellaneous operational improvements. Metro-North plans to use the funds from the new CMAQ grant in a similar fashion, working with our regional partners to maintain service quality and improve station access.

BUDGET IMPACT:
No budget impacts. These monies allow for projects that would not otherwise be implemented.

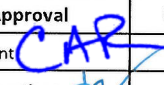


RECOMMENDATION:
That the MTA Board grant approval to enter into a contract to accept up to \$365,000 in a Congestion Mitigation/Air Quality (CMAQ) grant from the New York State Department of Transportation (NYSDOT) to support connecting services, covering the period from January 1, 2023 through December 31, 2023.

The legal name of MTA Metro-North Railroad is Metro-North Commuter Railroad Company

Staff Summary

Subject Ninth Memorandum of Understanding (MOU) between MNR and City of Newburgh for Reimbursement of Ferry Landing/ Parking Lease	Date December 9, 2022
Department Operations Planning and Analysis	Vendor Name N/A
Department Head Name Ben Cornelius	Contract Number N/A
Department Head Signature 	Contract Manager Name N/A
Project Manager Name Donna Mason	Table Of Contents Ref#

Board Action					
Order	To	Date	Approval	Info	Other
	M-N Comm. Mtg.	12/19/22			
	MTA Board Mtg.	12/21/22			

Internal Approvals			
Order	Approval	Order	Approval
3	President 	2	General Counsel 
1	SVP Operations 		

Internal Approvals (cont.)							
Order	Approval	Order	Approval	Order	Approval	Order	Approval

PURPOSE: To obtain MTA Board approval for Metro-North to enter into a Ninth Memorandum of Understanding (Ninth MOU) with the City of Newburgh, New York (the City) for Metro-North to reimburse the City for lease payments for the parking and ferry landing facilities used by the Newburgh-Beacon ferry for the period January 1, 2023 through December 31, 2023.

DISCUSSION: In August 2004, Metro-North and the City entered into an agreement concerning the mooring, docking, and use of facilities in Newburgh to be used for the Newburgh-Beacon Ferry. Under that agreement, the City leases from a private landowner the land and facilities for a ferry dock and 250-space parking facility for ferry riders. At the same time, the City and the New York State Department of Transportation (NYSDOT) entered into a contract by which NYSDOT reimbursed the City for the rent payments under the lease; that contract expired and was not renewed by NYSDOT. Under an MOU dated May 26, 2015, between Metro-North and the City, Metro-North reimbursed the City for lease payments from May through December 2015, at the monthly rate of \$21,278. A second MOU dated January 26, 2016 extended this agreement under the same terms, as did a third MOU, dated January 5, 2017. In October 2017, a fourth MOU dated January 2, 2019, extended Metro-North’s obligation to reimburse the lease payments under the existing terms through June 30, 2019. The City entered into a second new lease with another new owner (“Second New Lease”) for the term July 1, 2019 - December 31, 2020, with rent payments of \$21,916 per month. The City and Metro-North entered into a Fifth MOU on July 30, 2019, whereby Metro-North agreed to reimburse the City for the rent payments made by the City under the Second New Lease. The Second New Lease was extended for the period January 1, 2021 through June 30, 2021 (“Second New Lease Extension”) at the same rate of \$21,916 per month. The City and Metro-North entered into a Sixth MOU dated January 1, 2021 whereby Metro-North agreed to reimburse the City for the rent payments made by the City under the Second New Lease Extension. The Second New Lease was extended for the period July 1, 2021 through December 31, 2021 at the same rate of \$21,916 per month, and the City and Metro-North entered into a Seventh MOU dated June 8, 2021, whereby Metro-North agreed to reimburse the City for the rent payments made by the City under this lease extension. The City extended the lease for the period January 1, 2022 through December 31, 2022, at the same rate of \$21,916 per month, The City and

The legal name of MTA Metro-North Railroad is Metro-North Commuter Railroad Company

Staff Summary

Metro-North entered into an Eighth MOU dated December 14, 2021 whereby Metro-North agreed to reimburse the City for the rent payments made by the City under this extension at the same rate of \$21,916 per month.

The City has negotiated a Second New Lease Fourth Extension for the period January 1, 2023 through December 31, 2023 at the same rate of \$21,916 per month. Under the proposed Ninth MOU, Metro-North will reimburse the City for the same period of time as the Second New Lease Fourth Extension (January 1, 2023 through December 31, 2023) at the same rate of \$21,916 per month.

The Ninth MOU also provides that the City and Metro-North will continue to work together in a diligent, cooperative and time sensitive manner to identify and make available alternative locations for the Ferry Service and parking facility, should the current site not be available in the future, as well as work together to identify possible other sources of funding. The Ninth MOU has been authorized and executed by the City.

The City does not have the resources to shoulder the expense of the ferry facility property lease. If Metro-North does not reimburse the City for the expense of leasing the ferry facility lands, the lease will terminate and the Newburgh-Beacon Ferry service will be interrupted.

NYSDOT has committed to provide Metro-North with Congestion Mitigation/Air Quality (“CMAQ”) funds, which may be used as reimbursement for assistance payments made to the City by Metro-North to fund the lease extension through December 31, 2023. Metro-North’s acceptance of these funds for various connecting services-related projects, including the Newburgh-Beacon Ferry is being presented to the Board this month, December 2022. Of the CMAQ funds, \$263,000 will be used annually to fund the reimbursement to the City upon proof of payment of the monthly lease cost.

BUDGET IMPACT: Metro-North applies for reimbursement from NYSDOT as the payments are made to the City of Newburgh. There is a zero net impact on the operating budget.

ALTERNATIVE: If Metro-North does not enter into this Ninth MOU, then the City would terminate the lease agreement for the Newburgh-Beacon Ferry landing, parking facility, and mooring rights. The likely impact of this action would be interruption of the ferry service while a new site is identified, procured, and any required improvements are constructed.

RECOMMENDATION: That the MTA Board grant approval for MNR to enter into a Ninth Memorandum of Understanding with the City of Newburgh regarding reimbursement of lease expenses paid by the City for land used for the Newburgh-Beacon ferry landing and parking facility for the period January 1, 2023 through December 31, 2023.

Metro-North Railroad Procurements

Anthony Gardner, MTA Assistant Deputy Chief Procurement Officer – Procurement Operations

PROCUREMENTS

The Procurement Agenda this month includes 1 action for a proposed estimated expenditure of \$7M.

Subject	Request for Authorization to Award Various Procurements				
Department	MTA Procurement				
Department Head Name	Kuvershen Ayer				
Department Head Signature	<i>Kuvershen Ayer</i>				
Project Manager Name	David Melillo				
Board Action					
Order	To	Date	Approval	Info	Other
1	Committee	12/19/22			
2	Board	12/21/22			

December 14, 2022			
Department			
Department Head Name			
Department Head Signature			
Internal Approvals			
	Approval		Approval
	President		<i>CAR</i> <i>ss</i>
	VP & General Counsel		

Internal Approvals (cont.)							
Order	Approval	Order	Approval	Order	Approval	Order	Approval

PURPOSE

To obtain approval of the Board to award various contracts and purchase orders, and to inform the Metro-North Committee of this procurement action.

DISCUSSION

Metro-North Railroad proposes to award Noncompetitive procurements in the following categories: None

Metro-North Railroad proposes to award one Competitive procurement in the following category:

<u>Schedules Requiring Majority Vote:</u>	# of Actions	\$ Amount
Schedule H: Modifications to Personal/Miscellaneous Service Contracts	1	\$ 7 M
SUBTOTAL	1	\$ 7 M

Metro-North Railroad proposes to award Ratifications in the following categories: None

TOTAL	1	\$ 7 M
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COMPETITIVE BIDDING REQUIREMENTS: The procurement actions in Schedules A, B, C, and D are subject to the competitive bidding requirements of PAL 1209 or 1265-a relating to contracts for the purchase of goods or public work. Procurement actions in the remaining Schedules are not subject to these requirements.

BUDGET IMPACT: The purchases/contracts will result in obligating funds in the amounts listed. Funds are available in the current operating/capital budgets for this purpose.

RECOMMENDATION: That the purchases/contracts be approved as proposed. (Items are included in the resolution of approval at the beginning of the Procurement Section.)

BOARD RESOLUTION

WHEREAS, in accordance with Sections 1265-a and 1209 of the Public Authorities Law and the All-Agency General Contract Procurement Guidelines, the Board authorizes the award of certain noncompetitive purchase and public work contracts, and the solicitation and award of requests for proposals regarding purchase and public work contracts; and

WHEREAS, in accordance with the All-Agency Service Contract Procurement Guidelines and General Contract Procurement Guidelines the Board authorizes the award of certain noncompetitive miscellaneous service and miscellaneous procurement contracts, certain change orders to purchase, public work, and miscellaneous service and miscellaneous procurement contracts, and

WHEREAS, in accordance with Section 2879 of the Public Authorities Law and the All-Agency Service Contract Procurement Guidelines, the Board authorizes the award of certain service contracts and certain change orders to service contracts.

NOW, the Board resolves as follows:

1. As to each purchase and public work contract set forth in annexed Schedule A, the Board declares competitive bidding to be impractical or inappropriate for the reasons specified therein and authorizes the execution of each such contract.

2. As to each request for proposals (for purchase and public work contracts) set forth in Schedule B for which authorization to solicit proposals is requested, for the reasons specified therein, the Board declares competitive bidding to be impractical or inappropriate, declares it is in the public interest to solicit competitive request for proposals, and authorizes the solicitation of such proposals.

3. As to each request for proposals (for purchase and public work contracts) set forth in Schedule C for which a recommendation is made to award the contract, the Board authorizes the execution of said contract.

4. As to each action set forth in Schedule D, the Board declares competitive bidding impractical or inappropriate for the reasons specified therein and ratifies each action for which ratification is requested.

5. The Board authorizes the execution of each of the following for which Board authorization is required: (i) the miscellaneous procurement contracts set forth in Schedule E; (ii) the personal service contracts set forth in Schedule F; (iii) the miscellaneous service contracts set forth in Schedule G; (iv) the modifications to personal/miscellaneous service contracts set forth in Schedule H; (v) the contract modifications to purchase and public work contracts set forth in Schedule I; and (vi) the modifications to miscellaneous procurement contracts set forth in Schedule J.

6. The Board ratifies each action taken set forth in Schedule K for which ratification is requested.

DECEMBER 2022

LIST OF COMPETITIVE PROCUREMENTS FOR BOARD APPROVAL

Procurements Requiring Majority Vote:

H. Modifications to Personal Service Contracts and Miscellaneous Service Contracts Awarded as Contracts for Services

(Staff Summaries required for items estimated to be greater than \$1,000,000.)

- | | | |
|--|-------------|-------------------------------|
| 1. Sperry Rail, Inc.
Two years
Contract# 1-80846 AWO 4 | \$7,000,000 | <i>Staff Summary Attached</i> |
|--|-------------|-------------------------------|
- A one-year contract extension for continued Federal Railroad Administration–mandated ultrasonic rail testing and joint bar detection services.

Schedule H: Modifications to Personal Service & Miscellaneous Service Contracts



Item 1

Vendor Name (Location) Sperry Rail, Inc. (Shelton, Connecticut)	Contract Number 1-80846	AWO/Modification # 4
Description Ultrasonic Rail Testing & Joint Bar Detection Services	Original Amount: (MNR) \$3,400,001 (LIRR) \$6,000,000	
Contract Term (including Options, if any) Two Years	Prior Modifications: (MNR) \$2,600,000	
Option(s) included in Total Amount? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Prior Budgetary Increases: \$0	
Procurement Type <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Noncompetitive	Current Amount: (MNR) \$6,000,001 (LIRR) \$6,000,000	
Solicitation Type <input type="checkbox"/> RFP <input checked="" type="checkbox"/> Bid <input type="checkbox"/> Other:	This Request: MNR: \$4,000,000 \$7,000,000 LIRR: \$3,000,000	
Funding Source <input checked="" type="checkbox"/> Operating <input type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:	% of This Request to Current Amount: 58.3%	
Requesting Department Maintenance of Way, David Melillo, Vice President	% of Modifications (including This Request) to Original Amount: 102.1%	

Discussion:

Metro-North Railroad (“MNR”), on behalf of itself and Long Island Rail Road (“LIRR”) (collectively the “Railroads”), is seeking MTA Board approval for a one-year extension to Contract No. 1-80846 (the “Contract”) with Sperry Rail, Inc. (“Sperry”) in the not-to-exceed amount of \$7 million (MNR \$4M and LIRR \$3M) for continued Federal Railroad Administration (“FRA”)–mandated ultrasonic rail testing and joint bar detection services (“Services”) through December 31, 2023. For services beyond 2023, the Railroads (led by LIRR) will be conducting a new joint competitive procurement during the extension period, which will include an industry review of available technologies and service providers prior to selection and award recommendation to the Board. Five firms expressed interest in participating in the procurement.

MNR, on behalf of the Railroads, awarded this competitively solicited, negotiated contract in the amount of \$9,400,001 in October 2020 for a term of two years, which was extended for three months through the end of 2022. The Contract was modified for (1) the addition of Eddy current testing; (2) a change in MNR’s practice of stop/verify rail testing to continuous rail testing, after MNR received approval from the FRA to conduct such testing; (3) the three-month contract extension; and (4) the addition of funding in the amount of \$2.6 million.

Under this Contract, Sperry performs the mandated rail testing services throughout both Railroads’ operating territories for approximately 550 to 750 main and branch line track miles for each of the Railroads. The Railroads are utilizing the latest technologies in ultrasonic testing, joint bar detection and Eddy current testing to identify and detect internal and external flaws and fractures in track and rail that may not be visible to the naked eye. Ultrasonic rail testing equipment scans the rail for defects based on FRA standards for track anomalies, providing detection/evaluation of rail flaws, dimensional measurements, and track material disposition. Joint bar detection is an optical inspection system that performs automated crack detection of joint bars; measures rail gap, joints, and rail sides; detects missing bolts, corrosion, and problems with electric bonding; and generates joint bar inventory reports. Eddy current testing is an electromagnetic testing method used to detect surface and subsurface flaws in the rails. By detecting and analyzing otherwise invisible flaws, the rail can be replaced before a failure occurs which improves track safety. The ultrasonic rail testing, joint bar detection and Eddy current testing systems are contained in Sperry’s rail-bound and hi-rail vehicles, which can inspect tracks at speeds upwards of 30 miles per hour.

Services under this Contract include the provision of the inspection vehicles and on-vehicle staff to operate the ultrasonic testing, joint bar detection, and Eddy current testing equipment as well as the collection and interpretation of the data collected.

Original contract pricing for the Services was competitively obtained based on negotiated daily, hourly, and per-test and per-shift rates. These rates were fixed for the term of the Contract, and Sperry held the same rates firm for the current three-month extension. However, due to current economic market conditions including inflation, an increase of 3.5 percent was negotiated for the one-year extension period. Pricing for the extension is determined to be fair and reasonable.

This contract has been evaluated to determine the necessity and appropriate scope, if any, of cybersecurity requirements, including any requirements under federal, state, and local law and regulations. Any applicable cybersecurity requirements, to the extent required, have been included in the contract terms and conditions.

Sperry has certified that pursuant to EO 16 it is not doing business in Russia.

Impact on Funding

This extension is to be funded (\$4M/MNR and \$3M/LIRR) by each Railroad’s Operating Budget. Of Metro-North’s \$4M total, the Connecticut Department of Transportation is responsible for approximately 33 percent (or \$1.3 million).

**NYCT Committee
ACTIONS and PRESENTATIONS
SUMMARY for DECEMBER 2022**

Responsible Department	Vendor Name	Total Amount	Summary of action
NYCT	Sims Metal (NYCT), Frontier Industrial Corp. (MNR & LIRR)	\$16,625,800	Removal and disposal of obsolete subway & rail cars for NYCT, MNR and LIRR.
NYCT	Theradynamics Rehab Management	\$12,515,664	Eligibility assessment services for Paratransit and Reduce-Fare initiatives.
NYCT	S&A Systems	\$12,515,664	Automated fuel and fluid management system.



New York City Transit Procurements

Louis Montanti, MTA Deputy Chief Procurement Officer – Procurement Operations

PROCUREMENTS

The Procurement Agenda this month includes 3 actions for a proposed estimated expenditure of \$27.1M.

Subject	Request for Authorization to Award Various Procurements				
Department	MTA Procurement				
Department Head Name	Kuvershen Ayer				
Department Head Signature	<i>Kuvershen Ayer</i>				
Project Manager Name	Rose Davis				
Board Action					
Order	To	Date	Approval	Info	Other
1	Committee	12/19/22			
2	Board	12/21/22			

December 14, 2022			
Department			
Department Head Name			
Department Head Signature			
Internal Approvals			
	Approval		Approval
<i>ad</i>	President NYCT	<i>Q</i>	Deputy CFO
X	COO	X	Subways
X	Law	X	Diversity/Civil Rights

Internal Approvals (cont.)							
Order	Approval	Order	Approval	Order	Approval	Order	Approval

PURPOSE

To obtain approval of the Board to award various contracts and purchase orders, and to inform the NYC Transit Committee of these procurement actions.

DISCUSSION

NYC Transit proposes to award Noncompetitive procurements in the following categories: None

NYC Transit proposes to award Competitive procurements in the following categories:

Schedules Requiring Majority Vote:

	<u># of Actions</u>	<u>\$ Amount</u>
Schedule G Miscellaneous Service Contracts		\$ 16.6 M
Schedule H Modifications to Personal/Miscellaneous Service Contracts		\$ 4.1 M
SUBTOTAL		\$ 20.7 M

NYC Transit proposes to award Ratifications in the following categories:

Schedules Requiring Two-Thirds Vote:

Schedule D: Ratification of Completed Procurement Actions	\$ 6.4 M
SUBTOTAL	\$ 6.4 M
TOTAL	\$ 27.1 M

COMPETITIVE BIDDING REQUIREMENTS: The procurement actions in Schedules A, B, C, and D are subject to the competitive bidding requirements of PAL 1209 or 1265-a relating to contracts for the purchase of goods or public work. Procurement actions in the remaining Schedules are not subject to these requirements.

BUDGET IMPACT: The purchases/contracts will result in obligating funds in the amounts listed. Funds are available in the current operating/capital budgets for this purpose.

RECOMMENDATION: That the purchases/contracts be approved as proposed. (Items are included in the resolution of approval at the beginning of the Procurement Section.)

BOARD RESOLUTION

WHEREAS, in accordance with Sections 1265-a and 1209 of the Public Authorities Law and the All-Agency General Contract Procurement Guidelines, the Board authorizes the award of certain noncompetitive purchase and public work contracts, and the solicitation and award of requests for proposals regarding purchase and public work contracts; and

WHEREAS, in accordance with the All-Agency Service Contract Procurement Guidelines and General Contract Procurement Guidelines the Board authorizes the award of certain noncompetitive miscellaneous service and miscellaneous procurement contracts, certain change orders to purchase, public work, and miscellaneous service and miscellaneous procurement contracts, and

WHEREAS, in accordance with Section 2879 of the Public Authorities Law and the All-Agency Service Contract Procurement Guidelines, the Board authorizes the award of certain service contracts and certain change orders to service contracts.

NOW, the Board resolves as follows:

1. As to each purchase and public work contract set forth in annexed Schedule A, the Board declares competitive bidding to be impractical or inappropriate for the reasons specified therein and authorizes the execution of each such contract.

2. As to each request for proposals (for purchase and public work contracts) set forth in Schedule B for which authorization to solicit proposals is requested, for the reasons specified therein, the Board declares competitive bidding to be impractical or inappropriate, declares it is in the public interest to solicit competitive request for proposals, and authorizes the solicitation of such proposals.

3. As to each request for proposals (for purchase and public work contracts) set forth in Schedule C for which a recommendation is made to award the contract, the Board authorizes the execution of said contract.

4. As to each action set forth in Schedule D, the Board declares competitive bidding impractical or inappropriate for the reasons specified therein and ratifies each action for which ratification is requested.

5. The Board authorizes the execution of each of the following for which Board authorization is required: (i) the miscellaneous procurement contracts set forth in Schedule E; (ii) the personal service contracts set forth in Schedule F; (iii) the miscellaneous service contracts set forth in Schedule G; (iv) the modifications to personal/miscellaneous service contracts set forth in Schedule H; (v) the contract modifications to purchase and public work contracts set forth in Schedule I; and (vi) the modifications to miscellaneous procurement contracts set forth in Schedule J.

6. The Board ratifies each action taken set forth in Schedule K for which ratification is requested.

DECEMBER 2022

LIST OF COMPETITIVE PROCUREMENTS FOR BOARD APPROVAL

Procurements Requiring Majority Vote:

G. Miscellaneous Service Contracts

(Staff Summaries required for items estimated to be greater than \$1,000,000.)

1. **Sims Metal / Frontier Industrial Corp. \$16,625,800** **Staff Summary Attached**
Five years with an Option to extend for five years
Contract # SSE No. 374704
Removal and disposal of obsolete subway/rail cars and miscellaneous equipment.

H. Modifications to Personal Service Contracts and Miscellaneous Service Contracts Awarded as Contracts for Services

(Staff Summaries required for items estimated to be greater than \$1,000,000.)

2. **Theradynamics Rehab Management, LLC \$4,129,984** **Staff Summary Attached**
Five years with an Option to extend up to two years
Contract # 6%296164 AWO 1
Modification of the contract for Eligibility Assessment Services for Paratransit and Reduced-Fare:
add a second assessment center in Brooklyn.

Schedule G: Miscellaneous Service Contracts



Following the review of the technical proposals, the SC unanimously voted to proceed with negotiations with both proposers.

Negotiations centered on proposed pricing and considered price scenarios where a credit for scrap metal was to be paid back to the authority and price scenarios where the credit was netted against the price for the car disposal. Subsequently, interim price proposals were requested from both proposers for these price scenarios. After review of the interim price scenarios, a decision was made to only consider a price scenario where the credit for scrap material was netted against the price for car disposal, as this scenario offered more aggressive pricing for car disposal and eliminated any risk of scrap metal index fluctuations.

A request for Best and Final Offers (“BAFOs”) was made on November 7, 2022, and BAFOs were received on November 15, 2022, as follows:

	BAFO			
	Frontier		Sims	
	Base	Option	Base	Option
NYC Transit	\$10,067,540	\$39,303,330	\$5,221,500	\$4,185,000
LIRR	\$3,199,300			
MNR		\$4,020,000		

Procurement, the project managers, and the Cost Price Unit determined the BAFOs to be fair and reasonable based on the competitive nature of the RFP, comparison to previous contract pricing, as well as a favorable comparison to the in-house estimate of \$22,584,040 for all agencies.

After review of the BAFOs in accordance with the evaluation criteria, the Selection Committee unanimously recommended Sims for award of the NYC Transit portion and Frontier for the award of the LIRR and MNR portions. The Selection Committee’s recommendation for NYC Transit portion was based on the fact that while both proposers were considered technically equal, Sims’ lower BAFO pricing provided the best overall value to NYC Transit.

This contract has been evaluated to determine the necessity and appropriate scope, if any, of cybersecurity requirements, including any requirements under federal, state, and local law and regulations. Any applicable cybersecurity requirements, to the extent required, have been included in the contract terms and conditions.

Both Frontier and Sims have certified that pursuant to EO 16 they are not doing business in Russia.

M/W/DBE Information

The MTA Department of Diversity and Civil Rights has established zero percent MWBE/SDVOB goals on this contract due to the lack of certified MWBE/SDVOB firms capable of providing services under this contract.

Impact on Funding

This project will utilize operating funding.

Alternatives

None recommended. Neither agency has the expertise to perform the specific tasks required under the scope of work for this project.

Recommendation

It is recommended that the Board approve the award of a five-year miscellaneous service contract with an option to extend the term for five additional years for the Removal and Disposal of Obsolete Subway/Rail Cars and Miscellaneous Equipment for NYC Transit, LIRR, and MNR to Sims in the estimated amount of \$9,406,500 for NYC Transit; and Frontier in the estimated amount of \$3,199,300 for LIRR and \$4,020,000 for MNR.

Schedule H: Modifications to Personal Service & Miscellaneous Service Contracts

Although the RFP did not result in awards for a Manhattan and/or second Brooklyn Assessment Center, Procurement continued its efforts to identify potential locations. As Omni's facility is in Midwood (serving applicants in proximity to South Brooklyn), the search for a second Brooklyn facility location was focused on the North Brooklyn area (Bedford Stuyvesant, Williamsburg, Greenpoint, etc.). Both Gramercy and Theradynamics expressed interest in the operation of a second Brooklyn Assessment Center with proximity to North Brooklyn. Theradynamics' proposed location in Bedford Stuyvesant was found to be the most viable.

Theradynamics' proposed pricing to operate the Bedford Stuyvesant location for both Paratransit and Reduced Fare services was in the amount of \$2,724,032 for the four remaining base years and \$1,405,952 for the two-year option; this pricing was found to be fair and reasonable as compared to the other eligibility assessment centers. Quantities for assessments in Brooklyn were estimated to be split based on historical assessment quantities performed as 60 percent for Omni and 40 percent for the North Brooklyn location to be awarded to Theradynamics.

This contract was evaluated to determine the necessity and appropriate scope, of cybersecurity requirements, including any requirements under federal, state, and local law and regulations. Any applicable cybersecurity requirements, to the extent required, have been included in the contract terms and conditions.

Theradynamics has certified that pursuant to Executive Order No. 16 it is not doing business in Russia.

Impact on Funding

Total funding for Paratransit and Reduced Fare for the base and option periods in the amount of \$4,129,984 is available in the Operating Budget.

DECEMBER 2022

LIST OF RATIFICATIONS FOR BOARD APPROVAL

Procurements Requiring Two-Thirds Vote:

D. Ratification of Completed Procurement Actions

(Staff Summaries required for items estimated to be greater than \$1,000,000.)

3. S&A Systems, Inc.

\$6,348,296

Staff Summary Attached

Five Years

Contract # B-40612 (Capital)

Contract # B-40612OPR (Operating)

Ratification of an Immediate Operating Need to approve the purchase and installation of an automated fuel and fluid management system consisting of 78 terminals, operating software and hardware, and warranty of the system.

Schedule D: Ratification of Completed Procurement Actions



Item Number: 3

Vendor Name (Location) S&A Systems, Inc. (Rockwall, Texas)	Contract Numbers B40612 (Capital) B40612OPR (Operating)	Renewal? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Description Purchase and Installation of an Automated Fuel Management System	Total Amount: NYC Transit \$3,722,063 Capital \$908,243 Operating MTABC \$1,383,375 Capital \$334,615 Operating <div style="text-align: right;">\$6,348,296</div>	
Contract Term (including Options, if any). December 2022–October 2027	Funding Source <input checked="" type="checkbox"/> Operating <input checked="" type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:	
Option(s) included in Total Amount? <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> n/a	Requesting Department Department of Buses, MTA Bus Company, Frank Annicaro	
Procurement Type <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Noncompetitive		
Solicitation Type <input type="checkbox"/> RFP <input type="checkbox"/> Bid <input checked="" type="checkbox"/> Other: Immediate Operating Need		

Discussion:

It is requested that the Board formally ratify the declaration of an Immediate Operating Need (“ION”) approved by the Deputy Chief Procurement Officer, MTA Procurement, waiving formal competitive bidding pursuant to Article III, Paragraph A, of the All-Agency Procurement Guidelines and Public Authorities Law 1209, subsection 9(a), and 1265-a, subsection 4(a) and approve the purchase and installation of an automated fuel management system consisting of 78 terminals, operating software and hardware, and warranty of the system for a period of five years from S&A Systems, Inc. (“S&A”).

The existing fuel management system in use by Department of Buses (“DOB”) and MTA Bus Company (“MTABC”) has exceeded its designed lifetime. In preparation for the procurement of a replacement system, a Request for Information was conducted: seven vendors responded, five were invited for oral presentations, and two were selected to complete a six-month pilot of their systems. DOB developed criteria to evaluate system reliability, functionality, compatibility and connectivity with current fueling systems; and data production to support predictive maintenance support. At the conclusion of the pilot, S&A’s Fleetwatch system was deemed the superior fuel management solution. The Fleetwatch system consists of terminals installed in fuel lanes for both buses and nonrevenue vehicles to automatically collect various data regarding fuel dispensing including diesel, compressed natural gas, and gasoline. The data is centralized in a cloud-based system that can interface directly with SPEAR (the in-house fleet management system for DOB and MTABC), providing various data points from which to enhance fleet maintenance and operations. The system is designed for an operating life of up to 25 years and uses a universal design well-established in the industry in both the public transit and commercial trucking sectors. As a result, the system is not unique to the MTA and its components are commercially available.

Due to the obsolescence and the continuous risk of failures without remedy of the existing system, an ION was declared to purchase the Fleetwatch system. As a result, an informal competitively negotiated estimated quantity contract for the purchase and installation of an automated fuel management system for DOB and MTABC was awarded to S&A. The system will consist of 78 terminals installed at all 28 DOB and MTABC bus depots and central maintenance facilities. Included in the contract are operating software, five years each of cloud-based data management and software support, and a five-year software and equipment warranty. The initial price proposal submitted was \$7,156,374. Negotiations resulted in the final price of \$6,348,296. A savings of \$808,078 was achieved. Procurement and NYC Transit’s Cost Price Analysis Unit have determined the price to be fair and reasonable.

Installation of the terminals will occur over a period of two years on a per-facility basis. Once the system is completely installed and online at a particular facility, a software maintenance, data connection, and warranty charge for that depot’s terminals will commence, and continue monthly through the expiration of the contract.

This contract has been evaluated to determine the necessity and appropriate scope, if any, of cybersecurity requirements, including any requirements under federal, state, and local law and regulations. Any applicable cybersecurity requirements to the extent required have been included in the contract terms and conditions.

S&A has certified that pursuant to EO 16 it is not doing business in Russia.

Impact on Funding

This procurement action will utilize 100 percent MTA funds of \$5,105,438 in Capital funding approved within the 2015–2019 and 2020–2024 Capital Plans, and \$1,242,858 in Operating funds.

Staff Summary

Subject Authorization to Issue 2023 MTA and TBTA New Money Bonds, Bond Anticipation Notes, and Refunding Obligations; Reimbursement Resolutions for Federal Tax Purposes
Department Finance
Department Head Name Kevin Willens, Chief Financial Officer
Department Head Signature
Project Manager Name Patrick J. McCoy, Deputy Chief, Financial Services

Date December 21, 2022
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref #

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance Comm.	12/19/22			
2	Board	12/21/22			

Internal Approvals			
Order	Approval	Order	Approval
1	Legal	2	Chief of Staff

PURPOSE:

The MTA Finance Department is seeking MTA and TBTA Board authorization and approval of the necessary documentation to issue new money bond anticipation notes (BANs) and bonds to finance (i) capital projects set forth in approved transit and commuter capital programs, (ii) MTA working capital borrowings in amounts to be authorized from time to time by the MTA Board, (iii) capital projects set forth in MTA Bridges & Tunnels capital programs, and (iv) costs of the TBTA central business district tolling program (the “CBDTP”). In order to provide additional flexibility relating to the issuance of such bond anticipation notes and bonds during the year, the aggregate principal amounts authorized hereby reflect the amounts set forth in the most recent approved Financial Plan for calendar years 2023 and 2024, as such Financial Plan may be amended from time to time (the “Authorized Maximum Amounts”), currently projected to be (i) \$2.425 billion in the case of transit and commuter capital programs and (ii) \$1.474 billion in the case of MTA Bridges and Tunnels capital programs, which amount includes \$325 million projected to be issued for the CBDTP. If needed, MTA working capital borrowings will require additional approval of the MTA Board.

In addition, the MTA and TBTA Boards periodically adopt reimbursement resolutions to maintain the ability of MTA and MTA Bridges and Tunnels to finance capital projects in the capital improvement programs and for the CBDTP on a tax-exempt or tax-advantaged basis, consistent with Federal tax law. The MTA Finance Department also seeks adoption of the consolidated supplemental resolutions to preserve the ability to finance certain capital projects on a tax-exempt or tax-advantaged basis.

The MTA Finance Department will report to the Board on the status of the proposed debt issuance schedule, the results of each note and bond issue and planned note and bond issues. It is expected that the MTA Finance Department will seek renewed authorization and approval for debt issuance annually hereafter to update debt issuance expectations.

The attached annual supplemental resolutions provide for capital project and working capital financings with the issuance of MTA’s Transportation Revenue obligations, Dedicated Tax Fund senior and subordinate obligations and Payroll Mobility Tax working capital obligations, and of TBTA’s General Resolution senior and subordinate obligations, Payroll Mobility Tax senior and subordinate obligations, City Sales Tax senior and subordinate obligations and CBDTP obligations.

Staff Summary

DISCUSSION:

MTA and TBTA Board approval is sought for the following two resolutions, documents and activities in connection with the issuance of bonds and/or BANs in an aggregate principal amount not to exceed what is necessary to finance, as applicable, (i) capital projects for the transit and commuter systems set forth in approved capital programs and MTA Bridges & Tunnels, (ii) certain MTA working capital projects in amounts to be authorized from time to time by the MTA Board, and (iii) costs of CBDTP:

- Multiple credit supplemental resolution authorizing MTA new money bonds, bond anticipation notes, refunding obligations and parity reimbursement obligations for transit and commuter programs and/or working capital purposes (collectively, “MTA Obligations”), including providing for the following:
 - Issuance of new money bonds and bond anticipation notes in an amount sufficient to produce net proceeds of up to the Authorized Maximum Amount applicable to transit and commuter programs (excluding obligations issued to refinance such new money bonds and bond anticipation notes) in one or more series from time to time, necessary to finance MTA transit or commuter capital programs (less amounts issued for such purposes under the TBTA multiple credit supplemental resolution referenced below), or to retire such obligations when due, plus accrued interest, applicable issuance costs and any original issue discount,
 - Issuance of refunding obligations without limitation to refund and/or refinance other outstanding obligations that meet the Board adopted policy on refundings, if applicable,
 - Issuance of new money bonds and bond anticipation notes in amounts to be authorized from time to time by the MTA Board necessary to finance MTA working capital in one or more series from time to time, or to retire such obligations when due, plus accrued interest, applicable issuance costs and any original issue discount,
 - Issuance of MTA Obligations in competitive or negotiated public sales, by direct placement or in connection with a revolving credit or other loan agreement,
 - Issuance of MTA Parity Reimbursement Obligations and other Parity Debt in an amount sufficient to secure any Credit Facilities entered into in connection with the issuance of MTA Obligations, and
 - Reimbursement of expenditures for MTA capital programs.
- Multiple credit supplemental resolution authorizing TBTA senior and subordinate new money bonds, bond anticipation notes, refunding obligations and parity reimbursement obligations (collectively, TBTA Obligations”) for TBTA capital projects, MTA transit or commuter capital programs and costs of CBDTP, including providing for the issuance of the following:
 - Issuance of TBTA general resolution senior and subordinate new money bonds and bond anticipation notes in an amount sufficient to produce net proceeds of up to the Authorized Maximum Amount applicable to TBTA capital projects (excluding obligations issued to refinance such new money bonds and bond anticipation notes) in one or more series from time to time, necessary to finance TBTA capital projects, or to retire such obligations when due, plus accrued interest, applicable issuance costs and any original issue discount,
 - Issuance of new money bonds and bond anticipation notes in an amount sufficient to produce net proceeds of up to the Authorized Maximum Amount applicable to transit and commuter programs (excluding obligations issued to refinance such new money bonds and bond anticipation notes) in one or more series from time to time, necessary to finance MTA transit or commuter capital programs (less amounts issued for such purposes under the MTA multiple credit supplemental resolution referenced above), or to retire such obligations when due, plus accrued interest, applicable issuance costs and any original issue discount,
 - Issuance of refunding obligations without limitation to refund and/or refinance other outstanding obligations that meet the Board adopted policy on refundings, if applicable,
 - Issuance of new money bonds and bond anticipation notes in an amount sufficient to produce net proceeds of up to the Authorized Maximum Amount applicable to the CBDTP (excluding obligations issued to refinance such new money bonds and bond anticipation notes) in one or more series from time to time,

Staff Summary

necessary to finance or refinance the costs of the CBDTP pursuant to a previously approved resolution of TBTA,

- o Issuance of TBTA Obligations in competitive or negotiated public sales, or by direct placement,
- o Parity Reimbursement Obligations and other Parity Debt in an amount sufficient to secure any Credit Facilities entered into in connection with the issuance of TBTA Obligations, and
- o Reimbursement of expenditures for each of the bridge and tunnel capital improvement program, the MTA capital program and the central business district tolling program.

With respect to the above-referenced financial transactions, MTA and TBTA Board approval, as applicable, is sought:

(a) delegating authority to the Chairman, the Chief Financial Officer or the Deputy Chief, Financial Services of MTA to award the obligations either pursuant to competitive bid or to members (or entities related to such firms) of the Board-approved MTA underwriting syndicate or authorized purchasers under a federal or State of New York program and to execute and/or deliver in each case, where appropriate:

- o Notices of Sale and bid forms,
- o Purchase Agreements with underwriters and other authorized purchasers,
- o Direct Purchase Agreements,
- o Revolving Credit Agreements or other Loan Agreements,
- o Official Statements and other disclosure documents,
- o Continuing Disclosure Agreements and related filings,
- o Remarketing Agreements and Firm Remarketing Agreements,
- o Dealer and Broker/Dealer Agreements,
- o Issuing and Paying Agent and Tender Agent Agreements,
- o Credit Facilities and related Parity Reimbursement Obligations and Parity Debt,
- o Related Subordinated Contract Obligations,
- o Escrow Agreements, and
- o Investment Agreements.

Any such documents will be in substantially the form of any document previously entered into by MTA or TBTA for previous issues, with such changes as approved by any one or more of the foregoing officers.

(b) authorizing such officers to terminate, amend, supplement, replace or extend any such documents, including Credit Facilities (and related Parity Reimbursement Obligations and Parity Debt), as they shall deem advisable, and to take such other actions as may be necessary or desirable to effectuate the issuance of the new money bonds and BANs and other financial transactions set forth above, on behalf of MTA, TBTA or other MTA subsidiaries and affiliates.

ALTERNATIVES:

There are no viable funding alternatives to meeting the bond funded portion of approved capital programs.

RECOMMENDATION:

The MTA and TBTA Boards approve the above-referenced resolutions and documents and all other actions described above, including the execution and delivery of such other documents, and the taking of all other actions, from time to time deemed necessary or desirable by such officers in connection therewith. The authorization to issue the bonds and bond anticipation notes and take other related actions hereunder shall continue in effect without any further action by the MTA and TBTA Boards until the adoption by the MTA and TBTA Boards of subsequent bond supplemental resolutions relating to 2024 BANs and bond issues (except that rollover 2023 BANs and bonds may still be issued to refinance 2023 BANs outstanding at any time, and the authorization to issue obligations to finance the CBDTP shall continue until modified or repealed) unless (a) the MTA and TBTA Boards shall have confirmed the effectiveness of this authorization for an additional period, or (b) the MTA and TBTA Boards shall have modified or repealed this authorization.

Staff Summary

Subject
Authorization to Incur a Subordinated Contract Obligation under the Transportation Revenue Bond Resolution in connection with the ADA P3 Accessibility Project
Department
Finance
Department Head Name
Kevin Willens, Chief Financial Officer
Department Head Signature
Project Manager Name
Patrick J. McCoy, Deputy Chief, Financial Services

Date
December 21, 2022
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref #

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance Comm.	12/19/22			
2	Board	12/21/22			

Internal Approvals			
Order	Approval	Order	Approval
1	Legal	2	Chief of Staff

PURPOSE:

The MTA Finance Department is seeking MTA Board authorization and approval of the necessary documentation to incur a Subordinated Contract Obligation under the Transportation Revenue Bond Resolution (the “TRB Resolution”) to make funds available, in an amount not to exceed \$350 million for the payment of the Capital Availability Payment under the Public-Private Partnership Project Agreement among the MTA C&D, acting on behalf of MTA, and the counterparty selected pursuant to the competitive request for proposal issued by MTA C&D relating to the Project (Project Agreement No. A37140) (the “Project Agreement”) relating to the design, construction, financing and maintenance of ADA accessibility upgrades at thirteen stations throughout New York City (the “Project”) to Elevated Accessibility Enhancements (“EAE” or the “Developer”). At its November 30, 2022 meeting, the MTA C&D Board approved the award of the Project Agreement to the Developer.

The attached supplemental resolution provides authorization for the issuance of a Subordinated Contract Obligation to evidence the Capital Availability Payment portion of payments due to the Developer under the Project Agreement (“Subordinated Contract Obligation No. 1”).

DISCUSSION:

The Project Agreement is one of a series of Americans with Disabilities Act (“ADA”) projects in support of the MTA's commitment to make stations accessible. The Project Agreement includes designing and constructing the improvements for ADA compliance, including installation of twenty-one (21) new elevators, path-of-travel improvements, and associated state of good repair work at the following eight (8) New York City Transit Authority subway stations (“Stations”):

- Church Avenue Station and Sheepshead Bay Station on the BMT – Brighton Line (B, Q),
- Rockaway Boulevard Station on the IND – Liberty Avenue Line (A),
- Kings Highway Station on the IND – Culver Line (F),
- Woodhaven Boulevard Station, and Steinway Street Station on the IND – QBL Line (M, R),
- Junius Street Station on the IRT- New Lots Line (3), and
- Mosholu Parkway Station on the IRT – Jerome Avenue Line (4).

Staff Summary

The Project Agreement also includes fourteen (14) elevator replacements, path-of-travel improvements and associated state of good repair work at the following five (5) Stations:

- 34th Street-Penn Station on the IND – 8th Avenue Line (A, C, E),
- Euclid Avenue Station on the IND – Fulton Street Line (A, C),
- 161st Street-Yankee Stadium Station on the IND Concourse Line (B, D),
- 161st Street-Yankee Stadium Station on the IRT Line (4), and
- 3rd Avenue-149th Street Station on the IRT Line (White Plains Road) (2, 5).

(the foregoing thirty-five elevators (35), together with related equipment being “the New Elevators”). The Project Agreement is the first of the ADA elevator projects to be awarded using the P3 model, which, among other things, incorporates into the Project Agreement the requirement that Developer maintain the New Elevators, and finance a portion of the Project.

The availability payments to the Developer contain a capital availability payment component (“Capital Availability Payment”), for the payment of debt and equity return, and a maintenance availability payment component (“Maintenance Availability Payment”), for the payment of ongoing maintenance (together the “Availability Payments”). Failure of the Developer to satisfy maintenance performance requirements in the Project Agreement results in the reduction of the Maintenance Availability Payment and/or the equity payment component of the Capital Availability Payment, providing the elevator maintainer, the Developer, and the Developer’s equity owners with strong incentives to satisfy the maintenance performance requirements in the Project Agreement. Under the P3 model, by having the Developer finance a portion of the Project with equity that is only repaid if the Developer successfully delivers and maintains the Project to the MTA’s maintenance standards, MTA was able to provide the teams flexibility to propose performance-based solutions to project delivery, which resulted in total project savings versus MTA C&D’s internal estimates.

The Project Agreement has a fifteen (15) year maintenance period, commencing with achievement of substantial completion of the Project; and two 5-year option periods, exercisable at MTA’s discretion at fixed prices included in the Project Agreement.

The Capital Availability Payment will be secured as a Subordinated Contract Obligation under the TRB Resolution. The Subordinated Contract Obligation will be payable out of, and secured by a pledge and lien subordinate in all respects to the lien on and pledge created by the TRB Resolution for the payment of Transportation Revenue bonds and Parity Debt issued thereunder, and on parity in all respects with any lien and pledge created by the TRB Resolution for the payment of interest on obligation anticipation notes issued thereunder. Such lien and pledge will be on parity with or senior to the lien on any Subordinated Contract Obligations issued under the TRB Resolution while Subordinated Contract Obligation No. 1 relating to the Capital Availability Payment is outstanding. In order to secure the Capital Availability Payment as a Subordinated Contract Obligation under the TRB Resolution, MTA Board approval is sought for the following supplemental resolution, documents and activities in connection with the incurrence of the Subordinated Contract Obligation No. 1:

- Subordinated Contract Obligation No. 1 supplemental resolution authorizing Subordinated Contract Obligation No. 1.

With respect to the above-referenced, MTA Board approval is sought:

delegating authority to the Chairman, Chief Financial Officer or the Deputy Chief, Financial Services of MTA to determine whether and when to incur the Subordinated Contract Obligation No. 1, in an amount not exceeding the amount set forth in the Supplemental Resolution to execute and/or deliver, where appropriate the Subordinated Contract Obligation, a Continuing Disclosure Agreement and related filings, if applicable, and further agreements, certificates and documents necessary or desirable to effectuate the purposes and intents of the Supplemental Resolution.

ALTERNATIVES:

There are no viable funding alternatives to secure the obligation to pay the Capital Availability Payment.

Staff Summary

RECOMMENDATION:

The MTA Board approves the above-referenced resolution and documents and all other actions described above, including the execution and delivery of such other documents, and the taking of all other actions, from time to time deemed necessary or desirable by such officers in connection therewith. The authorization to incur the Subordinated Contract Obligation No. 1 and take other related actions hereunder shall continue in effect without any further action by the MTA Board until the adoption by the MTA Board of a subsequent bond supplemental resolutions relating to Subordinated Contract Obligation No. 1 unless the MTA and TBTA Boards shall have modified or repealed this authorization.

Subject Grand Central Madison Zone 1 and Combo Ticket Pilots	Date December 15, 2022
Department Office of the Chief Financial Officer	Vendor Name
Department Head Name Kevin Willens, Chief Financial Officer	Contract Number
Department Head Signature	Contract Manager Name
Project Manager Name	Table of Contents Ref #

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance Committee	12/19/22	X		
2	MTA Board	12/21//22	X		

Internal Approvals			
Order	Approval	Order	Approval
1	Chief of Staff		
2	General Counsel		

Purpose

To obtain Board approval for two actions related to the launch of Grand Central Madison (GCM) service: 1) establish Grand Central Madison as a LIRR/MNR Zone 1 station on a temporary pilot basis, and 2) launch a temporary fare pilot, the one-way and round-trip “Combo Ticket”, for trips combining travel on both Long Island Rail Road (LIRR) and Metro-North Railroad (MNR).

In order to enable customers to purchase and utilize tickets to/from GCM, it must be added to the tariff and ticket selling system. Given its geographic location in Manhattan and as a New York City terminal, it is recommended that GCM be established in the same fare zone as the other City railroad terminals (LIRR: Penn Station, Atlantic Terminal, Long Island City, Hunterspoint Avenue, and MNR: Grand Central Terminal). This designation would remain in effect on a temporary pilot basis until the next permanent fare change process.

Long Island Rail Road’s new service to Grand Central will enable travel across the region, significantly cutting travel times with the combined terminal at GCM. A simplified fare structure for these trips that combines both commuter railroads will facilitate seamless travel throughout the region.

The Combo Ticket will be available for use during both the peak and off-peak and would be valid on date of purchase only. The fare would equal the off-peak fare of the first railroad leg of the journey plus a flat \$8 for the second railroad leg of the journey. This would eliminate the complexity of the distance-based fare structure for the second leg of the journey. The MTA’s aim for this pilot is to build the market for intraregional travel, through an easy-to-understand fare structure.

To use the Combo Ticket, customers must purchase and validate the Combo Ticket before arrival at Grand Central. The Combo Ticket will be available for purchase within the TrainTime mobile app and at station Ticket Vending Machines and windows, at all locations outside of Manhattan.

The duration of this fare pilot would be at least three months and may continue until the next permanent fare change process. Based on Combo Ticket ridership patterns and customer feedback, MTA may study a further integrated fare structure that offers more combined products in addition to the one-way Combo Ticket. MTA will conduct all required Title VI analyses.

Impact on Funding

These actions will not have a significant impact on farebox revenue. The Financial Plan assumes that GCM would be established as a station in the same fare zone as the other New York City terminals. Regarding the Combo Ticket, given the small existing market for intraregional commuter rail trips. Currently, only an estimated 0.15% of all Railroad trips combine travel on both Railroads.

Recommendation

It is recommended that the MTA Board approve these actions.

DECEMBER 2022
MTA REAL ESTATE
ACTION ITEMS FOR BOARD APPROVAL

MTA LONG ISLAND RAIL ROAD

Authorization to acquire property interests by negotiated settlement or eminent domain for the Yaphank Landfill Remediation Project, Brookhaven, NY

METRO NORTH RAILROAD

Aquisition of easements at NYC Parks' Hutchinson River Parkway Extension in the Bronx in support of the Penn Station Access Project, Bronx, NY

Surrender and early termination agreement with Rite-Aid for its lease in Grand Central Terminal

Staff Summary

Subject ACQUISITION OF EASEMENTS FOR THE YAPHANK LANDFILL REMEDIATION PROJECT
Department REAL ESTATE
Department Head Name DAVID FLORIO
Department Head Signature
Project Manager Name NEIL MASTROPIETRO

Date DECEMBER 21, 2022
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref. #

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance Committee	12/19/2022	X		
2	Board	12/21/2022	X		

Internal Approvals			
Order	Approval	Order	Approval
1	Legal		
2	Chief Development Officer		
3	Chief Financial Officer		

AGENCY: Metropolitan Transportation Authority (“MTA”) and MTA Long Island Rail Road (“LIRR”)

GRANTEES: Various grantees, see attached schedule

LOCATION: Various locations in the vicinity of the Brookhaven/Yaphank Landfill

SPACE: 10 temporary easements and 7 permanent easements (“collectively “Easements”)

ACTIVITY: Acquisition of Easements through negotiated agreement or eminent domain

ACTION REQUESTED: Authorization to acquire Easements through negotiated agreement or eminent domain

COMPENSATION: To be determined separately for each Easement via appraisal as required

COMMENTS:

In 2019, the LIRR entered into a Brownfield Cleanup Agreement with the New York State Department of Environmental Conservation (NYSDEC) for the purpose of investigating and remediating property in the vicinity of the Town of Brookhaven Landfill, also known as the Yaphank Landfill. This site was previously used for storage, and there are no available records regarding prior disposal operations conducted by the LIRR. Materials believed to be stored were railroad ties and other equipment typically used for rail operations. Multiple investigations at the site were conducted from the 1990s through 2018, and surface and subsurface contamination associated with historical disposal operations was found. Cleanup and remediation are required in order to address this contamination.

In addition to LIRR’s property, there are portions of adjacent properties that are required to complete this work. The adjacent properties are owned by three private owners: Nicola Ready Mix, Inc. (AKA Arriva Transport Corp.), Asbestos Transportation Company, and Frank Dolinski. In connection with this project, the MTA must acquire permanent and temporary easements on the adjacent properties. The attachment to this staff summary lists each of the required Easements by property owner and tax lot.

The MTA will endeavor to acquire all Easements for the project through negotiated agreements. However, should the MTA be unable to reach agreements with any of the three property owners, the Easements will need to be acquired via eminent domain. Thus, Board approval is being sought for the MTA to begin taking steps to satisfy the requirements of Eminent Domain Procedure Law in order to preserve the MTA’s rights and lessen the potential for future delays to the project and ensure the timely acquisition of the Easements. If a negotiated agreement to acquire any of the Easements is reached prior to the filing of condemnation papers with the court, the terms of any such agreement will be presented to the Finance Committee and MTA Board for further approval.

Based on the foregoing, MTA Real Estate requests authorization to proceed with the acquisition, by negotiated agreement or condemnation, of the noted Easements, on the above-described terms and conditions.

Staff Summary

FINANCE COMMITTEE MEETING

ACQUISITION OF EASEMENTS FOR THE YAPHANK LANDFILL REMEDIATION PROJECT (Cont'd.)

BOARD RESOLUTION

WHEREAS, the MTA is undertaking the investigation and remediation of portions of the Town of Brookhaven Landfill, also known as the Yaphank Landfill (the "Project"); and

WHEREAS, in connection with the Project, a number of temporary and permanent acquisitions of Easements will be required, as more particularly set forth on the attachment to this Resolution; and

WHEREAS, the MTA will endeavor to acquire the Easements through mutually negotiated agreements with the affected property owners and tenants, but to preserve MTA's rights and lessen the potential for future delays to the project if agreements cannot be negotiated in a timely manner, MTA must take preliminary steps under the Eminent Domain Procedure Law to secure the Easements needed for the Yaphank Landfill Remediation project;

NOW THEREFORE, BE IT RESOLVED that in accordance with the Eminent Domain Procedure Law and Section 1267 of the Public Authorities Law, the Chairman or designated staff member of the Authority is authorized to proceed with the acquisition of temporary and permanent easements in the properties described, through negotiated agreements or eminent domain, and to schedule and undertake such preliminary steps, including holding a public hearing, as may be required under the Eminent Domain Procedure Law, in connection with these acquisitions.

BE IT FURTHER RESOLVED, that the proposed acquisitions will be subject to prior, satisfactory completion of any required environmental reviews.

See attachment for list of properties.

This resolution shall take effect immediately upon its adoption.

Staff Summary

**FINANCE COMMITTEE MEETING
ACQUISITION OF EASEMENTS FOR THE YAPHANK LANDFILL REMEDIATION PROJECT (Cont'd.)**

<u>Section</u>	<u>Block</u>	<u>Lot</u>	<u>Reputed Owner</u>	<u>Easement Size</u>	<u>Type of Interest</u>	<u>Duration</u>
641	1	12	Frank Dolinski	13,784 SF	Temporary	1 month
641	1	13	Nicola Ready Mix, Inc. / ATC	32,785 SF	Temporary	12 Months
641	1	13	Nicola Ready Mix, Inc. / ATC	25,909 SF	Permanent	n/a
641	1	14	Nicola Ready Mix, Inc. / ATC	4,553 SF	Temporary	12 Months
641	1	14	Nicola Ready Mix, Inc. / ATC	4,686 SF	Permanent	n/a
641	1	15	Nicola Ready Mix, Inc. / ATC	2,667 SF	Temporary	12 Months
641	1	15	Nicola Ready Mix, Inc. / ATC	4,657 SF	Permanent	n/a
641	1	16	Nicola Ready Mix, Inc. / ATC	1,734 SF	Temporary	12 Months
641	1	16	Nicola Ready Mix, Inc. / ATC	4,522 SF	Permanent	n/a
641	1	17	Nicola Ready Mix, Inc. / ATC	3,568 SF	Temporary	12 Months
641	1	17	Nicola Ready Mix, Inc. / ATC	7,698 SF	Permanent	n/a
641	1	18	Nicola Ready Mix, Inc. / ATC	9,368 SF	Temporary	12 Months
641	1	18	Nicola Ready Mix, Inc. / ATC	21,379 SF	Permanent	n/a
641	1	19	Nicola Ready Mix, Inc. / ATC	7,334 SF	Temporary	12 Months
641	1	20	Nicola Ready Mix, Inc. / ATC	4,306 SF	Temporary	12 Months
641	1	44	Asbestos Transportation Company Inc.	51,338 SF	Temporary	2 Months
641	1	44	Asbestos Transportation Company Inc.	51,338 SF	Permanent	n/a

Staff Summary

6Subject ACQUISITION OF EASEMENTS AT NYC PARKS' HUTCHINSON RIVER PARKWAY EXTENSION IN THE BRONX
Department REAL ESTATE
Department Head Name DAVID FLORIO
Department Head Signature
Project Manager Name ANGELA SZU

Date DECEMBER 21, 2022
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref. #

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance Committee	12/19/2022	X		
2	Board	12/21/2022	X		

Internal Approvals			
Order	Approval	Order	Approval
1	Legal		
2	Chief Administrative Officer		
3	Chief Financial Officer		

AGENCY: Metropolitan Transportation Authority (“MTA”) and MTA Metro-North Railroad (“MNR”)

GRANTOR: New York City Department of Parks and Recreation (“NYC Parks”)

LOCATION: Hutchinson River Parkway Extension in the Bronx (“Parkway Property”)

ACTIVITY: Acquisition of one permanent exclusive easement and two non-exclusive access easements (“Easements”) in support of the Penn Station Access Project (“PSA”)

ACTION REQUESTED: Authorization to acquire the Easements for PSA at NYC Park’s Parkway Property pursuant to PAL 1266 (12-a)

COMPENSATION: TBD

COMMENTS:

In connection with the construction of PSA, a number of permanent acquisitions will be required for stations (including platforms, stairways, walkways, and Americans with Disabilities Act compliance), electrical substations, and right-of-way (“ROW”) augmentations along Amtrak’s Hell Gate Line.

One permanent exclusive easement and two non-exclusive access easements have been identified within NYC Parks’ Parkway Property to be needed for Amtrak’s Hell Gate Line ROW augmentations near the proposed Co-op City Station in the Bronx. The permanent exclusive easement that has been identified as required will be for the foundation of a replacement overhead catenary structure and the two non-exclusive access easements are for vehicular access to the south side of the Amtrak ROW.

Per NYC Parks, the lands within Hutchinson River Parkway Extension are parkway properties, not parkland, so alienation is not required to authorize NYC Parks’ conveyance of real property interests within the Parkway Property.

Enacted by the New York State legislation and included in the 2020-2021 Enacted Budget, PAL 1266 (12-a) created a valuation procedure for transfers to or acquisitions by the MTA of City of New York (the “City”) owned real property, or interests in real property, needed by the MTA for certain capital projects in the 2015-2019 and 2020-2024 capital programs. PAL 1266 (12-a) requires valuations of the City’s real property interests and negotiations with the City to determine fair market value to be conducted after 1) the MTA has identified the need for such property interests, and 2) the City has consented to their transfer or acquisition. The legislation was enacted to enable the MTA to acquire from the City the real property interests needed for critical MTA capital projects timely, efficiently, and cost-effectively.

Staff Summary

FINANCE COMMITTEE MEETING

Acquisition of Easements at NYC Park's Hutchinson River Parkway Extension (Cont'd.) Page 2 of 2

The MTA has identified to the City and NYC Parks the Easements required for PSA, and the City has consented to the transfer of the Easements to the MTA.

Pursuant to PAL 1266 (12-a), after the MTA acquires title to the real property interests, the MTA will make a written offer to pay the City the fair market value for the said real property interests, based on an appraisal, and if needed will commence negotiations with the City to determine fair market value. MTA Real Estate will inform the MTA Board after negotiations with the City have concluded and the fair market value for the said real property interests is determined.

Based on the foregoing, MTA Real Estate requests authorization for the MTA to acquire property interests from NYC Parks on the above-described terms and conditions.

Staff Summary

Subject SURRENDER AND EARLY TERMINATION AGREEMENT WITH RITE-AID FOR ITS LEASE IN GRAND CENTRAL TERMINAL
Department REAL ESTATE
Department Head Name DAVID FLORIO
Department Head Signature
Project Manager Name DAVID FLORIO

Date DECEMBER 21, 2022
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref. #

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance Committee	12/19/2022	X		
2	Board	12/21/2022	X		

Internal Approvals			
Order	Approval	Order	Approval
1	Legal		
2	Chief Administrative Officer		
3	Chief Financial Officer		

AGENCY: Metropolitan Transportation Authority (“MTA”) and MTA Metro-North Railroad (“MNR”)
LESSEE: Rite-Aid Corporation (“Rite-Aid”)
LOCATION: Space MC-10 Main Concourse, Grand Central Terminal
ACTIVITY: Agreement for surrender and early termination
ACTION REQUESTED: Approval of terms
TIME PERIOD: December 1, 2022 – February 29, 2024
SPACE: 7,500 square feet
COMPENSATION: Fourteen (14) months at 33% of current Minimum Rent, plus Additional Rent and an early termination fee of \$8,900,000.

COMMENTS:

Rite-Aid has been a tenant in Grand Central Terminal since its re-opening in 1998. The current lease was the product of a Request for Proposals (“RFP”) issued by MTA Real Estate in 2019. It commenced March 4, 2020 and expires March 31, 2030. Since 2020, Rite-Aid has closed 27 stores in New York alone. This is in addition to 117 store closures across the country. As a result of these challenging times, Rite-Aid approached MTA Real Estate seeking to close its location in Grand Central Terminal in December of this year and offered a negotiated settlement of its remaining lease obligations.

As a result of negotiations, Rite-Aid agreed (i) to remain open and operating through December 31, 2023 and surrender the Premises on February 29, 2024, (ii) pay a reduced rent during that period of 33 % of the current Minimum Rent in addition to the payment of Additional Rent due under the Lease and (iii) pay a termination payment in the amount of \$8,900,000 (“Termination Payment”). To date Rite-Aid has been current on the Rent due under the Lease.

The Termination Payment will be paid upon execution of the settlement agreement, not upon surrender of the Premises in 2024. The Termination Payment is based on a reduced rent equal to \$189 per square foot – as opposed to the \$362.41 per square foot Rite-Aid has and currently pays discounted by 4% as set forth in the Lease. The lower amount represents (i) rent that MTA Real Estate’s third-party retail broker (CBRE) indicates is in line with the current market; and (ii) an amount closer to the number proposed by the number two proposer in the 2019 RFP.

Staff Summary

FINANCE COMMITTEE MEETING

SURRENDER AND EARLY TERMINATION AGREEMENT WITH RITE-AID FOR ITS LEASE IN GRAND CENTRAL TERMINAL (Cont'd.)

Page 2 of 2



Metropolitan Transportation Authority

As such the Termination Payment is viewed as an appropriate amount given the market conditions and the costs that would be associated with litigation. Moreover, execution of the settlement agreement will allow MTA Real Estate to remarket the space immediately and not risk having to suddenly market a dark space upon a potential future and unexpected abandonment and surrender of the space.

Based upon the foregoing, the MTA Real Estate Department requests authorization for MTA and MNR to execute the settlement agreement on the terms set forth above.