



December 2023

MTA Board Action Items



MTA Board Meeting
2 Broadway
20th Floor Conference Room
New York, N.Y. 10004
Wednesday, 12/20/2023
9:00 AM - 12:00 PM ET

1. PUBLIC COMMENT PERIOD

2. PRESENTATIONS

**3. ADOPTION OF 2024 BUDGET and 2024-2027 FINANCIAL PLAN (Action Items)
(Materials distributed separately and available in the Exhibit Book and MTA.Info)**

4. APPROVAL OF MINUTES

**MTA and MTA Agencies Regular Joint Committee and Board Meeting Minutes for
November 2023 (Meeting Held 12-6-2023)**

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 Joint Committee and Board Meeting Minutes for November,
2023 (Meeting Held December 6, 2023) - Page 4*

5. COMMITTEE ON CAPITAL PROGRAM

C&D Procurements

C & D Procurements - Page 14

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 54

ii. Ferry Landing/Parking Agreement with City of Newburgh

Ferry Landing/Parking Agreement with the City of Newburgh - Page 55

iii. County of Westchester Employer-Based Shuttle Agreement

County of Westchester Employer-Based Shuttle Agreement - Page 57

LIRR Procurements

LIRR Procurements - Page 59

7. COMMITTEE ON NYCT & BUS

NYCT & Bus Procurements

Procurement Staff Summary - Page 70

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

9. COMMITTEE ON FINANCE

Action Item

i. Authorization to Issue 2024 MTA and TBTA New Money Bonds, Bond Anticipation Notes, and Refunding Obligations; Reimbursement Resolutions for Federal Tax Purpose

Authorization to Issue 2024 MTA and TBTA New Money Bonds, Bond Anticipation Notes, and Refunding Obligations; Reimbursement Resolutions for Federal Tax Purposes Staff Summary (Resolution Available in the Exhibit Book and MTA.Info) - Page 80

MTAHQ Procurements

MTAHQ Competitive Procurements - Page 84

Real Estate Items

i. Real Estate Agenda and Staff Summaries

Real Estate Agenda and Staff Summaries - Page 90

10. COMMITTEE ON CORPORATE GOVERNANCE

Action Item

i. Approval of Governance Guidelines (Guidelines available in the Exhibit Book)

Staff Summary Governance Guidelines 2023 - Page 152

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

12. 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 and Development Company, the MTA Bus Company and
the First Mutual Transportation Assurance Company
November Regular Board Meeting Minutes
Meeting Held on Wednesday, December 6, 2023
9:00 a.m.
2 Broadway
New York, NY 10004**

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

**Hon. Janno Lieber, Chair & CEO
Hon. Andrew Albert
Hon. Jamey Barbas
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. Dr. John-Ross Rizzo
Hon. John Samuelsen
Hon. Lisa Sorin
Hon. Neal Zuckerman**

The following alternate non-voting members were present:

**Hon. Gerard Bringmann
Hon. Norman Brown
Hon. Randolph Glucksman
Hon. Vincent Tessitore, Jr.**

Paige Graves, General Counsel, Lisette Camilo, Chief Administrative Officer, Kevin Willens, Chief Financial Officer, Patrick Warren, Chief Safety and Security Officer, Richard Davey, President, NYCTA, Frank Annicaro, Acting Chief Operating Officer, NYCT and Acting President, MTA Bus Company, Catherine Rinaldi, President, Metro-North Railroad, Rob Free, Acting President, LIRR, Catherine Sheridan, President, TBTA, Jamie Torres-Springer, President, MTA C&D, Chris Pangilinan, Vice President, Paratransit, Quemuel Arroyo, Chief Accessibility Officer, Shanifah Rieara, Senior Advisor for Communications and Policy/Interim Chief Customer Officer, Cate Contino, Director, Special Projects & Strategic Initiatives, Government and Community Relations, 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 2023 Board meeting.

General Counsel Paige Graves confirmed a quorum of the Board members in attendance.

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 Moderator advised that the public comments will be recorded, published to the MTA website, and available for MTA Board Members' review.

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

Jean Ryan, President, Center for Independence of the Disabled, NY (CIDNY)
Jason Anthony, Amazon Labor Union
Danny Pearlstein, Policy and Communications Director, Riders Alliance*
Judith Berdy, President, Roosevelt Island Historical Society*

MTA and Agencies' Regular Board Meeting Joint Minutes
November Board Meeting, Held on December 6, 2023

Vincent Pedulla, United Federation of Teachers
Christopher Greif, private citizen
Gian Pedulla, private citizen
Charlton D’Souza, President, Passengers United*
Andy Pollack, Passengers United*
Tiffany Ann Taylor, Vice President, Transportation at the Regional Plan Association (RPA)
Kara Gurl, PCAC
Miriam Fisher, private citizen*
Alex Matthiessen, private citizen*
Tasha Lerebours, Center for Independence of the Disabled, NY (CIDNY)
Lisa Daglian, Executive Director, PCAC
David Kupferberg, Passengers United*
Lee Berman, Democratic District Leader, 65th Assembly District, Part A*
Felicia Park Rogers, Tri-State Transportation Campaign
Michael J. Howard, private citizen
Michael Ring, Disabled In Action (DIA)
Joe Rappaport, Brooklyn Center for Independence of the Disabled (BCID)
Melisa Flores, private citizen*
Emma Ogunsua, private citizen, student*
Rick Horan, QueensLink*
Norbert Giesse, Civic United for Railroad Environmental Solutions (CURES)*
Trevor Holland, private citizen*
Vinod Malhotra, private citizen*
Aleta Dupree, private citizen*
Michael Ortiz, private citizen*
Richard Chow, private citizen*
Basin Osowski, New York Taxi Workers Alliance (NYTWA)*

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

Chair Lieber thanked all public speakers for their comments.

2. CHAIR LIEBER’S REMARKS.

Chair Lieber welcomed and thanked everyone for joining the November Board meeting.

Chair Lieber stated that this is an important moment for the MTA. Last week CFO Kevin Willens presented the November Financial Plan, which projects a balanced MTA budget for the next five years – even with significant service increases on the subways and commuter railroads, which is an extraordinary demonstration of not only the impact of Governor Hochul’s strong leadership, but also incredible professionalism at the MTA.

Chair Lieber stated that staff from across the organization, led by the agency Presidents, pored over data to find new efficiencies to meet the terms of the Governor’s State Budget agreement, calling on the MTA to achieve \$400 million in annual cost savings starting in 2024.

Thanks to the staff's hard work, the agency has exceeded its goal and is on track to reach \$500 million in recurring savings by 2025. Chair Lieber applauded NYCT President Richard Davey, Interim LIRR President/MNR President Catherine Rinaldi, whose experience running both railroads was a major asset during this process, and President Rinaldi's successor at LIRR, Rob Free, who's continuing to move LIRR forward.

Last week, the Presidents explained their agency's cost cutting efforts:

- leveraging data and technology to ensure that inspections of train car and bus components are on the most efficient cycle to reduce unplanned maintenance that can disrupt service;
- reducing unnecessary employee absences and ramping up hiring to cut overtime at Transit;
- implementing industry best practices at both railroads to ensure that inventory needed for required maintenance is always available and in the right facilities.

Chair Lieber stated that these efforts are common sense efficiencies that will go a long way to maintaining MTA's operating budget stability.

Chair Lieber noted that for the past year, MTA has been operating a new terminal -- Grand Central Madison, the fourth busiest passenger rail facility in the U.S, and at the same time increased LIRR service dramatically by close to 300 trains per day, which is almost equivalent to the number of trains New Jersey Transit runs into Penn Station every day. The agency also added significant service on eight subway lines, cutting headways 20-25%, with more to come next summer. Chair Lieber stated that despite these major service increases the MTA budget went down by 3%, while continuing to complete new ADA accessibility projects faster than any prior MTA administration. Two weeks ago, the agency opened three elevators at the 7th Avenue Station in Park Slope—the agency's seventh ADA opening of the year and as of today number eight is now operating at the 181st Street Station on the A line, and another four stations are in the final stages of construction.

Chair Lieber stated that 5 of the 351 elevators are experiencing unplanned work, resulting in a 98.5% availability—two of the outages are third party elevators. The elevators operated by NYCT are reporting at an availability of over 99%, and third-party elevators are reporting a 96% availability. Chair Lieber stated that for the past three months, NYCT-maintained elevators have achieved 98% availability, and the agency is proud of these maintenance practices and their results. President Richard Davey and Quemuel Arroyo, Chief Accessibility Officer, will provide further updates on the elevators next month.

Chair Lieber mentioning the incredible performance the agency is seeing from MTA's Access-A-Ride Paratransit service, stating that even as the agency regularly exceed pre-COVID ridership levels – with just shy of a million rides facilitated in November 2023, on-time performance (OTP) for primary service pickups within the 20-minute window was 88.2%, improving from 85% in September. For broker service OTP was 88.3% – a big increase from 82% in September, and even better, customer satisfaction remains higher than 70%. Chair Lieber stated that the agency will continue to work with the disability advocates, who are the MTA's partners. The Chair applauded Chief Accessibility Officer Quemuel Arroyo and

Paratransit Vice President Chris Pangilinan, who he stated runs a paratransit operation that exceeds entire transit services in other cities like Rochester, Syracuse, and Nashville.

Chair Lieber stated that later in the meeting the agency will consider initiating the State Administrative Procedures Act (SAPA), which is the state-required process of hearings, public outreach, and comments to review, under the state law, the Traffic Mobility Review Board's (TMRB) detailed recommendations on how to implement congestions pricing.

Chair Lieber stated that before the discussion of the TMRB's recommendations, he would like to discuss the status of the MTA's Capital Program – one of the major motivations for the State's decision to adopt congestion pricing in 2019.

Chair Lieber stated that the Capital Program is \$52 billion and for the past two years – after delays brought on by COVID – the agency has been really hitting its stride. Last year, the agency awarded \$11+ billion in contracts and this year it is on track to do another \$10 billion.

Chair Lieber stated that today C&D President Jamie Torres-Springer will discuss how delays to congestion pricing are starting to impact the pace of the agency's implementation of the Capital Program. The Chair stated that at a moment when the agency should be getting into overdrive, and when the C&D organization is moving projects through design and procurement at the pace, we all want, we are starting to see negative impacts from the delay of congestion pricing.

Chair Lieber stated that there is no recourse right now because Central Business District Tolling does represent 30% of our overall Capital Program -- \$15 billion, and more important for today, this is 50% of the funding remaining for the Capital Program. Chair Lieber stated that the agency has completed as many projects as it can that did not depend on congestion pricing, and coming to the point where it is really starting to need the money. Chair Lieber stated that the agency does not need the money to pay the bills, but it is understood that the MTA does not award contracts unless it knows that its revenue source is secure, which is the impact of having continued uncertainty about congestion pricing. The Chair stated that the Traffic Mobility Review Board is here today to discuss its recommendations, the agency will take significant action to move forward, and he is hugely optimistic.

Chair Lieber introduced C&D President Jamie Torres-Springer to discuss the impacts of the congestion pricing delays.

President Jamie Torres-Springer discussed the impact of the delays of Congestion Pricing on the Capital Program.

Refer to the video recording of the meeting, produced by the MTA and maintained in MTA records, for the details of Chair Lieber's and Jamie Torres-Springer's remarks.

3. TRAFFIC MOBILITY REPORT AND RECOMMENDATION.

Chair Lieber welcomed and introduced the members of the Traffic Mobility Review Board (TMRB):

Carl Weisbrod, Chair; John Banks, President Emeritus of the Real Estate Board of New York (REBNY); Elizabeth Velez, President and Principal of Velez Organization; Kathryn Wylde, President & CEO of the nonprofits Partnership of New York City. Chair Lieber also acknowledged TMRB Member Scott Rechler, Chair of the Regional Plan Association and Chief Executive Officer and Chairman of RXR, who could not attend today's meeting.

Carl Weisbrod discussed some of the details of the TMRB's recommendations and he stated that Juliette Michaelson, Deputy Chief, MTA External Relations, will provide more details of the Board's recommendations. Carl Weisbrod thanked the TMRB Board members for their work and contributions, and he thanked and recognized MTA Board Member John Samuelsen who was an active participant on the TMRB and who made many contributions, including expanding the night-time discounts and who supports most of the Board's recommendations.

TBRB members John Bank, Elizabeth Velez and Kathryn Wylde expressed their support of the proposed plan and recommendations.

Juliette Michaelson thanked the TMRB members for their time and efforts and she described the specifics of the TMRB's recommendations.

Allison C. de Cerreño, Chief Operating Officer, provided a description of the process moving forward, and she stated that the plan is expected to go live late Spring, 2024.

A. Action Item:

A motion to approve the item was made by Chair Lieber, and seconded by Board Member Lisa Sorin, and Chair Lieber invited discussion and comments from the Board members.

Following discussions and comments from the Board and Chair Lieber, and upon motion duly made and seconded, the Board approved the following item. Board member David Mack voted in opposition.

1. Central Business District Tolling Program (CBDTP) Process for Proposed Initial Toll Ratemaking. Authorized the Chair and his designees to take the necessary steps, including publishing any required notices and conducting any required public hearings, to complete the administrative process necessary in advance of the Board's consideration of the CBDTP initial toll ratemaking.

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

4. 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 25, 2023.

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

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

Board Member Samuel Chu stated that there are no items to report for Board approval for the Joint Railroad Committee.

6. NEW YORK CITY TRANSIT AND BUS COMMITTEE.

Board Member Lisa Sorin stated that there are no items to report for Board approval for the New York City Transit Committee.

7. CAPITAL PROGRAM COMMITTEE.

A. Procurement Items.

Upon motion duly made and seconded, the Board approved the following items:

1. Approved the award of a publicly advertised and competitively solicited contract (Contract No. C40853) to CRC Associates Inc. for design-build services to replace and upgrade New York City Transit's central alarm monitoring and fire alarm systems. The contract is in the amount of \$56,896,000 and for a duration of 1,221 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 was also granted to pay the stipends totaling \$70,000 to the unsuccessful proposer.
2. Approved the award of a publicly advertised and competitively solicited contract (Contract No. W32808) to TC Electric, LLC for design-build services to replace and upgrade the current public address/customer information sign system along New York City Transit's Canarsie Line in the Boroughs of Brooklyn and Manhattan. The contract is in the amount of \$64,622,000 and for a duration of 1,004 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 \$51,000 to be paid to each unsuccessful proposer whose proposal met defined proposal standards. Accordingly, approval was also granted to pay the stipends totaling \$102,000 to the two unsuccessful proposers.

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

8. MTA BRIDGES AND TUNNELS COMMITTEE.

A. Procurement Item.

Commissioner Mack stated that there are three (3) competitively solicited personal service contracts sought to be awarded to: (A) Atkins, P.A. P.C.; (B) Gannett Fleming Engineers and Architects, P. C.; and (C) Henningson, Durham and Richardson Architecture and Engineering, P.C. (“HDR”), to provide miscellaneous toll collection consultant support services on an as-needed basis in the aggregate not-to-exceed amount of \$10 million over a period of five years, as follows:

Personal Service Contracts

Atkins, P.A. P.C. Contract No. PSC-21- 3055A Five Years	TBTA is seeking Board approval to award three competitively solicited personal service contracts, one to Atkins, P.A. P.C., the second to Gannett Fleming Engineers and Architects, P.C., and the third to	\$10,000,000 (Aggregate A, B & C)
Gannett Fleming Engineers and Architects, P.C. Contract No. PSC-21- 3055B Five Years	Henningson, Durham and Richardson Architecture and Engineering, P.C., for miscellaneous toll collection consultant support services on an as-needed basis.	
Henningson, Durham and Richardson Architecture and Engineering, P.C. Contract No. PSC-21- 3055C Five Years		

Upon a motion duly made and seconded, the Board approved the competitive procurement actions recommended to it by the Committee for MTA Bridges and Tunnels Operations.

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

9. MTA COMMITTEE ON FINANCE.

A. Procurement Item. Upon a motion duly made and seconded the Board approved the procurement item listed below. The specifics are set forth in the staff summary and documentation filed with the meeting materials.

1. Staples Contract & Commercial LLC – Office Supplies and Copy Paper – No. 0000015668. Approved the award of an estimated quantity purchase contract for the as-needed supply and delivery of office supplies and copy paper, pursuant to a competitively negotiated all-agency Request for Proposal (RFP) to Staples Contract & Commercial LLC in the total estimated amount of \$12,823,221. The contract period will be for three years with two 12-month options to be exercised at the MTA’s discretion for a total duration of five years.

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.

Administrative Action Item

1. Amendment to the existing policy to regulate the process MTA Real Estate follow to enter into certain agreements for non-revenue generating uses on MTA agency property.

New York City Transit Authority

2. Acquisition of temporary and permanent easements from the New York City Department of Parks and Recreation in support of accessibility improvements in Callahan-Kelly Playground (Block 1547, Lot 1), adjacent to NYCT’s Broadway Junction Subway Station, Brooklyn, N.Y.
3. Lease with Generation Next Realty, Inc. for the relocation of the NYCT Atlantic Cable Shop to 2016 Pitkin Avenue Block 3735, Lots 1 & 10), Brooklyn, N.Y.
4. License amendment with Winfield Street 2nd Avenue LLC for a retail unit at the 96th Street Station on the Second Avenue Subway, New York, N.Y.

MTA Bridges & Tunnels

5. License with the City of New York for the reconstruction and maintenance of the Vincent F. Albano Playground located on the northwest corner of Second Avenue and East 29th Street (Block 910, Lot 27), New York, N.Y.

Metro-North Railroad

6. Acquisition from 4 Fisher Lane Realty Co., LLC of property located at 4 Fisher Lane (Westchester Count Tax Map Section 120.20, Block 1, Lot 1) in support of the Automotive Fueling Station project in White Plains, N.Y.

10. ADJOURNMENT.

Upon motion duly made and seconded, the Board voted to adjourn the meeting at 11:43 a.m.

Respectfully submitted,

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

Haley Stein
Vice President,
General Counsel and Secretary
Long Island Rail Road Company

Mariel A. Thompson
Assistant Secretary
NYCT

Evan Eisland
General Counsel and Secretary
MTA C&D

Paul Friman
General Counsel
and Corporate Secretary
TBTA

Victoria Clement
Assistant Secretary
MTAHQ

Contracts Department

Evan Eisland, Executive Vice President and General Counsel

**PROCUREMENT PACKAGE
December 2023**

PROCUREMENTS

The Procurement Agenda this month includes 22 actions for a proposed expenditure of \$ 2.6B.

Staff Summary

Subject Request Authorization for Several Procurement Actions					
Contracts Department					
Evan Eisland, Executive Vice President and General Counsel					
Board Action					
Order	To	Date	Approval	Info	Other
1	Capital Program Committee	12/18/23	X		
2	Board	12/20/23	X		

Date: December 18, 2023			
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 and Public Works Contracts)	17	\$2,574,960,401
	SUBTOTAL	17 \$2,574,960,401

<u>Schedules Requiring Majority Vote</u>	<u># of Actions</u>	<u>\$ Amount</u>
H. Modifications to Personal Service Contracts and Miscellaneous Service Contracts	2	\$ 47,030,242
	SUBTOTAL	2 \$ 47,030,242

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	3	\$ 10,142,386
	SUBTOTAL	3 \$ 10,142,386
	TOTAL	22 \$2,632,133,029

Budget Impact

The approval of these procurement actions will obligate capital funds and operating funds in the amounts listed. Funds are available in the capital program and operating budget for these purposes.

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 2023

LIST OF COMPETITIVE PROCUREMENTS FOR BOARD APPROVAL

Procurements Requiring Two-Thirds Vote:

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

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

- | | | | |
|-----------|---|----------------------|--------------------------------------|
| 1. | RCC/GCCOM, A Joint Venture
Contract No. 6501 | \$ 10,565,240 | <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 the replacement of the Webster Avenue Bridge.

- | | | | |
|-------------|---|-----------------------|--------------------------------------|
| 2-3. | ECCO III Enterprises, Inc.
Contract No. A37130 | \$ 286,131,000 | <u>Staff Summary Attached</u> |
|-------------|---|-----------------------|--------------------------------------|

- | | |
|--|---------------------|
| Modern Elevator Installations Inc.
Contract No. TBD | \$ 9,563,360 |
|--|---------------------|

MTA Construction & Development requests Board approval to award a publicly advertised and competitively solicited contract for Design-Build services for Americans with Disabilities Act improvements at the Broadway Junction Station in the Borough of Brooklyn. Board approval is also requested to award a long-term elevator maintenance contract.

- | | | | |
|-----------|---|----------------------|--------------------------------------|
| 4. | E-J Electric Installation Co.
Contract No. AW-73 | \$ 40,500,000 | <u>Staff Summary Attached</u> |
|-----------|---|----------------------|--------------------------------------|

MTA Construction & Development requests Board approval to award a publicly advertised and competitively solicited contract for Design-Build services to overhaul and replace the facility monitoring and safety systems at the Hugh L. Carey Tunnel and Queens Midtown Tunnel.

- | | | | |
|-----------|---|----------------------|--------------------------------------|
| 5. | Boyce Technologies, Inc.
Contract No. C52174 | \$ 54,779,545 | <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 closed circuit television systems for passenger identification on the New York City Transit system.

- | | | | |
|-----------|--|-----------------------|--------------------------------------|
| 6. | Skanska USA Civil Northeast, Inc.
Contract No. E30647 | \$ 145,820,000 | <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 replacement of escalators at 6 New York City Transit stations.

- | | | | |
|-------------|--|-----------------------|--------------------------------------|
| 7-8. | Forte-Gramercy JV
Contract No. E34054 | \$ 191,830,000 | <u>Staff Summary Attached</u> |
|-------------|--|-----------------------|--------------------------------------|

- | | |
|---|----------------------|
| Mid-American Elevator Co., Inc.
Contract No. TBD | \$ 81,300,000 |
|---|----------------------|

MTA Construction & Development requests Board approval to award a publicly advertised and competitively solicited contract for Design-Build services for replacement of elevators at 17 New York City Transit stations. Board approval is also requested to award a long-term elevator maintenance contract.

9. **American Bridge/Commodore JV** \$ 409,912,888 **Staff Summary Attached**
Contract No. RK-19A

MTA Construction & Development requests Board approval to award a publicly advertised and competitively solicited contract for Design-Build services for the structural rehabilitation of the East River suspended spans and anchorages of the Robert F. Kennedy Bridge and new shared use paths.

10. **L.K. Comstock & Company, LLC** \$ 78,755,000 **Staff Summary Attached**
Contract No. S32288

MTA Construction & Development requests Board approval to award a publicly advertised and competitively solicited contract for Design-Build services for emergency alarm systems at New York City Transit stations and substations.

- 11-12. **Trevcon Construction Co., Inc.** \$ 153,875,200 **Staff Summary Attached**
Contract No. TN-87C/TN-PT

- Mid-American Elevator Company, Inc.** \$ 450,000
Contract No. TBD

MTA Construction & Development requests Board approval to award a publicly advertised and competitively solicited contract for Design-Build services for tower fender protection and tower painting at the Throgs Neck Bridge. Board approval is also requested to award a three-year elevator maintenance contract.

13. **Ahern Painting Contractors, Inc.** \$ 128,525,518 **Staff Summary Attached**
Contract No. VN-PT/VN-12

MTA Construction & Development requests Board approval to award a publicly advertised and competitively solicited contract for Design-Build services for tower painting, lighting, and electrical upgrades at the Verrazano-Narrows Bridge.

14. **Forte Construction Corp.** \$ 227,500,000 **Staff Summary Attached**
Contract No. 6494

MTA Construction & Development requests Board approval to award a publicly advertised and competitively solicited contract for Design-Build services for LIRR Station Improvements Package II: Forest Hills, Hollis and Babylon Stations.

15. **Civetta-Stonebridge J.V.** \$ 149,747,500 **Staff Summary Attached**
Contract No. 188858

MTA Construction & Development requests Board approval to award a publicly advertised and competitively solicited contract for Design-Build services for a new 1,320-space, multi-level parking garage and station access improvements at the Metro-North Railroad Southeast Station.

- 16-17. **Judlau Contracting, Inc.** \$ 577,200,060 **Staff Summary Attached**
Contract No. A37758

- Modern Elevator Installations Inc.** \$ 28,505,090
Contract No. TBD

MTA Construction & Development requests Board approval to award a publicly advertised and competitively solicited contract for Package 5 -- Design-Build services for Americans with Disabilities Act upgrades at 13 New York City Transit Stations. Board approval is also requested to award a long-term elevator maintenance contract.

Procurements Requiring Majority Vote:

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

(Approvals/Staff Summaries required for substantial change orders and change orders that cause the original contract to equal or exceed the monetary threshold required for Board approval.)

18. **Schindler Elevator Corporation** \$ **5,873,056** **Staff Summary Attached**
Contract No. VM014

MTA Construction and Development requests Board approval to enter into a modification to provide continued maintenance of elevators and escalators in Grand Central Madison for up to six additional months.

19. **George S. Hall, Inc.** \$ **41,157,186** **Staff Summary Attached**
Contract No. VS250

MTA Construction and Development requests Board approval to enter into a modification to provide continued maintenance services and operation of assets at Grand Central Madison for up to six additional months.

Staff Summary

Schedule C: Competitive Requests for Proposals (Award of Purchase and Public Works Contracts)

Item Number 1					
Department, Department Head Name: Delivery, Andrew Wilson, Vice President, LIRR Business Unit					
Board Reviews					
Order	To	Date	Approval	Info	Other
1	Capital Program Committee	12/18/23	X		
2	Board	12/20/23	X		
Internal Approvals					
Order	Approval	Order	Approval		
X	Deputy Chief, Development	X	Executive Vice President & General Counsel		
X	Deputy Chief, Delivery	X	President		

SUMMARY INFORMATION	
Vendor Name	Contract Number
RCC-GCCOM JV	6501
Description	
Design-Build Services for Webster Avenue Bridge Replacement	
Total Amount	
1. Design-Build Contract:	\$10,565,240
2. Stipend Payments:	\$120,000
Contract Term (including Options, if any)	
617 Calendar Days	
Option(s) included in Total Amount?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Renewal?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Procurement Type	
<input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Noncompetitive	
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:	

ACTION REQUESTED

MTA Construction & Development (“C&D”) requests Board approval to award to RCC/GCCOM, A Joint Venture LLC (“RCC-GCCOM”), a joint venture of Railroad Construction Company, Inc. and GCCOM Construction Company, Inc., a publicly advertised and competitively solicited contract for Design-Build services for the replacement of the Webster Avenue Bridge (the “Contract”). The Contract is in the amount of \$10,565,240 and for a duration of 617 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 \$40,000 to be paid to each of the three unsuccessful proposers for a total amount of \$120,000.

DISCUSSION

The Webster Avenue Bridge spans the Long Island Rail Road Port Washington Branch in Manhasset, NY. It is severely deteriorated and poses a safety hazard to train operations on that line. The Contract provides for: (i) removal and disposal of the existing bridge structure, (ii) fabrication and installation of a new bridge, (iii) reconstruction of the adjacent roadway, sidewalks, and retaining walls and (iv) installation of catch basins and a new drainage system to prevent roadway drainage onto the track.

C&D conducted a two-step procurement process for this Contract. In Step 1, C&D advertised a Request for Qualifications, resulting in the submission of five Statements of Qualifications. C&D evaluated these submissions 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 participation compliance). Based on these criteria, C&D selected the following four firms to receive the Request for Proposal (“RFP”) in Step 2:

- RCC-GCCOM
- Civetta-Northeast JV
- DeFoe Corp. (“DeFoe”)
- El Sol Contracting/El Sol Enterprises JV (“El Sol JV”)

All four proposers submitted technical and price proposals. The selection committee, consisting of representatives from C&D Delivery, Development, and Contracts, and LIRR Engineering, first reviewed the technical proposals and heard oral presentations by each of proposers. The selection committee evaluated the technical proposals using the following pre-established selection criteria: design and construction, schedule, proposer qualifications and experience, management plan and other relevant matters. After evaluating the technical proposals, the selection committee opened the price proposals, which were as follows: RCC-GCCOM \$10,490,000; Civetta-Northeast JV: \$11,472,500; El Sol JV \$11,680,000; and DeFoe \$18,770,799.

After a thorough review of all cost proposals, the selection committee invited RCC-GCCOM for negotiations. Civetta-Northeast, El Sol JV and DeFoe were not invited to participate in negotiations. In addition to offering the lowest price, the RCC-GCCOM proposal had the highest technical rating providing for both a substantial reduction in MTA's costs associated with the Contract and significant reduction in the project schedule that rendered the other three proposers outside of the competitive range. The discussions focused on various cost elements, the proposed schedule, and adjustment to insurance liability requirements. Following these discussions, RCC-GCCOM submitted its Best and Final Offer ("BAFO") of \$10,565,240, reflecting a \$75,240.00 increase due to the adjustments to insurance requirements.

Based upon its review of RCC-GCCOM's BAFO and technical proposal, the selection committee unanimously recommends RCC-GCCOM for award. RCC-GCCOM's proposal, in addition to having the lowest cost provides for the elimination of one weekend track outage, a reduction in the project schedule by 103 days, a decrease in the number of required LIRR transportation flaggers by 215 days, and the elimination of the need to relocate overhead power lines. These proposed reductions will result in savings to the MTA. RCC-GCCOM also demonstrated a strong understanding of all components of the scope of work as established in its technical approach, and its key personnel have successfully completed Design-Build projects of similar scope and magnitude. Based on the foregoing, RCC-GCCOM's BAFO of \$10,565,240 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. RCC-GCCOM is committed to meet the required goal requirements. RCC-GCCOM has not recently completed any MTA contracts with goals; therefore, no assessment of its performance can be determined at this time. Railroad Construction Company, Inc. has achieved its MBE/WBE/SDVOB goals on recently completed MTA contracts. GCCOM has not recently completed any MTA contracts with goals; therefore, no assessment of its performance can be determined at this time.

IMPACT ON FUNDING

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

ALTERNATIVES

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

Staff Summary

Schedule C: Competitive Requests for Proposals (Award of Purchase and Public Works Contracts)

Item Number 2-3					
Department, Department Head Name: Delivery, William Montanile, Senior Vice President, Stations					
Board Reviews					
Order	To	Date	Approval	Info	Other
1	Capital Program Committee	12/18/23	X		
2	Board	12/20/23	X		
Internal Approvals					
Order	Approval	Order	Approval		
X	Deputy Chief, Development	X	Executive Vice President & General Counsel		
X	Deputy Chief, Delivery	X	President		

SUMMARY INFORMATION	
Vendor Name	Contract Number
1. ECCO III Enterprises, Inc.	1. A37130
2. Modern Elevator Installations Inc.	2. TBD-Maintenance
Description	
ADA Upgrades and Circulation Improvements at Broadway Junction Complex	
Total Amount	
1. Design Build Contract	\$286,131,000
2. Long Term Elevator Maintenance Contract	\$9,563,360
3. Stipend	\$500,000
Contract Term (including Options, if any)	
1. A37310	1,344 Calendar Days
2. Maintenance Contract	15 years
Option(s) included in Total Amount?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Renewal?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Procurement Type	
<input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Noncompetitive	
Solicitation Type	
<input checked="" type="checkbox"/> RFP <input type="checkbox"/> Bid <input type="checkbox"/> Other:	
Funding Source	
<input checked="" type="checkbox"/> Operating** <input checked="" type="checkbox"/> Capital* <input checked="" type="checkbox"/> Federal* <input type="checkbox"/> Other:	

*Design Build Contract **Maintenance Contract

ACTION REQUESTED

MTA Construction & Development (“C&D”) requests Board approval to award to ECCO III Enterprises, Inc. (“ECCO”) a publicly advertised and competitively solicited contract for Design-Build services for Americans with Disabilities Act (“ADA”) improvements at the Broadway Junction Station in the Borough of Brooklyn (the “Contract”). The Contract is in the amount of \$286,131,000 and for a duration of 1,344 Calendar Days. Board approval is also requested to award a long-term elevator maintenance contract to Modern Elevator Installations, Inc. (“Modern”) in the amount of \$9,563,360 and a duration of 15 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 \$250,000 to be paid to each of the two unsuccessful proposers for a total amount of \$500,000.

DISCUSSION

This Contract is one of a series of ADA projects in support of the MTA's commitment to make stations accessible. The Contract provides for ADA upgrades at the Broadway Junction Complex including installing new ADA-compliant elevators, replacing existing escalators, providing a new comfort station at NYC Parks – Callahan Kelly Playground and performing improvements to an MTA-owned parking lot located just south of the Broadway Junction Complex. C&D has also identified and seeks to engage the elevator manufacturer to provide long term maintenance of the elevators installed under this Contract.

C&D will enter into a separate long-term Elevator Maintenance Contract for all maintenance, repairs, tests and inspections, callbacks and emergency services required to ensure optimum performance and longevity of the elevators and ancillary equipment. 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 the subsequent maintenance thereof. Only the elevator manufacturer or installer 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 New York City Transit (“NYCT”) system, but that would also take into consideration the elevator subcontractor’s ultimate responsibility for a performance-based, long-term Maintenance Contract. The Maintenance Contract is for a fifteen-year term, commencing on achievement of Substantial Completion of the Design/Build Contract, and includes two options, each to extend the maintenance period for an additional five years.

A two-step procurement process was conducted for this Contract. In Step 1, a Request for Qualifications was advertised resulting in the submission of four 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 team, 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:

- ECCO
- MLJ Contracting Corp (“MLJ”)
- Schiavone Construction Co. LLC (“Schiavone”)
- Skanska USA Civil Northeast Inc. (“Skanska”)

In response to the RFP, ECCO, MLJ and Skanska submitted technical and price proposals. Schiavone elected not to participate, citing, among other things, lack of capacity due to its commitments on other projects. The selection committee, consisting of representatives from C&D Delivery, Development and Contracts and NYC Transit Department of Subways – Division of Elevators & Escalators, 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, schedule, elevator maintenance plan, management plan, experience, record of performance, safety and quality, diversity practices, and other relevant matters. After evaluating the technical proposals, the selection committee thereafter opened the price proposals which were as follows: ECCO \$297,080,000; MLJ \$287,800,000; and Skanska \$297,387,000. For the long-term elevator maintenance contract, all three firms proposed Modern and the elevator maintenance cost proposal was the same in the amount of \$9,563,360.

The selection committee invited all three proposers for negotiations. Negotiations with the three proposers included detailed discussions of cost, as well as proposed design and construction approach. Following negotiations, each proposer was asked to submit their Best and Final Offers (“BAFOs”). The BAFOs submitted were as follows: ECCO \$286,131,000; MLJ: \$282,800,000; and Skanska \$293,590,000. The cost for the long-term elevator maintenance contract remained unchanged for all three firms.

The selection committee unanimously recommended ECCO for award of the Contract and Modern for the award of the long-term elevator maintenance contract. The selection committee determined that ECCO’s proposal offered the best value to the MTA in light of the quality of its technical proposal and its overall price and schedule savings. More specifically, ECCO proposed the shortest duration for achieving Substantial Completion (a savings of 117 days), reduced Authority-supplied services necessary for the project, and demonstrated the thorough experience of ECCO’s key personnel performing work of similar magnitude and scope. While not the lowest price proposal, the selection committee determined that the quality of ECCO’s technical proposal combined with its proposed schedule savings presented a better value to MTA because, among other reasons, its technical approach places the accessibility measures into service and available for public use four months earlier. ECCO’s BAFO of \$286,131,000 and Modern’s Proposal of \$9,563,360 are deemed to be fair and reasonable.

DBE/MBE/WBE/SDVOB INFORMATION

The MTA Department of Diversity and Civil Rights has established a DBE goal of 22.5% for the Contract. ECCO is committed to meet the required goal requirements. ECCO has achieved its DBE/MBE/WBE/SDVOB goals on recently completed MTA contracts.

DDCR has established a 0% MBE/WBE/SDVOB goal for the Maintenance Contract due to the lack of MWBE/SDVOB firms in the marketplace. Modern has not completed any MTA contracts with 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 2020-2024 Capital Program. Funding for the Maintenance Contract is included in the NYCT operating budget.

ALTERNATIVES

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

Staff Summary

Schedule C: Competitive Requests for Proposals (Award of Purchase and Public Works Contracts)

Item Number 4					
Department, Department Head Name: Delivery, Joe Keane, SVP & Chief Engineer, B&T Business Unit					
Board Reviews					
Order	To	Date	Approval	Info	Other
1	Capital Program Committee	12/18/23	X		
2	Board	12/20/23	X		
Internal Approvals					
Order	Approval	Order	Approval		
X	Deputy Chief, Development	X	Executive Vice President & General Counsel		
X	Deputy Chief, Delivery	X	President		

SUMMARY INFORMATION	
Vendor Name	Contract Number
E-J Electric Installation Co.	AW-73
Description	
Design-Build Services for Overhaul and Replacement of Facility Monitoring and Safety Systems at the Hugh L. Carey Tunnel and Queens Midtown Tunnel	
Total Amount	
1. Design-Build Contract:	\$40,500,000
2. Stipend Payments:	\$150,000
Contract Term (including Options, if any)	
Thirty (36) Months	
Option(s) included in Total Amount?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Renewal?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Procurement Type	
<input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Noncompetitive	
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:	

ACTION REQUESTED

MTA Construction & Development (“C&D”) requests Board approval to award to E-J Electric Installation Co. (“E-J”) a publicly advertised and competitively solicited Design-Build contract to overhaul and replace the facility monitoring and safety systems at the Hugh L. Carey Tunnel and Queens Midtown Tunnel (the “Contract”). The Contract is in the amount of \$40,500,000 and for a duration of 33 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 \$50,000 to be paid to each of the three unsuccessful proposers for a total amount of \$150,000.

DISCUSSION

The Contract provides for Design-Build services to install or upgrade various elements of the security infrastructure at the tunnels and the integration of these new components into the existing MTA Bridges and Tunnels electronic security system. The work includes replacement or new installation of closed circuit television, access control, intrusion detection, and intercom systems, secondary monitoring of fire alarms and generators, and real-time digital traffic signs. E-J will also upgrade the power and communications systems necessary to support the new systems and 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 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 team, key personnel and organization, understanding of the work, prior experience, past performance, and diversity compliance). Based on these criteria, four of eight responding firms were selected to receive the Request for Proposal (“RFP”) in Step 2:

- E-J
- CRC Associates Inc. (“CRC”)
- Hellman Electric LLC (“Hellman”)
- TC Electric LLC (“TCE”)

All four firms submitted technical and price proposals in response to the RFP. The selection committee, consisting of representatives from C&D Delivery and Contracts and from MTA Bridges and Tunnels Maintenance 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: design and construction, schedule, key personnel, management plan, safety and quality, past performance, diversity practices and other relevant matters.

After evaluating the technical proposals, the selection committee opened the price proposals, which were as follows: E-J \$44,760,000; CRC \$61,790,000; Hellman \$69,060,860; and TCE \$52,884,000. Based upon its review of the technical and price proposals, and discussions during the oral presentations, the selection committee invited E-J to participate in negotiations because it was both the highest rated technically and had the lowest cost and, taking these factors into account, the other proposals were not considered competitive. Following negotiations, E-J submitted its Best and Final Offer ("BAFO") of \$40,500,000.

The selection committee unanimously recommends E-J for the award of the contract. In addition to providing the lowest price, E-J provides the best value to the MTA based upon a combination of technical approach, price, and schedule. E-J's technical proposal provides a schedule that is three months shorter than the maximum duration permitted under the Contract. E-J's proposal demonstrated a strong understanding of all components of the scope of work as established in its technical approach, and its key personnel have completed Design-Build projects of similar scope and magnitude.

E-J's BAFO of \$40,500,000 is deemed to be fair and reasonable.

In connection with previous contracts awarded to E-J, E-J 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 Managing Director in consultation with the MTA General Counsel in August 2018. No new significant adverse information has been found relating to E-J and E-J 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 for the Contract. E-J's is committed to meet the required goal requirements and its utilization plan is under review. E-J has achieved its MBE/WBE/SDVOB goals on recently completed MTA contracts.

IMPACT ON FUNDING

Funding for the Contract, and stipends for the three unsuccessful proposers, are included in the Bridges and Tunnels portion of the MTA's 2020-24 Capital Program.

ALTERNATIVES

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

Staff Summary

Schedule C: Competitive Requests for Proposals (Award of Purchase and Public Works Contracts)

Item Number 5					
Department, Department Head Name: Delivery, Mark Bienstock, Senior Vice President, Systems					
Board Reviews					
Order	To	Date	Approval	Info	Other
1	Capital Program Committee	12/18/23	X		
2	Board	12/20/23	X		
Internal Approvals					
Order	Approval	Order	Approval		
X	Deputy Chief, Development	X	Executive Vice President & General Counsel		
X	Deputy Chief, Delivery	X	President		

SUMMARY INFORMATION	
Vendor Name	Contract Number
Boyce Technologies, Inc.	C52174
Description	
Design-Build Services for CCTV for Passenger Identification on the New York City Transit System	
Total Amount	
1. Design-Build Contract:	\$54,779,545
2. Stipend Payments:	\$330,000
Contract Term (including Options, if any)	
1,214 Calendar Days	
Option(s) included in Total Amount?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Renewal?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Procurement Type	
<input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Noncompetitive	
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:	

ACTION REQUESTED

MTA Construction & Development (“C&D”) requests Board approval to award to Boyce Technologies, Inc. (“Boyce”) a publicly advertised and competitively solicited contract for Design-Build services for closed circuit television (“CCTV”) systems for passenger identification on the New York City Transit (“NYCT”) system (the “Contract”). The Contract is in the amount of \$54,779,545 and for a duration of 1,214 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 \$110,000 to be paid to each of the two unsuccessful proposers for a total amount of \$330,000.

DISCUSSION

The Contract provides for the installation of CCTV cameras at the fare control areas of 106 NYCT stations, integration of those cameras into the network and the installation of new electrical subpanels in each station’s communications room. The scope also includes the installation of new network communication equipment, upgrades to existing network components, and the reconfiguration of existing power circuits in support of the new CCTV systems.

A two-step procurement process was conducted for this Contract. In Step 1, a Request for Qualifications was advertised, resulting in the submission of nine Statements of Qualifications which 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, the following four firms were selected to receive the Request for Proposal (“RFP”) in Step 2:

- Boyce
- Five Star Electric Corp. (“Five Star”)
- TAP Electrical Contracting Service, Inc. (“TAP”)
- TC Electric LLC (“TC Electric”)

In response to the RFP, all four firms submitted technical and price proposals. The selection committee, consisting of representatives from C&D Delivery, Development and Contracts, and NYCT's Department of Subways – Maintenance of Way, first reviewed the technical proposals and heard oral presentations by each of the four 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 practices, and other relevant matters. After evaluating technical proposals, the selection committee opened the price proposals, which were as follows: Boyce \$58,787,116; Five Star \$74,447,000; TAP \$69,686,000; and TC Electric \$79,815,000.

After reviewing the price proposals, the selection committee invited Boyce, Five Star and TC Electric for cost discussions and to identify factors that drove cost. TAP was not invited to negotiations because its technical proposal and oral presentation were not competitive with the other proposals and its schedule did not appropriately account for all required activities. Following these discussions, each of the three proposers were given the opportunity to submit a Best and Final Offer ("BAFO"). BAFOs were received from each as follows: Boyce \$54,779,545; Five Star \$67,970,000; and TC Electric \$74,311,300.

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 Boyce provided the best value to MTA, as it provided the lowest price and the shortest schedule – 27 days shorter than the schedule proposed by TC Electric, 153 days shorter than the schedule proposed by Five Star and 246 days shorter than the maximum duration permitted under the Contract. Boyce's proposal demonstrated a strong understanding of all components of the scope of work as established in its technical approach, and its key personnel have successfully completed Design-Build projects of similar scope and magnitude. Boyce's BAFO in the amount of \$54,779,545 is deemed to be fair and reasonable.

DBE/MBE/WBE/SDVOB INFORMATION

The MTA Department of Diversity and Civil Rights has established an MBE goal of 15%, WBE goal of 15%, and SDVOB goal of 6% for the Contract. Boyce is committed to meet the required goal requirements and their utilization plan is under review. Boyce has not recently completed any MTA contracts with goals; therefore, no assessment of their performance is available at this time.

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. MTA lacks available in-house technical personnel to perform the scope of work associated with this Contract.

Staff Summary

Schedule C: Competitive Requests for Proposals (Award of Purchase and Public Works Contracts)

Item Number 6					
Department, Department Head Name: Delivery, William Montanile, Senior Vice President, Stations					
Board Reviews					
Order	To	Date	Approval	Info	Other
1	Capital Program Committee	12/18/23	X		
2	Board	12/20/23	X		
Internal Approvals					
Order	Approval	Order	Approval		
X	Deputy Chief, Development	X	Executive Vice President & General Counsel		
X	Deputy Chief, Delivery	X	President		

SUMMARY INFORMATION	
Vendor Name	Contract Number
Skanska USA Civil Northeast Inc.	E30647
Description	
Design Build Services for Replacement of Escalators at NYCT Stations	
Total Amount	
1. Design-Build Contract:	\$145,820,000
2. Stipend Payments:	\$555,000
Contract Term (including Options, if any)	
1,063 Calendar Days	
Option(s) included in Total Amount?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Renewal?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Procurement Type	
<input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Noncompetitive	
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:	

ACTION REQUESTED

MTA Construction & Development (“C&D”) requests Board approval to award to Skanska USA Civil Northeast Inc. (“Skanska”) a publicly advertised and competitively solicited contract for Design-Build Services for the replacement of escalators at six New York City Transit (“NYCT”) stations (the “Contract”). The Contract is in the amount of \$145,820,000 and for a duration of 1063 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 \$185,000 to be paid to each of the three unsuccessful proposers for a total of \$555,000.

DISCUSSION

The Contract provides for the replacement of 21 escalators at the following 6 stations: 51st Street Station (E, 6), High Street Station (A, C), Franklin Avenue Station (S, A, C), Park Place Station (2, 3), 21st Street/Queensbridge Station (F), and the Lexington Avenue/63rd Street Station (F, Q). In addition, the work includes replacement of the equipment in the escalator machine rooms and state of good repair work in the vicinity of escalators and machine rooms.

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 team, 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:

- Skanska
- Citnalta-VMR JV (“CCC-VMR”)
- Forte Construction Co. (“Forte”)
- J-Track LLC (“J-Track”)

In response to the RFP, Skanska, CCC-VMR, Forte and J-Track all submitted technical and price proposals. The selection committee, consisting of representatives from C&D Delivery, Development, Contracts and NYCT Department of Subways – Division of Elevator & Escalators, reviewed the technical proposals and attended the oral presentations of each of the four teams. The selection committee evaluated the technical proposals using the following preestablished selection criteria: design and construction, schedule, management plan, experience, record of performance, safety and quality, diversity practices and other relevant matters. After evaluating technical proposals, the selection committee opened the price proposals which were as follows: Skanska \$152,350,000; CCC-VMR \$147,749,000; Forte \$139,968,000; and J-Track \$167,568,460.

After reviewing the price proposals, the selection committee invited Skanska, Forte and J-Track for negotiations. The selection committee removed CCC-VMR from consideration because they were ranked lowest technically, proposing an approach with minimal schedule reductions and no reduction in Authority-supplied services. Negotiations with the three remaining proposers included detailed discussions of cost, schedule, as well as proposed design and construction approach. Following negotiations, each proposer was asked to submit a Best and Final Offer (“BAFO”). The BAFOs submitted were as follows: Skanska \$145,820,000; Forte \$139,456,000; and J-Track \$154,299,930.

The selection committee unanimously recommended Skanska for award. The selection committee determined that Skanska offered the best overall value considering the quality of its technical proposal, price and schedule savings. Skanska was the highest ranked technically. Its technical proposal provides a schedule that is 155 days shorter than the maximum duration permitted under the Contract and reduces the number of service diversions. These proposed reductions will result in savings to the MTA of as much as \$6,500,000 and reduced impact to the public. Skanska demonstrated a strong understanding of all components of the scope of work as established in its technical approach, and its key personnel have successfully completed Design-Build projects of similar scope and magnitude. Skanska’s BAFO of \$145,820,000 is deemed to be fair and reasonable.

DBE/MBE/WBE/SDVOB INFORMATION

The MTA Department of Diversity and Civil Rights has established a M/WBE goal of 15% and SDVOB goal of 6% for the Contract. Skanska is committed to meet the required goal requirements. Skanska has achieved its MBE/WBE/SDVOB 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. MTA lacks available in-house technical personnel to perform the scope of work associated with this Contract.

Staff Summary

Schedule C: Competitive Requests for Proposals (Award of Purchase and Public Works Contracts)

Item Number 7-8					
Department, Department Head Name: Delivery, William Montanile, Senior Vice President, Stations					
Board Reviews					
Order	To	Date	Approval	Info	Other
1	Capital Program Committee	12/18/23	X		
2	Board	12/20/23	X		
Internal Approvals					
Order	Approval	Order	Approval		
X	Deputy Chief, Development	X	Executive Vice President & General Counsel		
X	Deputy Chief, Delivery	X	President		

SUMMARY INFORMATION	
Vendor Name	Contract Number
1. Forte-Gramercy JV 2. Mid-American Elevator Co., Inc.	1. E34054 2. TBD-Maintenance
Description	
Design-Build Services for Replacement of Elevators at New York City Transit Stations	
Total Amount	
1. Design Build Contract	\$191,830,000
2. Long Term Elevator Maintenance Contract	\$ 81,300,000
3. Stipend	\$ 225,000
Contract Term (including Options, if any)	
1. E34054	979 Calendar Days
2. Maintenance Contract	15 years
Option(s) included in Total Amount?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Renewal?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Procurement Type	
<input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Noncompetitive	
Solicitation Type	
<input checked="" type="checkbox"/> RFP <input type="checkbox"/> Bid <input type="checkbox"/> Other:	
Funding Source	
<input checked="" type="checkbox"/> Operating** <input checked="" type="checkbox"/> Capital* <input checked="" type="checkbox"/> Federal* <input type="checkbox"/> Other:	

*Design Build Contract **Maintenance Contract

ACTION REQUESTED

MTA Construction & Development (“C&D”) requests Board approval to award to Forte-Gramercy JV (“FGJV”) a joint venture of Forte Construction Corp. and Gramercy Group, Inc., a publicly advertised and competitively solicited contract for Design-Build services for the replacement of elevators at New York City Transit (“NYCT”) Stations (the “Contract”). The Contract is in the amount of \$191,830,000 and for a duration of 979 Calendar Days. Board approval is also requested to award a long-term elevator maintenance contract to Mid-American Elevator Co., Inc. (“Mid-American”) in the amount of \$81,300,000 and for a duration of 15 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 \$225,000 to be paid to the unsuccessful proposer.

DISCUSSION

The Contract provides for the replacement of 37 elevators with new ADA-compliant elevators at the following 17 NYCT Stations: Atlantic Avenue- Station- Barclays Center (D, N, R), Atlantic Avenue- Station- Barclays Center (2, 3, 4), Atlantic Avenue- Station- Barclays Center (B, Q), Church Avenue Station (2, 5), Utica Avenue Station (3, 4), DeKalb Avenue Station (D, N R), Prospect Park Station (B, Q), Stillwell Avenue Station (D, F, N Q), Fordham Road Station (4), 14th Street – 8th Avenue Station (A, C, E, L), 66th Street Station (1), 72nd Street Station (1, 2, 3), Canal Street Station (6), Main Street Station (7), Roosevelt Avenue – Jackson Heights Station (E, F, M, R), Queens Plaza Station (E,M,R) and 179th Street Station (F). The work includes replacement of the equipment with new equipment, modifications to the hoistways, state of good repair work in the vicinity of the new elevators, and machine rooms, and upgrades to communications systems. C&D has also identified and seeks to engage the elevator manufacturer to provide long term maintenance of the elevators installed under this Contract.

C&D will enter into a separate long-term Elevator Maintenance Contract for all maintenance, repairs, tests and inspections, callbacks and emergency services required to ensure optimum performance and longevity of the elevators and ancillary equipment. 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 the subsequent maintenance thereof. Only the elevator manufacturer or installer 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 Maintenance Contract is for a fifteen-year term, commencing on achievement of Substantial Completion of the Design/Build Contract, and includes two options, each to extend the maintenance period for an additional five years.

A two-step procurement process was conducted for this Contract. In Step 1, a Request for Qualifications was advertised resulting in the submission of two 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 team, key personnel and organization, project approach, prior experience, and past performance). Based on these criteria, both entities were selected to receive the Request for Proposals ("RFP") in Step 2. The two selected entities are:

- FGJV
- JT TC Joint Venture ("JTTC")

In response to the RFP, FGJV and JTTC submitted technical and price proposals. The selection committee, consisting of representatives from C&D Delivery, Development, and Contracts, as well as NYCT Department of Subways – Division of Elevators and Escalators, reviewed the technical proposals and attended the oral presentations of each of the two teams. The selection committee evaluated the technical proposals using the following preestablished selection criteria: design and construction, schedule, elevator maintenance plan, management plan, experience, record of performance, safety and quality, diversity practices, and other relevant matters. After evaluating technical proposals, the selection committee opened the price proposals which were as follows: FGJV \$192,130,000 (maintenance: \$83,595,000.00); and JTTC \$238,835,750 (maintenance: \$77,988,025.52).

For the long-term elevator maintenance contract FGJV proposed Mid-American and JTTC proposed Slade Industries, Inc. The selection committee recommended that FGJV be invited for negotiations. JTTC was not invited for negotiations because its proposal was outside of the competitive range. Negotiations with the FGJV included detailed discussions of overall cost, as well as proposed design and construction approach. Following negotiations, FGJV was asked to submit a Best and Final Offer ("BAFO"). FGJV submitted its BAFO in the amount of \$191,830,000 for the elevator replacement and maintenance in the amount of \$81,300,000.

The selection committee unanimously recommended FGJV for award of the Contract and Mid-American for the award of the long-term elevator maintenance contract. The selection committee determined that FGJV's proposal offered the best value to the MTA in light of the quality of its technical proposal and its overall price and schedule savings. Its technical proposal provides a schedule that is 39 days shorter than the maximum duration permitted under the Contract and reduces the number of flaggers and work trains needed to complete to work. FGJV demonstrated a strong understanding of all components of the scope of work as established in its technical approach, and its key personnel have successfully completed Design-Build projects of similar scope and magnitude. FGJV's BAFO of \$191,830,000 and Mid-American's Proposal of \$81,300,000 are deemed to be fair and reasonable.

DBE/MBE/WBE/SDVOB INFORMATION

The MTA Department of Diversity and Civil Rights has established a DBE goal of 22.5% for the Contract. FGJV is committed to meet the required goal requirements. FGJV has not completed any MTA contracts with DBE/MBE/WBE goals; therefore, no assessment of their performance can be determined at this time. Forte Construction Corp. has achieved its DBE/MBE/WBE/SDVOB goals on recently completed MTA contracts. Gramercy Group Inc. has achieved its DBE/MBE/WBE/SDVOB goals on recently completed MTA contracts.

DDCR has established a 0% MBE/WBE/SDVOB goal for the Maintenance Contract due to the lack of MWBE/SDVOB firms in the marketplace. Mid-American has not completed any MTA contracts with goals; 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. MTA lacks available in-house technical personnel to perform the scope of work associated with this Contract.

Staff Summary

Schedule C: Competitive Requests for Proposals (Award of Purchase and Public Works Contracts)

Item Number 9					
Department, Department Head Name: Delivery, Joe Keane, SVP & Chief Engineer, B&T Business Unit					
Board Reviews					
Order	To	Date	Approval	Info	Other
1	Capital Program Committee	12/18/23	X		
2	Board	12/20/23	X		
Internal Approvals					
Order	Approval	Order	Approval		
X	Deputy Chief, Development	X	Executive Vice President & General Counsel		
X	Deputy Chief, Delivery	X	President		

SUMMARY INFORMATION	
Vendor Name	Contract Number
American Bridge/Commodore Joint Venture	RK-19A
Description	
Design-Build Services for Structural Rehabilitation of the East River Suspended Spans and Anchorages at the Robert F. Kennedy Bridge and new shared-use paths	
Total Amount	
1. Design-Build Contract:	\$409,912,888
2. Stipend Payments:	\$1,000,000
Contract Term (including Options, if any)	
Forty-Three (43) Months	
Option(s) included in Total Amount?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Renewal?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Procurement Type	
<input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Noncompetitive	
Solicitation Type	
<input checked="" type="checkbox"/> RFP <input type="checkbox"/> Bid <input type="checkbox"/> Other:	
Funding Source	
<input checked="" type="checkbox"/> Operating <input checked="" type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:	

ACTION REQUESTED

MTA Construction & Development (“C&D”) requests Board approval to award to American Bridge/Commodore Joint Venture (“AB-C”) a joint venture of American Bridge Company and Commodore Construction Corp., a publicly advertised and competitively solicited contract for Design-Build services for the structural rehabilitation of East River suspended spans and anchorages of the Robert F. Kennedy (“RFK”) Bridge and new shared-use paths (the “Contract”). The Contract is in the lump sum amount of \$409,912,888 and for a duration of 43 months. 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 \$500,000 to be paid to each of the two unsuccessful proposers for a total of \$1,000,000.

DISCUSSION

The Contract provides for strengthening of the cable support structures and the Queens and Wards Island anchorages of the RFK Bridge spanning the East River, and construction of new shared-use paths to improve pedestrian and bicycle access between Queens and Wards Island. The project also includes overcoat painting of all steel superstructures, seismic retrofits, installation of new main cable, anchorage dehumidification systems, acoustic monitoring of the condition of the cable, and a weigh-in-motion system to detect and record overweight trucks for toll and weight enforcement.

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 team, key personnel, and organization, understanding of the work, prior experience, past performance, and diversity compliance). Based on these criteria, the following four responding firms were selected to receive the Request for Proposal (“RFP”) in Step 2:

- AB-C
- Halmar International, LLC (“Halmar”)
- Skanska Koch Inc. (“Skanska”)
- Tutor Perini-IHI JV (“TP-IHI”)

In response to the RFP, AB-C, Skanska, and TP-IHI submitted technical and price proposals. Halmar withdrew from the RFP process, concluding that it was unable to provide a comprehensive proposal in the time provided for submission of proposals. The selection committee, consisting of representatives from C&D Delivery and Contracts, reviewed the technical proposals and heard oral presentations from the three teams. The selection committee evaluated the technical proposals using the following pre-established selection criteria: design and construction, schedule, key personnel, management plan, safety and quality, past performance, diversity practices, and other relevant matters.

After evaluating the technical proposals, the selection committee opened the price proposals, which were as follows: AB-C: \$415,179,000; Skanska \$517,668,030; and TP-IHI \$499,280,000. Based upon its review of the technical and price proposals and discussions during the oral presentations the selection committee invited all three firms to participate in negotiations, which focused on cost factors. The firms were then given the opportunity to submit a Best and Final Offer (“BAFO”). BAFOs were received as follows: AB-C \$409,912,888; Skanska \$509,988,171; and TP-IHI \$497,280,000.

After the review of the BAFOs, the selection committee unanimously recommended AB-C for the award of the contract. AB-C provided the best value to the MTA based upon a combination of technical approach, price, and schedule. AB-C proposed the shortest schedule, five months shorter than the maximum duration permitted under the Contract. AB-C’s proposal demonstrated a strong understanding of all components of the scope of work and its key personnel have successfully completed Design-Build projects of similar scope and magnitude. AB-C’s BAFO in the amount of \$409,912,888 is deemed to be fair and reasonable.

DBE/MBE/WBE/SDVOB INFORMATION

The MTA Department of Diversity and Civil Rights has established an MBE goal of 15%, WBE goal of 15%, and SDVOB goal of 6% for the Contract. AB-C JV is committed to meet the required goal requirements and their utilization plan is under review. AB-C JV has achieved its MBE/WBE/SDVOB goals on recently completed MTA contracts.

IMPACT ON FUNDING

Funding for the Contract and stipends for the two unsuccessful proposers are included in the Bridges and Tunnels portion of the MTA’s 2020-2024 Capital Program and Bridges and Tunnels Operating Program.

ALTERNATIVES

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

Staff Summary

Schedule C: Competitive Requests for Proposals (Award of Purchase and Public Works Contracts)

Item Number 10					
Department, Department Head Name: Delivery, Mark Bienstock, Senior Vice President, Systems					
Board Reviews					
Order	To	Date	Approval	Info	Other
1	Capital Program Committee	12/18/23	X		
2	Board	12/20/23	X		
Internal Approvals					
Order	Approval	Order	Approval		
X	Deputy Chief, Development	X	Executive Vice President & General Counsel		
X	Deputy Chief, Delivery	X	President		

SUMMARY INFORMATION	
Vendor Name	Contract Number
L.K. Comstock & Company, LLC	S32288
Description	
Design-Build Services for Emergency Alarm Systems at NYCT Stations and Substations	
Total Amount	
1. Design-Build Contract:	\$78,755,000
2. Stipend Payments:	\$303,000
Contract Term (including Options, if any)	
1,502 Calendar Days	
Option(s) included in Total Amount?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Renewal?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Procurement Type	
<input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Noncompetitive	
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:	

ACTION REQUESTED

MTA Construction & Development (“C&D”) requests Board approval to award to L.K. Comstock & Company, LLC (“LKC”) a publicly advertised and competitively solicited contract for Design-Build Services for emergency alarm systems at New York City Transit (NYCT) stations and substations (the “Contract”). The Contract is in the amount of \$78,755,000 and a duration of 1,502 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 \$101,000 to be paid to each of the three unsuccessful proposers for a total of \$303,000.

DISCUSSION

Emergency Alarms Systems provide for instant de-energization of traction power on third rail track sections and activate voice communication when triggered on the right of way. This Contract provides for the installation of Emergency Alarm Systems at 31 subway stations and 14 substations that currently do not have Emergency Alarm Systems. The work consists of equipment installation along the right of way, at subway stations and substations, fiber optic and copper cable installation, and integration into the existing software. The Contract also includes a pilot project to design, install and test, at five subway stations and one substation, upgrades to the Emergency Alarm System that will improve on the current system’s reliability, availability, network connectivity and maintainability through, among other new features, the addition of intelligent monitoring capabilities.

A two-step procurement process was conducted for this Contract. In Step 1, a Request for Qualifications was advertised resulting in the submission of eight 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 team, key personnel and organization, project approach, prior experience, past performance, and diversity compliance). Based on these criteria, four firms were selected to receive the Request for Proposal (“RFP”) in Step 2:

- LKC
- E-J Electric Installation Co. (“EJ”)
- TAP Electrical Contracting Service. Inc. (“TAP”)
- TC Electric LLC (“TCE”)

In response to the RFP, EJ, LKC, TAP, and TCE all submitted technical and price proposals. The selection committee, consisting of representatives from C&D Delivery, Development and Contracts and NYCT Department of Subways – Systems Planning and Integration, reviewed the technical proposals and attended the oral presentations of each of the four teams. The selection committee evaluated the technical proposals using the following preestablished selection criteria: design, construction, schedule, management plan, experience, record of performance, safety and quality, diversity practices, and other relevant matters. After evaluating technical proposals, the selection committee opened the price proposals which were as follows: LKC \$79,284,000; EJ \$103,390,000; TAP \$135,750,000; and TCE \$83,861,000.

After reviewing the price proposals, the selection committee invited LKC and TCE for negotiations to review and identify factors that drove cost. The selection committee removed EJ and TAP from consideration because both firms' price proposals were outside of the competitive range. Negotiations focused on cost factors, schedule and Railroad-supplied services. Following negotiations, LKC and TCE were given the opportunity to submit a Best and Final Offer ("BAFO"). BAFOS were received from LKC and TCE as follows: LKC \$78,755,000; TCE \$84,428,000.00.

After reviewing the results of the BAFO, the selection committee unanimously recommended LKC be awarded the Contract. In addition to LKC having the lowest price, LKC's technical proposal was unanimously ranked the highest technically among the Proposers. It includes a reduction of 141 days from the maximum duration allowed by Contract and provides significant savings on diversions of service. LKC also demonstrated a strong understanding of all components of the scope of work as established in its technical approach, and its key personnel have successfully completed Design-Build projects of similar scope and magnitude. Based on the foregoing, LKC's BAFO of \$78,755,000 is deemed to be fair and reasonable.

In connection with a previous contract awarded to LKC, LKC was found to be responsible notwithstanding significant adverse information (SAI) pursuant to the All-Agency Responsibility Guidelines and such responsibility finding was approved by the MTA Chair and Chief Executive Officer in consultation with the MTA General Counsel in March 2022. No new SAI has been found relating to LKC and LKC has been found to be responsible.

DBE/MBE/WBE/SDVOB INFORMATION

The MTA Department of Diversity and Civil Rights has established a MBE goal of 15%, WBE goal of 15%, and SDVOB goal of 6% for the Contract. LKC is committed to meet the required goal requirements and their utilization plan is under review. LKC has achieved its MBE/WBE/SDVOB 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. MTA lacks available in-house technical personnel to perform the scope of work associated with this Contract.

Staff Summary

Schedule C: Competitive Requests for Proposals (Award of Purchase and Public Works Contracts)

Item Number 11-12					
Department, Department Head Name: Delivery, Joe Keane, SVP & Chief Engineer, B&T Business Unit					
Board Reviews					
Order	To	Date	Approval	Info	Other
1	Capital Program Committee	12/18/23	X		
2	Board	12/20/23	X		
Internal Approvals					
Order	Approval	Order	Approval		
X	Deputy Chief, Development	X	Executive Vice President & General Counsel		
X	Deputy Chief, Delivery	X	President		

SUMMARY INFORMATION	
Vendor Name	Contract Number
1. Trevcon Construction Co., Inc.	1. TN-87C/TN-PT
2. Mid-American Elevator Co., Inc.	2. TBD-Maintenance
Description	
Design-Build Services for Tower Fender Protection and Tower Painting at the Throgs Neck Bridge	
Total Amount	
1. Design Build Contract:	\$153,875,200
2. Elevator Maintenance Contract:	\$450,000
3. Stipend Payments:	\$600,000
Contract Term (including Options, if any)	
1. TN-87C/TN-PT	1,189 Calendar Days
2. Maintenance Contract	3 years
Option(s) included in Total Amount?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Renewal?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Procurement Type	
<input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Noncompetitive	
Solicitation Type	
<input checked="" type="checkbox"/> RFP <input type="checkbox"/> Bid <input type="checkbox"/> Other:	
Funding Source	
<input checked="" type="checkbox"/> Operating** <input checked="" type="checkbox"/> Capital* <input type="checkbox"/> Federal <input type="checkbox"/> Other:	

*Design Build Contract **Maintenance Contract

ACTION REQUESTED

MTA Construction & Development (“C&D”) requests Board approval to award to Trevcon Construction Co. Inc. (“Trevcon”) a publicly advertised and competitively solicited contract for Design-Build services for Tower Fender Protection and Tower Painting at the Throgs Neck Bridge (the “Contract”). The Contract is in the amount of \$153,875,200 and for a duration of 1,189 Days. Board approval is also requested to award a three-year elevator maintenance contract to Mid-American Elevator Company, Inc. (“Mid-American”) in the amount of \$450,000. 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 \$200,000 to be paid to each of the three unsuccessful proposers for a total amount of \$600,000.

DISCUSSION

The Contract provides for the installation of a new fire standpipe system, lighting improvements, cleaning and painting of tower interiors, pedestal and strut concrete repairs, replacement of suspender ropes, main cable inspection, and the rehabilitation of the tower elevators. In connection with the rehabilitation of the tower elevators, the Design-Builder was also required to propose a separate three-year elevator maintenance contract to be entered into by C&D with the subcontractor performing the elevator rehabilitation commencing upon Substantial Completion.

A two-step procurement process was conducted for the 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 (team, personnel and organization, project approach, prior experience, past performance and diversity participation compliance). Based on these criteria, four firms were selected to receive the Request for Proposal (“RFP”) in Step 2:

- Trevcon
- American Bridge/Commodore Maintenance JV (“AB-C”)
- Kiewit Infrastructure Co. (“Kiewit”)
- Tully Construction Company, Inc. (“Tully”)

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 reviewed the technical proposals and heard oral presentations by each of the four 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. After evaluating technical proposals, the selection committee opened the price proposals, which were as follows: Trevcon \$153,195,200 and Mid-American for elevator maintenance at a price of \$450,000; AB-C \$231,888,000 and Mid-American at a price of \$1,000,000; Kiewit \$234,400,000 and Mid-American at a price of \$450,000; and Tully \$253,231,000, with no proposal for an elevator maintenance contract but providing for Mid-American to provide maintenance as part of the proposal price.

Trevcon and AB-C were invited to negotiations. The selection committee determined that Kiewit and Tully were outside of the competitive range based on the combined evaluation of their technical and cost proposals and were not invited to participate in negotiations. Negotiations focused on the proposers' design and construction approach, project schedule and overall cost. Following cost discussions, both firms were given the opportunity to submit a Best and Final Offer ("BAFO"). BAFOs were received from both firms as follows: Trevcon: \$153,875,200; and AB-C: \$231,888,000. Trevcon's proposed price increased to account for certain design costs not included in their initial proposal. The cost for the long-term elevator maintenance contract remained unchanged for both firms.

The selection committee unanimously recommended Trevcon for award, with Mid-American to provide elevator maintenance, determining that Trevcon and Mid-American provided the best value to the MTA. Trevcon provided the lowest price and its proposal demonstrated a strong understanding of all components of the scope of work as established in its technical approach, including site-specific requirements, and its key personnel has extensive experience performing work of similar scope and magnitude. Trevcon's proposal met all the technical requirements of the RFP with an innovative approach utilizing pre-cast concrete elements around the bridge tower pedestals that reduces the size of the structure, utilizes fewer piles and allows for more efficient installation. Trevcon's BAFO of \$153,875,200 and Mid-American's BAFO of \$450,000 for elevator maintenance are considered fair and reasonable.

M/W/DBE INFORMATION

The MTA Department of Diversity and Civil Rights ("DDCR") has established 15% MBE, 15%WBE and 6% SDVOB goals for the Contract. Trevcon has committed to meeting the goals requirements. Trevcon has not recently completed any MTA contracts with goals; therefore, no assessment of their performance is available at this time.

DDCR has established a 0% MBE/WBE/SDVOB goal for the Maintenance Contract due to the lack of MWBE/SDVOB firms in the marketplace. Mid-American has not completed any MTA contracts with goals, therefore, no assessment of their performance can be determined at this time.

IMPACT ON FUNDING

Funding for the Contract and stipend for the unsuccessful proposers are included in the MTA's 2020-2024 Capital Program. Funding for the Maintenance Contract is included in the B&T's operating budget.

ALTERNATIVES

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

Staff Summary

Schedule C: Competitive Requests for Proposals (Award of Purchase and Public Works Contracts)

Item Number 13					
Department, Department Head Name: Delivery, Joe Keane PE, SVP and Chief Engineer, B&T Business Unit					
Board Reviews					
Order	To	Date	Approval	Info	Other
1	Capital Program Committee	12/18/23	X		
2	Board	12/20/23	X		
Internal Approvals					
Order	Approval	Order	Approval		
X	Deputy Chief, Development	X	Executive Vice President & General Counsel		
X	Deputy Chief, Delivery	X	President		

SUMMARY INFORMATION	
Vendor Name	Contract Number
Ahern Painting Contractors, Inc.	VN-PT/VN-12
Description	
Design-Build Services for Tower Painting, Lighting and Electrical Upgrades at the Verrazzano-Narrows Bridge	
Total Amount	
1. Design Build Contract: \$128,525,518	
2. Stipend Payments: \$84,000	
Contract Term (including Options, if any)	
Thirty (30) Months	
Option(s) included in Total Amount?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Renewal?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Procurement Type	
<input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Noncompetitive	
Solicitation Type	
<input checked="" type="checkbox"/> RFP <input type="checkbox"/> Bid <input type="checkbox"/> Other:	
Funding Source	
<input checked="" type="checkbox"/> Operating <input checked="" type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:	

ACTION REQUESTED

MTA Construction & Development (“C&D”) requests Board approval to award to Ahern Painting Contractors, Inc. (“Ahern”) a publicly advertised and competitively solicited Design-Build contract for tower painting, lighting, and electrical upgrades at the Verrazzano-Narrows Bridge (the “Contract”). The Contract is in the amount of \$128,525,518 and a duration of 30 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 \$42,000 to be paid to each of the two unsuccessful proposers for a total of \$84,000.

DISCUSSION

The Contract provides for the cleaning and painting of the bridge's exterior towers, as well as cleaning and painting of suspender ropes and main cable collars. The contract also includes lighting and electrical upgrades consisting of the installation of a new tower floodlighting system and interior lighting, replacement of navigation lights, new tower feeder cables, new electrical panels and transformers, and seismic retrofit repairs at the tower cable bases.

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 team, key personnel and organization, understanding of the work, prior experience, past performance, and diversity compliance). Based on these criteria, all four of the responding firms were selected to receive the Request for Proposal (“RFP”) in Step 2:

- Ahern
- C.A.C Industries-Corcon JV (“CAC-Corcon”)
- El Sol-Champion JV (“El Sol-Champion”)
- Tully-Nuco JV LLC (“Tully-Nuco”)

Three firms submitted technical and price proposals in response to the RFP. CAC-Corcon elected to withdraw from participation in the RFP, citing its inability to perform the full project scope within the prescribed timeline. The selection committee, consisting of representatives from C&D Delivery and Contracts and MTA Bridges and Tunnels' Maintenance Department, first reviewed the technical proposals and heard oral presentations from the remaining proposers. The selection committee evaluated the technical proposals utilizing the following pre-established selection criteria: design and construction, schedule, key personnel, management plan, safety and quality, past performance, diversity practices and other relevant matters. After evaluating the technical proposals, the selection committee opened the price proposals, which were as follows: Ahern \$147,711,508; El Sol-Champion \$258,184,000; and Tully-Nuco \$295,429,500.

Based upon its review of the technical and price proposals, and discussions during the oral presentations, the selection committee invited all three firms to participate in negotiations, which focused on the scope and ways to reduce cost. A post-proposal addendum was issued following negotiations revising the scope and requesting a Best and Final Offer ("BAFO"). The BAFOs were as follows: Ahern \$128,525,518; El Sol-Champion: \$186,021,250; and Tully-Nuco \$186,239,500.

After a review of the BAFOs, the selection committee unanimously recommended Ahern for the award of the contract. Ahern provided the best value to the MTA based upon a combination of technical approach, price, and schedule that meets the milestones and project duration requirements. Ahern's technical proposal includes the use of a paint containment system and a platform system that are readily available for deployment on site, which assured the selection committee that Ahern's technical approach can achieve the project schedule and provide significant cost savings. Its proposal demonstrated a strong understanding of all components of the scope of work and its key personnel have completed Design-Build projects of similar scope and magnitude. Ahern's BAFO of \$128,525,518 is deemed to be fair and reasonable.

In connection with a previous contract awarded to Ahern, Ahern was found to be responsible notwithstanding significant adverse information (SAI) pursuant to the All-Agency Responsibility Guidelines and such responsibility finding was approved by the C&D President in consultation with the MTA General Counsel in May 2021. No new SAI has been found relating to Ahern and Ahern 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 for the Contract. Ahern is committed to meet the required goal requirements and their utilization plan is under review. Ahern has achieved its MBE/WBE/SDVOB goals on recently completed MTA contracts.

IMPACT ON FUNDING

Funding for the Contract and the stipends are derived from the Bridges and Tunnels portion of the MTA's 2020-24 Capital Program and from the Bridges and Tunnels operating budget.

ALTERNATIVES

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

Staff Summary

Schedule C: Competitive Requests for Proposals (Award of Purchase and Public Works Contracts)

Item Number 14					
Department, Department Head Name: Delivery, Andrew Wilson, Vice President, LIRR Business Unit					
Board Reviews					
Order	To	Date	Approval	Info	Other
1	Capital Program Committee	12/18/23	X		
2	Board	12/20/23	X		
Internal Approvals					
Order	Approval	Order	Approval		
X	Deputy Chief, Development	X	Executive Vice President & General Counsel		
X	Deputy Chief, Delivery	X	President		

SUMMARY INFORMATION	
Vendor Name	Contract Number
Forte Construction Corp.	6494
Description	
Design-Build Services LIRR Station Improvements Package II (Forest Hills, Hollis, & Babylon)	
Total Amount	
1. Design Build Contract:	\$227,500,000
2. Stipend Payments:	\$450,000
Contract Term (including Options, if any)	
36 Months	
Option(s) included in Total Amount?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Renewal?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Procurement Type	
<input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Noncompetitive	
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:	

ACTION REQUESTED

MTA Construction & Development (“C&D”) requests Board approval to award to Forte Construction Corp. (“Forte”) a publicly advertised and competitively solicited contract for Design-Build services for LIRR Station Improvements Package II: Forest Hills, Hollis and Babylon Stations (“the “Contract”). The Contract is in the amount of \$227,500,000 and for a duration of 36 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 \$150,000 to be paid to each of the three unsuccessful proposers for a total amount of \$450,000.

DISCUSSION

This Contract is one of a series of American Disabilities Act (“ADA”) projects in support of the MTA’s commitment to make stations accessible. The Contract provides for Design-Build services for ADA and state of good repair improvements at three Long Island Railroad Stations (Babylon, Forest Hills and Hollis Stations). At Babylon Station, the work consists of the installation of two new ADA-compliant elevators, the rehabilitation of two existing elevators, the replacement of two existing escalators, and full platform and canopy replacements. At Forest Hills Station, the work consists of the installation of ADA-compliant ramps and accessible paths of travel and platform replacements and extensions. At Hollis Station, the work consists of the installation of one new ADA-compliant elevator, new ramps, modifications to two existing pedestrian tunnels, as well as the addition of a new pedestrian tunnel, new support buildings, platform replacement and new canopies.

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 (team, personnel and organization, project approach, prior experience, past performance and diversity participation compliance). Based on these criteria, all four firms were selected to receive the Request for Proposal (“RFP”) in Step 2:

- Forte
- John P. Picone (“Picone”)
- Railroad Construction Company/Citnalta Construction Corp Joint Venture (“RCC/Citnalta”)
- MLJ Contracting (“MLJ”)

In response to the RFP, all four proposers submitted technical and price proposals. The selection committee, consisting of representatives from C&D Delivery and Development Departments along with LIRR Engineering, first reviewed the technical proposals and heard oral presentations by each proposer. 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. After evaluating technical proposals, the selection committee opened the price proposals, which were as follows: Forte \$211,212,000; Picone \$310,296,096; RCC/Citnalta \$242,000,000; and MLJ \$301,600,000.

The selection committee invited Forte and RCC/Citnalta to negotiations. MLJ and Picone were not invited to negotiations because their price proposals were outside of the competitive range. Following cost discussions, both firms were given the opportunity to submit a Best and Final Offer ("BAFO"). BAFOs were received from both firms as follows: Forte \$227,500,000; and RCC/Citnalta \$239,900,000. Forte increased its proposal price during the BAFO process, reflecting a more complete understanding of the project requirements and risks.

Based upon its review of the technical and price proposals and discussions during the oral presentations, the Selection Committee recommended Forte for award. It determined that the proposal submitted by Forte provides the best overall value to the MTA. In addition to offering the lowest price, the proposal exhibits a comprehensive understanding of all components of the scope of work as established in its technical approach, and its key personnel have successfully completed Design-Build projects of similar scope and magnitude. Forte provides a detailed analysis of risks and mitigation strategies, showcasing a clear awareness of schedule and restrictions associated with working alongside active Railroad tracks. Recognizing the unique complexities at each station, the proposal strategically treats each station as an independent project with its own dedicated team to manage the intricacies of each location. Based on the foregoing, Forte's BAFO amount of \$227,500,000.00 is deemed to be fair and reasonable.

DBE/MBE/WBE/SDVOB INFORMATION

The MTA Department of Diversity and Civil Rights has established a DBE goal of 22.5% for the Contract. Forte is committed to meet the required goal requirements and their utilization plan is under review. Forte has achieved its DBE/MBE/WBE/SDVOB goals on recently completed MTA contracts.

IMPACT ON FUNDING

Funding for the Contract and stipend for the unsuccessful proposer are included in the LIRR portion of the MTA's 2020-2024 Capital Program.

ALTERNATIVES

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

Staff Summary

Schedule C: Competitive Requests for Proposals (Award of Purchase and Public Works Contracts)

Item Number 15					
Department, Department Head Name: Delivery, Ziona Rubin, MNR Business Unit, Vice President					
Board Reviews					
Order	To	Date	Approval	Info	Other
1	Capital Program Committee	12/18/23	X		
2	Board	12/20/23	X		
Internal Approvals					
Order	Approval	Order	Approval		
X	Deputy Chief, Development	X	Executive Vice President & General Counsel		
X	Deputy Chief, Delivery	X	President		

SUMMARY INFORMATION	
Vendor Name	Contract Number
Civetta-Stonebridge J.V.	188858
Description	
Design-Build Services Brewster Yard Improvements (Phase I): Southeast Station Parking	
Total Amount	
1. Design-Build Contract: \$149,747,500	
2. Stipend Payments: \$200,000	
Contract Term (including Options, if any)	
826 Calendar Days	
Option(s) included in Total Amount?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Renewal?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Procurement Type	
<input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Noncompetitive	
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:	

ACTION REQUESTED

MTA Construction & Development (“C&D”) requests Board approval to award to Civetta-Stonebridge J.V. (“CSJV”), a joint venture of John Civetta & Sons, Inc. and Stonebridge, Inc., a publicly advertised and competitively solicited contract for Design-Build services for a new 1,320-space, multi-level parking garage and station access improvements at the Southeast Station (the “Contract”). The Contract is in the amount of \$149,747,500 and for a duration of 826 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 \$100,000 to be paid to each of the two unsuccessful proposers for a total of \$200,000.

DISCUSSION

C&D, in conjunction with Metro-North Railroad (“MNR”), has developed a multi-phase improvement program to transform MNR’s Brewster Campus into a strategic maintenance facility and transportation hub in the Town of Southeast, Putnam County, NY. The yard improvement program will reconfigure and expand the yard to accommodate a new train fleet and facilities. The work under this Contract is the first phase of the improvement program, relocating the current Southeast Station customer parking to a new parking garage to allow for yard expansion and upgrades in future phases. This first phase also includes a new pedestrian overpass that extends from the new parking garage and over the main line tracks to connect to the existing station overpass. This will provide direct access from the garage to the station platforms.

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, which were then 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, the following three firms were selected to receive the Request for Proposal (“RFP”) in Step 2:

- CSJV
- ECCO III Enterprises, Inc. (“ECCO III”)
- Walsh Construction Company II, LLC (“Walsh”)

In response to the RFP, CSJV, ECCO III, and Walsh submitted technical and price proposals. The selection committee, consisting of representatives from C&D Delivery, Development and Contracts, and MNR's Department of Stations Operations & Services, 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, schedule, management plan, experience, record of performance, safety and quality, diversity practices and other relevant matters. After evaluating technical proposals, the selection committee opened the price proposals which were as follows: CSJV \$149,747,500.00; ECCO III \$166,276,000.00; and Walsh \$199,064,843.33.

After reviewing the price proposals, the selection committee invited CSJV and ECCO III for cost discussions and to identify factors that drove cost. The selection committee removed Walsh from consideration because its price proposal was outside of the competitive range. ECCO III was unable to identify any cost savings during negotiations and it was determined that ECCO III's price proposal included assumptions that were inconsistent with the terms of the contract and which, if accepted, would have further increased its price. CSJV was given the opportunity to submit a Best and Final Offer ("BAFO") following negotiations, but CSJV's BAFO only confirmed its original proposal of \$149,747,500.

Based upon its review of the technical and price proposals, and discussions during the oral presentations, the Selection Committee determined that CSJV's proposal provided the best value to MTA, as it provided the lowest price and the shortest schedule – 3 months shorter than the maximum duration permitted under the Contract. CSJV's proposal also includes the installation of a pedestrian bridge that is reinforced with additional steel girders and cast-in-place concrete deck ensuring a longer useful life. CSJV's member partners have worked on numerous successful projects together, including a current project for Metro-North, and have successfully completed Design-Build projects of similar scope and magnitude. CSJV's BAFO of \$149,747,500 is deemed to be fair and reasonable.

DBE/MBE/WBE/SDVOB INFORMATION

The MTA Department of Diversity and Civil Rights has established a MBE goal of 15%, WBE goal of 15%, and SDVOB goal of 6% for the Contract. CSJV is committed to meet the required goal requirements and their utilization plan is under review. CSJV has not completed any MTA contracts with goals; therefore, no assessment of its performance can be determined at this time. John Civetta & Sons Inc. has achieved its DBE/MBE/WBE/SDVOB goals on recently completed MTA contracts. Stonebridge, Inc. has not recently completed any MTA contracts with goals; therefore, no assessment of its 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 MNR portion of the MTA's 2020-2024 Capital Program.

ALTERNATIVES

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

Staff Summary

Schedule C: Competitive Requests for Proposals (Award of Purchase and Public Works Contracts)

Item Number 16-17					
Department, Department Head Name: Delivery, William Montanile, Senior Vice President, Stations					
Board Reviews					
Order	To	Date	Approval	Info	Other
1	Capital Program Committee	12/18/23	X		
2	Board	12/20/23	X		
Internal Approvals					
Order	Approval	Order	Approval		
X	Deputy Chief, Development	X	Executive Vice President & General Counsel		
X	Deputy Chief, Delivery	X	President		

SUMMARY INFORMATION	
Vendor Name	Contract Number
1. Judlau Contracting, Inc. 2. Modern Elevator Installations, Inc.	1. A37758 2. TBD-Maintenance
Description	
ADA Upgrades Package 5	
Total Amount	
1. Design Build Contract	\$577,200,060
2. Long Term Elevator Maintenance Contract	\$28,505,090
3. Stipend	\$1,300,000
Contract Term (including Options, if any)	
1. A37758	1,090 Calendar Days
2. Maintenance Contract	15 years
Option(s) included in Total Amount?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Renewal?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Procurement Type	
<input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Noncompetitive	
Solicitation Type	
<input checked="" type="checkbox"/> RFP <input type="checkbox"/> Bid <input type="checkbox"/> Other:	
Funding Source	
<input checked="" type="checkbox"/> Operating** <input checked="" type="checkbox"/> Capital* <input checked="" type="checkbox"/> Federal* <input type="checkbox"/> Other:	

*Design Build Contract **Maintenance Contract

ACTION REQUESTED

MTA Construction & Development (“C&D”) requests Board approval to award to Judlau Contracting, Inc. (“Judlau”) a publicly advertised and competitively solicited contract for Package 5 -- Design-Build services for Americans with Disabilities Act (“ADA”) upgrades at 13 New York City Transit (“NYCT”) stations (the “Contract”). The Contract is in the amount of \$577,200,060 and a duration of 1,090 Calendar Days. Board approval is also requested to award a long-term elevator maintenance contract to Modern Elevator Installations (“Modern”) in the amount of \$28,505,090 and for a duration of 15 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 \$650,000 to be paid to each of the two unsuccessful proposers for a total amount of \$1,300,000.

DISCUSSION

This Contract is one of a series of ADA projects in support of the MTA's commitment to make stations accessible. The Contract provides for ADA upgrades at the following 13 NYCT stations: Van Cortland Park – 242nd Street Station (1), Harlem 148th Street Station (3), 96th Street Station (B, C), 81st Street Station (B, C), 86th Street Station (4, 5, 6), Broadway Station (N, W), Court Square-23rd Street Station (E, M), 33rd Street-Rawson Street Station (7), 46th Street-Bliss Street Station (7), Classon Avenue Station (G), New Lots Avenue (3), 36th Street Station (D, N, R), and Huguenot Station (Staten Island Railway). The work includes installing new ADA-compliant elevators or ramps at each of these stations as well as other ADA upgrades and state of good repair work. C&D has also identified and seeks to engage the elevator manufacturer to provide long term maintenance of the elevators installed under this Contract.

C&D will enter into a separate long-term Elevator Maintenance Contract for all maintenance, repairs, tests and inspections, callbacks and emergency services required to ensure optimum performance and longevity of the elevators and ancillary equipment. 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 the subsequent maintenance thereof. Only the elevator manufacturer or installer 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 Maintenance Contract is for a fifteen-year term, commencing on achievement of Substantial Completion of the Design/Build Contract, and includes two options, each to extend the maintenance period for an additional five years.

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, which were then 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 and past performance). Based on these criteria, all three firms were selected to receive the Request for Proposal ("RFP") in Step 2:

- Judlau
- ADA aXess Partners ("AXP")
- MLJ/TC2 JV ("MLJTC2")

In response to the RFP, AXP, Judlau, and MLJTC2 all submitted technical and price proposals. The selection committee, consisting of representatives from C&D Delivery, Development and Contracts and NYC Transit Department of Subways – Division of Elevators & Escalators, 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, schedule, elevator maintenance plan, management plan, experience, record of performance, safety and quality, diversity practices, and other relevant matters. After evaluating technical proposals, the selection committee opened the price proposals which were as follows: Judlau: \$565,200,038 (maintenance: \$28,505,090); AXP: \$635,536,303 (maintenance: \$25,851,550); and MLJTC2 \$686,282,000 (maintenance: \$32,082,000).

For the long-term elevator maintenance contract AXP and Judlau proposed Modern and MLJTC2 proposed Mid-American Elevator Co., Inc. The selection committee invited AXP and Judlau for negotiations. MLJTC2 was not invited to participate in negotiations because its price proposal was outside of the competitive range. Negotiations with the remaining two proposers included detailed discussions of the proposer's overall cost, as well as proposed design and construction approach. Following negotiations, the two proposers were asked to submit Best and Final Offers ("BAFO"). As a result of scope clarifications received during negotiations, Judlau's BAFO included adjustments to certain items such as General Requirements, mobilization, utility and site work at the 36th street station that were not initially captured in its proposal. The BAFOs submitted by the proposers were as follows: Judlau \$577,200,060 (maintenance: \$28,505,090) and AXP \$629,836,303 (maintenance: \$25,851,550).

The selection committee unanimously recommended Judlau for award of the Contract and Modern for the award of the long-term elevator maintenance contract. In addition to providing the lowest price, the selection committee determined that Judlau's proposal offered the best value to the MTA in light of the quality of its technical proposal and its overall price. Judlau's technical proposal provides clear sequencing and a strategic timeline to ensure timely completion of the work. It reduces the quantity of service diversions at certain stations, minimizing impact to the ridership. Judlau demonstrated a strong understanding of all components of the scope of work and its key personnel have successfully completed Design-Build projects of similar scope and magnitude. Judlau's BAFO of \$577,200,060 and Modern's Proposal of \$28,505,090 are deemed to be fair and reasonable.

DBE/MBE/WBE/SDVOB Information

The MTA Department of Diversity and Civil Rights has established a DBE goal of 22.5% for the Contract. Judlau is committed to meet the required goal requirements. Judlau has achieved its DBE/MBE/WBE/SDVOB goals on recently completed MTA contracts.

DDCR has established a 0% MBE/WBE/SDVOB goal for the Maintenance Contract due to the lack of MWBE/SDVOB firms in the marketplace. Modern has not completed any MTA contracts with 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 2020-2024 Capital Program. Funding for the Maintenance Contract is included in the NYCT operating budget.

ALTERNATIVES

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

Staff Summary

Schedule H: Modifications to Personal Service & Miscellaneous Service Contracts

Item Number: 18

Vendor Name (& Location) Schindler Elevator Corporation (20 Whippany Road Morristown, NJ 07960)	
Description Post Revenue Service Maintenance Extension	
Contract Term (including Options, if any) 166 Months	
Option(s) included in Total Amount? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> n/a	
Procurement Type <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Non-competitive	
Solicitation Type <input checked="" type="checkbox"/> RFP <input type="checkbox"/> Bid <input checked="" type="checkbox"/> Other: Modification	
Funding Source <input checked="" type="checkbox"/> Operating <input type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:	
Requesting Dept/Div & Dept/Div Head Name: East Side Access, Judith Kunoff, SVP and Program Executive	

Contract Number	AWO/Modification #
VM014	44
Original Amount:	\$ 24,077,558
Prior Modifications:	\$ 29,706,232
Prior Budgetary Increases:	\$
Current Amount:	\$ 55,571,532
This Request:	\$ 5,873,056
% of This Request to Current Amount:	10.6%
% of Modifications (including This Request) to Original Amount:	147.8%

DISCUSSION:

Contract VM014 (the “Contract”) provides for the fabrication, installation and maintenance through 2023 of the escalators and elevators in Grand Central Madison. MTA Construction and Development (“C&D”) requests that the Board approve a modification to the Contract to provide for continued maintenance of elevators and escalators in Grand Central Madison for up to six additional months for a not-to-exceed amount of \$5,873,056.

C&D is currently procuring a long-term maintenance contract for the operation and maintenance of Grand Central Madison. There is an ongoing critical need to provide service and maintenance of the elevators and escalators within Grand Central Madison until the long-term maintenance contract is awarded. The work under this modification includes routine maintenance of the elevators and escalators, on-call service to address problems that may arise, as well as annual preventive maintenance. The Contract also provides off-site storage of three escalators slated for installation at the future 48th Street entrance.

The Contractor submitted a proposal in the not-to-exceed amount of \$5,873,056 for the additional 6-month period based on a weekly rate of \$219,553.49 from January 1, 2024 through March 17, 2024, and a weekly rate of \$230,531.17 from March 18, 2024 through June 30, 2024. The rate for the later period accounts for a new labor agreement with wage increase anticipated to take effect on March 18, 2024. Even with the anticipated wage increase, the proposed rates represent a discount from the weekly rate of \$239,063 paid during the prior 6-month period and C&D deems this price to be fair and reasonable. In addition, the Modification will provide that if labor negotiations result in a wage increase of less than 5% during the later period, MTA will be entitled to a corresponding reduction of that weekly rate.

Staff Summary

Schedule H: Modifications to Personal Service & Miscellaneous Service Contracts

Item Number: 19

Vendor Name (& Location) George S. Hall, Inc. (122 East 42nd Street, Fourth Floor New York, New York 10168-0501)	
Description Interim Maintenance of the East Side Access Project	
Contract Term (including Options, if any) Twenty-One Months	
Option(s) included in Total Amount? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> n/a	
Procurement Type <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Non-competitive	
Solicitation Type <input checked="" type="checkbox"/> RFP <input type="checkbox"/> Bid <input checked="" type="checkbox"/> Other: Modification	
Funding Source <input checked="" type="checkbox"/> Operating <input type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:	
Requesting Dept/Div & Dept/Div Head Name: East Side Access, Judith Kunoff, SVP and Program Executive	

Contract Number	AWO/Modification #
VS250	003
Original Amount: \$ 59,138,759.52	
Prior Modifications: \$ 24,756,754	
Prior Budgetary Increases: \$ 24,756,754	
Current Amount: \$ 98,423,242	
This Request:	\$ 41,157,185
% of This Request to Current Amount:	41.8%
% of Modifications (including This Request) to Original Amount:	111.5%

DISCUSSION:

Contract VS250 (the “Contract”) provides for the interim maintenance, service, and operation of Grand Central Madison assets and equipment through January 11, 2024. MTA Construction and Development (“C&D”) requests Board approval to enter into a modification to fund the work necessary for continued interim maintenance, service, and operation of the Grand Central Madison assets and equipment for up to 6 additional months for the not-to-exceed amount of \$41,157,184.27.

C&D is currently procuring a long-term facility maintenance contract for the operation and maintenance of Grand Central Madison. C&D anticipates that that contract will be in operation within the second quarter of 2024. In the interim, there is an ongoing critical need to maintain and operate these assets and equipment in support of passenger service operations. The Grand Central Madison assets and equipment currently being operated and maintained under the VS250 Contract consist principally of the building management system, the automatic temperature control system, the chiller and steam plant, the tunnel ventilation systems, mechanical, electrical and plumbing systems, and the communication, fire protection, and security systems. Other items included in the Contract are pest control, freight office operations and terrazzo floor maintenance.

The VS250 Contract included two six-month options to extend the Contract duration. On June 15, 2023, MTACD exercised the first Option, extending the Contract from July 12, 2023 to January 11, 2024. On November 22, 2023, MTACD exercised the second Option extending the Contract from January 12, 2024 to July 12, 2024. Each Option included funding for general conditions and field office overhead costs but did not include funding for the for the maintenance and operations activities which are paid for based on unit rate payment items.

C&D performed a reconciliation of the unit rate payment items expended over the duration of the Contract and forecast the activities and unit rate payment items required during the second Option period. The unit rates are unchanged from the negotiated values in the base Contract; however, the quantities of units provided in the Contract needs to be increased to cover this Option period. Based on the reconciliation and forecast, both parties agreed to a total not to exceed amount of \$41,157,184.27 to fund the unit price items during this second 6-month Option period, until July 12, 2024. C&D deems this proposed increase to the Contract Price to be fair and reasonable.

December 2023

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 requiring Board approval)

20. Skanska ECCO III 2, JV \$ 1,442,386 Staff Summary Attached
Contract No. 81933

MTA Construction & Development requests that the Board ratify a modification to replace the DC Rectifier Transformer at Metro-North Railroad's Croton-Harmon Yard.

21-22. Parsons Transportation Group \$ 8,700,000 Staff Summary Attached
Of New York
Contract No. W32366

MTA Construction & Development requests that the Board ratify Modifications Nos. 121 and 128 which, respectively, provide for (i) bus radio system equipment installation on 1,647 new buses and (ii) training and certification for 32 bus installers.

Staff Summary

Schedule K: Ratification of Completed Procurement Actions

Item Number: 20

Vendor Name (Location) Skanska-ECCO III 2, JV (75-20 Astoria Blvd. Suite 200 East Elmhurst, NY 11370)	Contract Number MN-81933	Modification/MOD # 41
Description Design and Construction Services for the Harmon Shop Replacement- Phase 5, Stage 2	Original Amount: \$ 365,093,000	
Contract Term (including Options, if any) October 31, 2018 - April 30, 2023	Prior Modifications: \$ 17,583,770	
Option(s) included in Total Amt? <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> n/a	Prior Budgetary Increases: \$ 0	
Procurement Type <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Noncompetitive	Current Amount: \$ 382,676,770	
Solicitation Type <input type="checkbox"/> RFP <input type="checkbox"/> Bid <input checked="" type="checkbox"/> Other: Modification	This Request: \$ 1,442,386	
Funding Source <input checked="" type="checkbox"/> Operating <input type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:	% of This Request to Current Amt.: 0.37%	
Requesting Dept./Div., Dept./Div. Head Name: Delivery/Mark Roche, Deputy Chief Development Officer	% of Modifications (including This Request) to Original Amount: 5.2%	

DISCUSSION:

The Contract provides for design and construction of the new Croton-Harmon Shop and associated facilities and equipment at Metro-North Railroad’s (“MNR”) Croton-Harmon Yard. MTA Construction and Development (“C&D”) requests that the Board ratify a modification in the amount of \$1,442,386 to replace the DC Rectifier Transformer at the yard.

The Contract calls for, among other things, the construction of a Running Repair Support Shop (“RRSS”). The RRSS will be used to service and maintain MNR rolling stock. On June 30, 2022, the existing transformer intended to provide power to the new RRSS, and which also currently provides power to the existing Consist Shop Facility (“CSF”), malfunctioned beyond repair. To maintain operations at the CSF, a temporary transformer was installed. While adequate to provide power to the CSF alone, the temporary transformer is 30 years old and has less power capacity than is required to support both the CSF and the RRSS once the RRSS is placed into service.

This modification provides for the contractor to furnish and install a new DC Rectifier Transformer at the Croton-Harmon Yard that will be able to serve both the RRSS and the CSF. To address the manufacturing lead time for the equipment and mitigate potential impact to the project schedule, authorization was obtained from the President of C&D on March 23, 2023, to allow for the procurement of the new equipment prior to the finalization of this modification.

The Contractor submitted a proposal in the amount of \$1,528,219.31. Negotiations resulted in agreement of a lump sum price of \$1,442,386 which is considered fair and reasonable. While the Contract is expected to achieve Substantial Completion in December 2023, this work will not be completed until sometime in 2024 according to the current schedule. The contractor has agreed, and the modification will provide, that this work will not be required for Substantial Completion and that there will be no claim by the contractor for an extension of time or impact costs associated with this work.

Staff Summary

Schedule K: Ratification of Completed Procurement Actions

Item Number: 21-22

Vendor Name (& Location) Parsons Transportation Group of New York (New York, NY)	
Description 700/800 MHz Bus Radio System for New York City Transit	
Contract Term (including Options, if any)	
Option(s) included in Total Amount? <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> n/a	
Procurement Type <input type="checkbox"/> Competitive <input type="checkbox"/> Non-competitive	
Solicitation Type <input 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:	
Requesting Dept/Div & Dept/Div Head Name: Delivery, Mark Roche, Deputy Chief Development Officer	

Contract Number W32366	AWO/Modification # 121 & 128
Original Amount:	\$ 202,100,000
Prior Modifications:	\$ 14,227,882
Prior Budgetary Increases:	\$ 0
Current Amount:	\$ 216,327,882
Modification No. 121	\$ 6,500,000
Modification No. 128	\$ 2,200,000
This Request:	\$ 8,700,000
% of This Request to Current Amount:	4%
% of Modifications (including This Request) to Original Amount:	11.3%

DISCUSSION:

Contract W-32366 (the "Contract") provides for the design, furnishing, and installation of a new land mobile digital bus radio system that will serve both New York City Transit ("NYCT") and the MTA Bus Company. MTA Construction and Development ("C&D") requests that the Board ratify modifications Nos. 121 and 128 which, respectively, provide for (i) bus radio system equipment installation on 1,647 new buses and (ii) training/certification for 32 bus installers.

Modification No. 121

Since this contract was awarded, new buses have been acquired by MTA that require installation of the bus radio system equipment and older buses that were originally designated for installation of the system are scheduled for retirement. This modification is for installation of equipment on the newly manufactured buses. It provides for the design, fabrication and installation of the interface harnesses necessary to complete installation on 1,647 new buses. This modification also provides a credit for work not yet performed on buses that are now designated to be retired. The Contractor submitted its proposal for the work and a credit for the deleted work in the net amount of \$7,510,137. Negotiations resulted in the agreed-upon lump-sum price of \$6,500,000, which is considered fair and reasonable.

Modification No. 128





NYCT issued a Maintenance Directive in March 2020 requiring all contractors working on buses to follow new procedures to ensure quality of work performed, accuracy of installation manuals developed, and competency of installer staff. The directive requires new training and certifications to perform the work in the Contract and additional manuals for the various bus types that were not requirements of in the original bus radio system Contract. The contractor submitted its proposal for the work in the amount of \$3,530,600. Negotiations resulted in the agreed-upon lump-sum price of \$2,200,000, which is considered fair and reasonable.

The Contractor has asserted a claim for an extension of time and impact costs in connection with the Contract. C&D and the Contractor are engaged in negotiations with regard to that claim. Any claim for an extension of time or impact costs associated with these two modifications will be addressed as part of those discussions and, if required, in a subsequent modification. As such, these modifications will include a reservation of the Contractor's rights to assert such claims and of C&D's rights and defenses in that regard.

Subject NYS DOT 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 9, 2023
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.	12/18/23			
2	MTA Finance Mtg.	12/18/23			
3	MTA Board Mtg.	12/20/23			

Internal Approvals			
Order	Approval	Order	Approval
4	President 	2	General Counsel 
1	Executive Vice-President & COO 	3	MNR Financial Liaison 

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

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 (NYS DOT) to support connecting services covering the period from January 1, 2024 through December 31, 2024.

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.

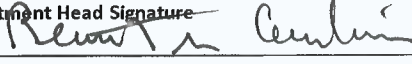
Over the past fifteen years, Metro-North has received over \$5 million from similar NYSDOT (CMAQ) grants. These funds have been used for a variety of operational and marketing activities: providing customer information (e.g., signage, kiosks, pocket timetables, etc.); marketing/advertising to launch 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 (NYS DOT) to support connecting services, covering the period from January 1, 2024 through December 31, 2024.



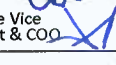
The legal name of MTA Metro-North Railroad is Metro-North Commuter Railroad Company

Staff Summary

Subject Tenth Memorandum of Understanding (MOU) between MNR and City of Newburgh for Reimbursement of Ferry Landing/ Parking Lease
Department Operations Planning and Analysis
Department Head Name Bennett Cornelius
Department Head Signature 
Project Manager Name Donna Mason

Date November 9, 2023
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.	12/18/23			
2	MTA Board Mtg.	12/20/23			

Internal Approvals			
Order	Approval	Order	Approval
3	President 	2	General Counsel 
1	Executive Vice President & COO 		

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

PURPOSE: To obtain MTA Board approval for Metro-North to enter into a Tenth Memorandum of Understanding (“Tenth 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, 2024 through December 31, 2024.

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

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

Staff Summary

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 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 extended the lease for the period January 1, 2023 through December 31, 2023, at the same rate of \$21,916 per month. The City and Metro-North entered into Ninth MOU dated December 22, 2022 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 Fifth Extension for the period January 1, 2024 through December 31, 2024 at the same rate of \$21,916 per month. Under the proposed Tenth MOU, Metro-North will reimburse the City for the same period of time as the Second New Lease Fifth Extension (January 1, 2024 through December 31, 2024) at the same rate of \$21,916 per month.

The Tenth 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 Tenth 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, 2024. 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 2023. 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 Tenth 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 Tenth 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, 2024 through December 31, 2024.

Staff Summary

Subject County of Westchester Employer-Based Shuttle Agreement	
Department Operations Planning and Analysis	
Department Head Name Bennett Cornelius	
Department Head Signature <i>Bennett M. Cornelius</i>	
Project Manager Name Donna Y Mason	Program Manager Name

Date December 11, 2023
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.	12/18			
2	MTA Board Mtg	12/20			

Internal Approvals			
Order	Approval	Order	Approval
4	President <i>[Signature]</i>	2	Vice President & General Counsel <i>[Signature]</i>
1	Executive Vice President & COO <i>[Signature]</i>	3	MNR Financial Liaison <i>[Signature]</i>

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

PURPOSE:
To obtain MTA Board approval for Metro-North to amend the Westchester County Department of Public Works & Transportation (“WCDPW&T”) Employer-Based Shuttle Agreement pursuant to Amendment No. 8 to extend the term of the Agreement to December 31, 2024, and to pay the 2022 payment due and owing to WCDPW&T in the amount of \$58,413.60.

DISCUSSION:
On June 1, 1997, Metro-North and WCDPW&T entered into an agreement for WCDPW&T to operate and Metro-North to partially subsidize the Employer-Based Shuttles that provide connecting bus service to and from Metro-North train stations serving the corporate parks along Westchester Avenue and Routes 119 and 120 in Westchester County, with the goals of increasing ridership on Metro-North trains and promoting public transportation. Most of the source of the ridership originates from Metro-North stations in the Bronx, and these shuttles provide a service for reverse commuters with employment in the County. Subsequently, Metro-North and WCDPW&T entered into Amended and Restated Agreements, which ultimately extended the terms of the original contract to December 31, 2021. Metro-North and WCDPW&T now wish to further extend this agreement through December 31, 2024. This extension will maintain the same terms as the prior Amendments. In addition, Metro-North seeks authorization to make a past due payment for FY2022 in the amount of \$58,413.60, which payment was inadvertently not paid as a consequence of the global pandemic and the lack of an amendment covering FY2022. The amount of the annual payments is based on ridership and the CPI Index. Metro-North intends to engage its marketing partners to further publicize these shuttles to increase ridership. In addition, Metro-North will be working with Westchester County to rationalize the connecting services with the goal of recommending different alternatives after 2024.

BUDGET IMPACT:
The flat rate established for the Employer-Based Shuttles provides Metro-North Railroad with a predictable yearly WCDPW&T payment which is included in its Operating Budget. The shuttle buses serve to increase railroad ridership and promote reverse commutation.

RECOMMENDATION:

That the MTA Board grant approval for Metro-North Railroad to amend the WCDPW&T Employer-Based Shuttle Agreement pursuant to Amendment No. 8 to extend the term of the Agreement to December 31, 2024, and to pay the 2022 payment due and owing to WCDPW&T in the amount of \$58,413.60.

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




Long Island Rail Road Procurements

Richard Mack, MTA Assistant Deputy Chief Contracts Officer – LIRR Procurements



PROCUREMENTS

The Procurement Agenda this month includes 3 actions for a proposed estimated expenditure of \$17M.

Subject Request for Authorization to Award Various Procurements					
Department LIRR Procurement					
Department Head Name Richard Mack					
Department Head Signature 					
Project Manager Name Rose Davis					
Board Action					
Order	To	Date	Approval	Info	Other
1	Committee	12/18/23			
2	Board	12/20/23			

December 12, 2023		
Department		
Department Head Name		
Department Head Signature		
Internal Approvals		
	Approval	Approval
1	Acting SVP Operations TK	
2	Acting President TK	

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 Long Island Rail Road Committee of these procurement actions.

DISCUSSION
LIRR proposes to award Noncompetitive procurements in the following categories:

<u>Procurements Requiring Two-Thirds Vote:</u>	<u># of Actions</u>	<u>\$ Amount</u>
Schedule A: Noncompetitive Purchases and Public Work Contracts	3	\$ 17M
SUBTOTAL	3	\$ 17M

LIRR proposes to award Competitive procurements in the following categories: None

LIRR proposes to award Ratifications in the following categories:

TOTAL	3	\$ 17 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 2023

LIST OF NONCOMPETITIVE PROCUREMENTS FOR BOARD APPROVAL

Procurements Requiring Two-Thirds Vote:

A. Noncompetitive Purchases and Public Work Contracts

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

1. **Custom Glass Solutions Trumbauersville LLC** \$10,234,371 (est.) *Staff Summary Attached*
Five Years
Contract# 44561
Contract award for window assemblies.

2. **Luminator Technology Group LLC** \$2,208,822 (est.) *Staff Summary Attached*
Five Years
Contract# 0000015969
Contract award for various lighting parts.

3. **United Safety & Survivability Corporation** \$4,601,071 (est.) *Staff Summary Attached*
Five Years
Contract# 0000015965
Contract award for engineer seats and related engineer seating component parts.

Item Number:

Vendor Name (Location) Custom Glass Solutions Trumbauersville LLC (Trumbauersville, Pennsylvania)
Description OEM Purchase Agreements for Window Assemblies
Contract Term (including Options, if any) (January 1, 2024–December 31, 2028)
Option(s) included in Total Amount? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Procurement Type <input type="checkbox"/> Competitive <input checked="" type="checkbox"/> Noncompetitive
Solicitation Type <input type="checkbox"/> RFP <input type="checkbox"/> Bid <input checked="" type="checkbox"/> Other: OEM Sole-Source

Contact Number 44561	Renewal? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Total Amount: \$10,234,371 (est.) Estimated Quantity	
Funding Source <input checked="" type="checkbox"/> Operating <input type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:	
Requesting Department: Maintenance of Equipment, Brad Jenkins	
Contract Manager: James Lorig	

Discussion:

As a result of a multi-agency Joint Procurement, Long Island Rail Road (“LIRR”), as the lead agency on behalf of itself and Metro-North Railroad (“MNR”), collectively (“the “Railroads”), and NYC Transit requests approval to award a five-year contract for window assemblies to Custom Glass Solution Trumbauersville, LLC (“Custom Glass”) in the estimated value of \$10,234,371. Custom Glass is the Original Equipment Manufacturer (“OEM”) of these window assemblies, and these agreements are for LIRR, MNR, and NYC Transit. Custom Glass is the supplier for window assemblies for LIRR’s M-3, M-7, and M-9 railcars; C-3 coach cars, and Diesel-Electric/Dual Mode (DE/DM) locomotives; MNR’s M-3, Shoreliner, M-7 and M-8 railcars and locomotives; and all NYC Transit subway cars.

Custom Glass is the sole responsible source for the components that will be provided under this contract. Other vendors do not have access to the proprietary designs, specifications, and drawings for these systems or materials and therefore cannot readily provide these components. Under this contract, the OEM will, on a forecasted basis, supply parts and other equipment required to support (1) the Agencies’ in-house maintenance programs; and (2) unscheduled maintenance and repairs by the Agencies on their fleet of locomotives, coaches, and electric cars. To maintain a high-car reliability and improved customer service through on-time performance, the Agencies must implement their respective in-house maintenance programs, which require parts being replaced at prescribed intervals. Additionally, parts required to perform unscheduled maintenance and repairs on the cars are needed to ensure safe, reliable, and maintainable operation.

This joint approach utilizes the combined buying power of the three MTA agencies to achieve most favorable uniform pricing and better supply chain management. Additional benefits are process efficiencies that reduce the number and frequency of small purchase activities. The five-year term assures the Agencies that the OEM will continue to maintain its tooling and manufacturing capabilities necessary to produce the parts, which are not available from any other sources. The MTA performed a cost-price analysis on the 101 pre-priced items with comparative data from supporting documentation and historical data of previous purchases from Custom Glass, and these prices will be held firm for the first two-year contract period. Subsequently, a Producer Price Index (“PPI”) adjustment will be applied on each consequent anniversary for each year of the contract thereafter.

In accordance with MTA All-Agency Procurement Guideline requirements, the Agencies advertised their intent to procure the items under these agreements on a sole-source basis in the *New York State Contract Reporter*, *NY Post*, and on the internet. No other firms expressed interest in participating in these procurements.

The chart below provides the listing of estimated amounts anticipated to be expended by LIRR, MNR, and NYC Transit over the five-year purchase agreements term. This information is based on historical data and projected/forecasted usage.

Supplier	LIRR	MNR	NYC Transit	MTA Totals
Custom Glass Solutions Trumbauersville, LLC	\$4,657,772	\$3,814,787	\$1,761,811	\$10,234,371

The MTA reviewed and evaluated the pricing to determine cost reasonableness with comparative data from supporting documentation and historical data of past purchases.

The MTA entered into negotiations and was able to achieve an estimated cost savings of \$660,972, which is 6 percent lower than the proposed pricing of \$10,895,343. Each Railroad’s original proposal pricing decreased as follows: LIRR \$4,915,169 to \$4,657,772 (5 percent reduction); MNR from \$4,177,293 to \$3,814,787 (9 percent reduction); and NYC Transit from \$1,802,881 to \$1,761,811 (2 percent reduction). The LIRR was able to obtain two-year fixed base pricing, and annual adjustments in Years 3, 4, and 5 of the contract.

The negotiated prices will be held firm for the first two years of the contract period. Subsequently, a Producer Price Index (“PPI”) adjustment will be applied on each consequent anniversary for Years 3, 4, and 5 of the contract. The adjustment in the final three years of the contract shall be calculated annually, using PPIs published by the U.S. Department of Labor, Bureau of Labor Statistics. Based on the above, the pricing is determined to be fair and reasonable.

This contract is subject to review and approval of the Office of the New York State Comptroller (“OSC”) and award will not be made prior to OSC approval.

The contract resulting from this procurement 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 approved by Legal.

Custom Glass has certified that pursuant to EO 16, it is not doing business in Russia.

M/W/SVDOB Information

MTA Department of Diversity and Civil Rights assigned zero goals for this procurement.

Impact on Funding

This contract is funded by the MTA-Maintenance of Equipment Department’s Operating Budget.

Item Number: 1

Vendor Name (Location) Luminator Technology Group LLC (Plano, Texas)
Description OEM Purchase Agreements for Lighting Parts
Contract Term (including Options, if any) January 1, 2024–January 1, 2029
Option(s) included in Total Amount? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Procurement Type <input type="checkbox"/> Competitive <input checked="" type="checkbox"/> Noncompetitive
Solicitation Type <input type="checkbox"/> RFP <input type="checkbox"/> Bid <input checked="" type="checkbox"/> Other: OEM Sole-Source

Contact Number 0000015969	Renewal? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Total Amount:	\$2,208,822 (est.) Estimated Quantity
Funding Source <input checked="" type="checkbox"/> Operating <input type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:	
Requesting Department: Maintenance of Equipment, Brad Jenkins	
Contract Manager: James Lorig	

Discussion:

As a result of a multi-agency Joint Procurement, Long Island Rail Road (“LIRR”), as the lead agency, on behalf of itself and Metro-North Railroad (“MNR”), collectively (“the “Railroads”), requests approval to award a five-year contract for various lighting parts to Luminator Technology Group LLC (“Luminator”) in the estimated value of \$2,208,822. Luminator is the Original Equipment Manufacturer (“OEM”) of these lighting parts, and these agreements are for LIRR and MNR.

Luminator is the OEM supplier for lighting parts for LIRR’s M-3, M-7, and M-9 electric railcars; C-3 Coach cars, and Diesel-Electric/Dual Mode (DE/DM) locomotives, and MNR’s M-3 and M-7 electric railcars.

Luminator is the sole responsible source for components provided under this contract. Other vendors do not have access to the proprietary designs, specifications, and drawings for these systems or materials and therefore cannot readily provide them. Under this contract, the OEM will, on a forecasted basis, supply parts and other equipment required to support the Railroads’ unscheduled maintenance, and repairs by the Railroads on their fleet of locomotives, coaches, and electric cars over a five-year period. To maintain a high-car reliability and improved customer service through on-time performance, the Railroads must implement their respective in-house maintenance programs, which require parts being replaced at prescribed intervals. Additionally, parts required to perform unscheduled maintenance and repairs on the cars are needed to ensure safe, reliable, and maintainable operation.

This joint approach utilizes the combined buying power of the two MTA Railroads to achieve most favorable uniform pricing and better supply chain management. Additional benefits are process efficiencies that reduce the number and frequency of small purchase activities. The five-year term also assures the Railroads that the OEM will continue to maintain its tooling and manufacturing capabilities necessary to produce the parts, which are not available from any other sources.

In accordance with MTA All-Agency Procurement Guideline requirements, the Railroads advertised their intent to procure the items under these agreements on a sole-source basis in the *New York State Contract Reporter*, *NY Post*, and on the internet. No other firms expressed interest in participating in these procurements.

Luminator initially submitted a proposal of \$2,413,502.26, that included fixed contract pricing for Year 1 only, and annual increases for Years 2, 3, 4, and 5. The MTA reviewed and evaluated the pricing to determine cost reasonableness with comparative data from supporting documentation and historical data of past purchases.

The MTA entered into negotiations and was able to achieve an estimated cost savings of \$204,680.26, resulting in a new total amount of \$2,208,822 which reflects an 8.48 percent savings: Each Railroad’s original proposal pricing decreased as follows: LIRR \$2,044,960.39 to \$1,862,655.37 (8.91 percent reduction), and MNR from \$368,541.87 to \$346,166.83 (6 percent reduction). LIRR was able to obtain two-year fixed base pricing, and annual adjustments in Years 3, 4, and 5 of the contract.

LIRR pursued alternate sourcing for four high-usage parts that were originally included in this solicitation. As a result, LIRR and MNR engineering departments approved these alternate sources for the designated items, which enabled the Railroads to remove them from the sole-source agreement and utilize the competitive bidding process in the future.

This contract is subject to review and approval of the Office of the New York State Comptroller (“OSC”) and award will not be made prior to OSC approval.

The contract resulting from this procurement 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. Luminator has agreed to all Terms & Conditions and takes no exceptions to Cyber Security Requirements.

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

M/W/SVDOB Information

MTA Department of Diversity and Civil Rights assigned zero goals for this procurement.

Impact on Funding

Funding for this project is included in the LIRR and MNR Operating Budget.

Alternatives

None are available for the items included in the agreement. Currently, the Railroads do not possess the resources to perform the services associated with this contract. Additionally, both agencies require this work, as these lighting parts are vital for safety and maintenance requirements to both Railroads to keep the fleets in service.

Recommendations

It is recommended that the MTA Board approve the award of Contract 0000015969 to Luminator Technology Group in the amount of \$2,208,822 for Various OEM Lighting Parts.

Item Number:

Vendor Name (Location) United Safety & Survivability Corp. (Exton, Pennsylvania)
Description OEM Purchase Agreements for Seating Parts
Contract Term (including Options, if any) January 1, 2024–January 1, 2029
Option(s) included in Total Amount? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Procurement Type <input type="checkbox"/> Competitive <input checked="" type="checkbox"/> Noncompetitive
Solicitation Type <input type="checkbox"/> RFP <input type="checkbox"/> Bid <input checked="" type="checkbox"/> Other: OEM Sole-Source

Contact Number 0000015965	Renewal? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Total Amount:	\$4,601,071 (est.) Estimated Quantity
Funding Source <input checked="" type="checkbox"/> Operating <input type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:	
Requesting Department: Maintenance of Equipment, Brad Jenkins	
Contract Manager: James Lorig	

Discussion:

As a result of a multi-agency Joint Procurement, Long Island Rail Road (“LIRR”), as the lead agency on behalf of itself and Metro-North Railroad (“MNR”), collectively (“the Railroads”), requests approval to award a five-year contract for engineer seats and related engineer seating component parts to United Safety & Survivability Corporation (“USSC”) in the estimated amount of \$4,601,071. USSC is the Original Equipment Manufacturer (“OEM”) of these seats and seating parts, and these agreements are for LIRR and MNR.

USSC is the OEM supplier for engineer seating parts for LIRR’s M-3, M-7, and M-9 electric railcars; C-3 Coach cars, and Diesel-Electric/Dual Mode (DE/DM) locomotives; and MNR’s M-3, Shoreliner, M-7 and M-8 electric railcars and passenger locomotives.

USSC is the sole source for components provided under this contract. Other vendors do not have access to the proprietary designs, specifications, and drawings for these systems or materials and therefore cannot readily provide them. Under this contract, the OEM will, on a forecasted basis, supply parts and other equipment required to support (1) the Railroads’ in-house maintenance programs; and (2) unscheduled maintenance and repairs by the Railroads on their fleet of locomotives, coaches, and electric cars over a five-year period. To maintain a high-car reliability and improved customer service through on-time performance, the Railroads must implement their respective in-house maintenance programs, which require parts being replaced at prescribed intervals. Additionally, parts required to perform unscheduled maintenance and repairs on the cars are needed to ensure safe, reliable, and maintainable operation.

This joint approach utilizes the combined buying power of the two MTA Railroads to achieve most favorable uniform pricing and better supply chain management. Additional benefits are process efficiencies that reduce the number and frequency of small purchase activities. The five-year term also assures the Railroads that the OEM will continue to maintain its tooling and manufacturing capabilities necessary to produce the parts, which are not available from any other sources.

In accordance with MTA All-Agency Procurement Guideline requirements, the Railroads advertised their intent to procure the items under these agreements on a sole-source basis in the *New York State Contract Reporter*, *NY Post*, and on the internet. No other firms expressed interest in participating in these procurements.

USSC initially submitted a cost proposal totaling \$4,843,294 with fixed pricing for the base two years of the contract, and annual economic price adjustments for Years 3–5 of the contract based on historical trends. The MTA reviewed and evaluated the proposal pricing to determine cost reasonableness.

The MTA entered into negotiations and achieved an estimated cost savings of \$242,000, resulting in a new total amount of \$4,601,071, which reflects a five percent savings. This resulted in an annualized weighted average increase of 5.9 percent per year.

The negotiated prices will be held firm for the first two years of the contract period. Subsequently, a Producer Price Index (“PPI”) adjustment will be applied on each consequent anniversary for Years 3–5 of the contract thereafter. The adjustment in the final three years of the contract shall be calculated annually, using PPIs published by the U.S. Department of Labor, Bureau of Labor Statistics. Based on the above, the pricing is determined to be fair and reasonable.

Upon MTA Board approval, the procurement documents will be presented to the NYS Office of the State Comptroller for approval.

The contract resulting from this procurement 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. USSC has agreed to all Terms & Conditions and takes no exceptions to Cyber Security Requirements.

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

M/W/SVDOB Information

MTA Department of Diversity and Civil Rights assigned zero goals for this procurement.

Impact on Funding

Funding for this project is included in the LIRR and MNR Operating Budget.

Alternatives

None are available for the items included in the agreement. Currently, the Railroads do not possess the resources to perform the services associated with this contract. Additionally, both agencies require this work, as these engineer seating parts and seating component parts are vital for safety and maintenance requirements to both Railroads to keep the fleets in service.

Recommendations

It is recommended that the MTA Board approve the award of Contract 0000015965 to USSC in the amount of \$4,601,071 for various engineer seats and related engineer seating component parts.



New York City Transit Procurements

Louis Montanti, MTA Deputy Chief Procurement Officer – Procurement Operations

PROCUREMENTS

The Procurement Agenda this month includes 2 actions for a proposed estimated expenditure of \$967.3M.

Subject	Request for Authorization to Award Various Procurements				
Department	MTA Procurement				
Department Head Name	Lisette Camilo				
Department Head Signature	<i>Lisette Camilo</i>				
Project Manager Name	Rose Davis				
Board Action					
Order	To	Date	Approval	Info	Other
1	Committee	12/18/23			
2	Board	12/20/23			

December 19, 2023			
Internal Approvals			
	Approval		Approval
	President NYCT		Deputy CFO
	Pres. MTA Bus/SVP DOB		
	Law		
	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:

<u>Procurements Requiring Two-Thirds Vote:</u>		<u># of Actions</u>	<u>\$ Amount</u>
Schedule C:	Competitive Requests for Proposals (Award of Purchase and Public Work Contracts)	2	\$ 967.3 M
SUBTOTAL		2	\$ 967.3 M

NYC Transit proposes to award Ratifications in the following categories: None

TOTAL	2	\$ 967.3 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 2023

LIST OF COMPETITIVE PROCUREMENTS FOR BOARD APPROVAL

Procurements Requiring Two-Thirds Vote:

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

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

1. **New Flyer of America, Inc.** **\$675,626,005** *Staff Summary Attached*
150 Months from Notice of Award
Contract# B40706
Contract award for the purchase of 205 low-floor battery-electric buses (“BEBs”) with two Options for up to 1,215 additional BEBs as well as related items such as spare parts, special tools and equipment, diagnostic testing, technical documentation, and training.

2. **New Flyer of America, Inc.** **\$291,677,776** *Staff Summary Attached*
119 Months from Notice of Award
Contract# B40715
Contract award for the purchase of 224 low-floor 60-foot diesel buses (“Buses”) with two Options for up to 446 additional Buses as well as related items such as spare parts, special tools and equipment, diagnostic testing, technical documentation.

Staff Summary

Item Number			
Department, Department Head Name: Office of MTA Deputy Chief Procurement, Louis A. Montanti			
Internal Approvals			
Order	Approval	Order	Approval
1	Procurement	6	President
2	Law		
3	CFO		
4	DDCR		
5	Buses		

SUMMARY INFORMATION	
Vendor Name New Flyer of America, Inc.	Contract No. B40706
Description Furnish and Deliver 187 Low-Floor 40-Foot Battery Electric Buses and 18 Low-Floor 60-Foot Battery Electric Buses with two Options to purchase up to 1,215 Additional Buses	
Total Amount: \$675,626,005 (470 Total Buses) (\$286,150,222 Base of 205 Buses + \$389,475,783 Option for 265 Additional Buses)	
Contract Term (including Options, if any) 150 Months from Notice of Award (inclusive of delivery of 470 buses and provision of warranty support)	
Option #1 is 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"/> Noncompetitive	
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

To request that the Board, pursuant to Public Authorities Law, Section 1209, subdivision 9(g), approve the federally funded purchase of 205 low-floor battery-electric buses (“BEBs”) with two options for up to 1,215 additional BEBs (Option 1 for up to 265 and Option 2 for up to 950) as well as related items such as spare parts, special tools and equipment, diagnostic testing, technical documentation, and training from New Flyer of America, Inc. (“New Flyer”). The base award will be in the total estimated amount of \$286,150,222. The Board is also requested to authorize the Assistant Chief Procurement Officer to approve the exercise of up to 265 additional BEBs in the estimated amount of \$389,475,783 once funding becomes available. The contract also includes an option to purchase up to 950 additional BEBs, which may be included in the 2025–2029 Capital Plan. Should the MTA choose to exercise any of these 950 option BEBs, Board approval will be obtained prior to award.

Discussion

On February 22, 2022, the Board adopted a resolution authorizing the use of the competitive Request for Proposals (“RFPs”) in lieu of competitive bidding to award contracts for the purchase of up to 1,729 buses, which included up to 470 low-floor BEBs in the following configurations: (1) 25 low-floor 40-foot BEBs for MTA Bus Company; (2) 355 low-floor 40-foot BEBs for NYC Transit; and (3) 90 low-floor 60-foot articulated BEBs for NYC Transit. The RFP included a provision to exercise up to 200 additional 60-foot low floor articulated BEBs and/or up to 750 additional low floor 40-foot BEBs. These BEBs will be purchased to replace aging buses that have reached the end of their 12-year useful life and will operate in various routes throughout the five boroughs. This procurement is part of a key initiative by the Department of Buses as the MTA develops a long-range plan to transition to a completely zero-emissions bus fleet by year 2040.

The solicitation was advertised in December 2022, at which time 10 bus manufacturers were directly contacted in an attempt to maximize participation. Pursuant to the statutory framework, the selection criteria, listed in descending order, were as follows: Overall Project Cost, Overall Quality of Proposer and Product, and Other Relevant Matters. Selection Committee (“SC”) members were drawn from NYC Transit Department of Buses (“DOB”), Procurement, MTA Construction and Design, and Operations Planning.

Staff Summary

Five bus manufacturers attended the pre-proposal conference held on January 26, 2023. Initial proposals were received on March 31, 2023, from New Flyer, Nova Bus US Inc. (“Nova Bus”), and RIDE Coach and Bus, dba BYD Coach and Bus LLC (“RIDE”). During this process, the SC reviewed RIDE’s proposal and unanimously recommended that RIDE be eliminated from further consideration because its proposal did not meet the minimum structural qualification requirements contained in the RFP. Oral Presentations and negotiations were conducted on a series of dates spanning from May 2023 through October 2023 with the remaining firms. Negotiations centered on cybersecurity, pricing, delivery, alternate proposals, exceptions/deviation/clarifications to the technical specifications, and the terms and conditions. Nova Bus ultimately withdrew its proposal prior to submitting a Best and Final Offer (“BAFO”) as it decided to close its US manufacturing facility.

New Flyer’s BAFO for up to 470 BEBs was received on October 25, 2023, in the total amount of \$678,876,003. Due to funding constraints, it was determined that only 205 BEBs would be awarded in the base contract. The remaining 265 BEBs have been reclassified as Option buses which will be exercised once funding becomes available. The SC reviewed the BAFO in accordance with the evaluation criteria and unanimously recommended an award to New Flyer because it affords the Best Value.

Procurement, DOB, and NYC Transit’s Cost Price Analysis Unit have determined the final price to be fair and reasonable.

The award of 40-foot BEBs to New Flyer will consist of \$240,825,293 (\$1,287,836 per bus) for up to 187 buses; \$1,414,842 for qualification testing, diagnostic tools, and manuals; \$3,282,989 for an estimated amount of training classes; and \$250,879 for capital spares for a total award amount of \$245,774,003.

The award of 60-foot BEBs to New Flyer will consist of \$37,680,947 (\$2,093,386 per bus) for up to 18 buses; \$1,311,456 for qualification testing, diagnostic tools and manuals; \$994,964 for an estimated amount of training classes; and \$388,853 for capital spares for a total award amount of \$40,376,219.

The total combined estimated award amount for the base contract is \$286,150,222. The contract also includes the remaining 265 BEBs as an option (includes 193 low-floor 40-foot BEBs and 72 low-floor 60-foot BEBs) in the estimated amount of \$389,475,783 as well as an option to purchase up to 950 additional BEBs, which may be included in the 2025–2029 Capital Plan. The MTA has the right to exercise these options for up to five years from the Notice of Award. In the event the Authority exercises its option more than one year after the Notice of Award, the BAFO prices are subject to a price adjustment formula.

New Flyer will build four pilot buses for each bus type in order to expedite delivery of the production buses. The pilot buses will be used for configuration audit, qualification testing, and in-service evaluation.

Pilot buses for the 40-foot and 60-foot BEBs are scheduled to be provided to NYC Transit in January 2025. The balance (183 buses) of the 40-foot BEBs buses is scheduled to begin delivery in September 2025 and be completed in July 2027, for an overall period of 42 months from Notice of Award. The balance (14 buses) of the 60-foot BEBs is scheduled to begin delivery in September 2025 and be completed in October 2025, for an overall period of 21 months from Notice of Award. The above delivery schedule is based on the assumption that Notice of Award will be issued on or before January 31, 2024. New Flyer will utilize its facility in Jamestown, New York, to build subassemblies that will later be incorporated into each of its buses at its manufacturing facility located in St. Cloud, Minnesota.

New Flyer has certified that pursuant to EO 16, it is not conducting business in Russia.

New Flyer will comply with the Federal Transit Administration’s (“FTA”) Buy America requirement of 70 percent. The Pre-Award Buy America Audit to confirm compliance will be completed prior to award.

The contract resulting from this procurement 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. New Flyer has not committed to all of the MTA’s cybersecurity requirements but has agreed to review its cybersecurity framework to continuously improve its cybersecurity protections throughout the term of the contract.

M/W/DBE Information

Transit Vehicle Manufacturers (“TVM”) is a program whereby the FTA pre-approves vehicle manufacturers to bid or propose on federally funded vehicle procurements based on established guidelines to ensure Disadvantaged Business Enterprises participation. As this contract will be federally funded, the TVM program applies. New Flyer has furnished its TVM Certification of Compliance with DBE Regulations in accordance with FTA guidelines.

Staff Summary

Impact on Funding

This contract will be funded with federal funds secured through a LoNo grant competition and matching MTA funds. Funds for this procurement have been approved in the MTA 2020–2024 Capital Programs. A WAR certificate will be secured prior to award.

Alternatives

There are no alternatives. There is no reason to believe that conducting another solicitation will result in a better outcome.

Recommendation

It is recommended that the Board approve the federally funded purchase, pursuant to Public Authorities Law, Section 1209, subdivision 9(g), of 205 low-floor BEBs with two Options for up to 1,215 additional BEBs as well as related items such as spare parts, special tools and equipment, diagnostic testing, technical documentation, and training from New Flyer. The base award will be in the total combined estimated amount of \$286,150,222. The Board is also requested to authorize the Assistant Chief Procurement Officer to approve the Option to exercise up to 265 additional BEBs once funding becomes available in the estimated amount of \$389,475,783.

Staff Summary

Item Number				SUMMARY INFORMATION	
Department, Department Head Name: Office of MTA Deputy Chief Procurement, Louis A. Montanti				Vendor Name New Flyer of America Inc.	Contract No. B40715
Internal Approvals				Description Furnish and Deliver 224 Low-Floor 60-Foot Diesel Buses with two Options to purchase up to 446 Additional Buses	
Order	Approval	Order	Approval	Total Amount: \$291,677,776 (245 Total Buses) (\$266,751,238 Base of 224 Buses + \$24,926,538 Option for 21 Additional Buses)	
1	Procurement	6	President	Contract Term (including Options, if any) 119 Months from Notice of Award (inclusive of delivery of 245 buses and provision of warranty support)	
2	Law			Option(s) included in Total Amount? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	
3	CFO			Renewal? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
4	DDCR			Procurement Type <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Noncompetitive	
5	Buses			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

To request that the Board, pursuant to Public Authorities Law, Section 1209, subdivision 9(g), approve the purchase of 224 low-floor 60-foot diesel buses (“Buses”) with two options for up to 446 additional Buses (Option 1 for up to 21 and Option 2 for up to 425) as well as related items such as spare parts, special tools and equipment, diagnostic testing, technical documentation, and training from New Flyer of America Inc. (“New Flyer”). The base award will be in the total estimated amount of \$266,751,238. The Board is also requested to authorize the NYC Transit Assistant Chief Procurement Officer to approve the exercise of up to 21 additional Buses in the estimated amount of \$24,926,538 once funding becomes available. The contract also includes an option to purchase up to 425 additional Buses, which may be included in the 2025–2029 Capital Plan. Should the MTA choose to exercise any of these 425 option Buses, Board approval will be obtained prior to award.

Discussion

On February 22, 2022, the Board adopted a resolution authorizing the use of the competitive Request for Proposals (“RFPs”) in lieu of competitive bidding to award contracts for the purchase of up to 1,729 buses, which included 245 low-floor 60-foot Buses for NYC Transit. These Buses will be purchased to replace aging buses that have reached the end of their 12-year useful life and will operate out of NYC Transit depots located in Brooklyn, Queens, Manhattan, and the Bronx.

The solicitation was advertised in August 2022, at which time six bus manufacturers were directly contacted in an attempt to maximize participation. Pursuant to the statutory framework, the selection criteria, listed in descending order, were as follows: Overall Project Cost, Delivery, Overall Quality of Proposer and Product, Credit for New York State Content, and Other Relevant Matters. Selection Committee (“SC”) members were drawn from NYC Transit Department of Buses (“DOB”), Procurement, Office of Management & Budget, and Operations Planning.

Two low-floor 60-foot bus manufacturers, New Flyer, and Nova Bus US Inc. (“Nova Bus”) attended the pre-proposal conference held on September 8, 2022. Initial proposals were received on December 15, 2022, from New Flyer and Nova Bus. Oral Presentations were held in January 2023 and negotiations were conducted between March and October 2023. Negotiations centered on cybersecurity, pricing, delivery, alternate proposals, exceptions/deviation/clarifications to the technical specifications, and the terms and conditions. Nova Bus ultimately withdrew its proposal prior to submitting a Best and Final Offer (“BAFO”) as it decided to close its US manufacturing facility.

Staff Summary

New Flyer's BAFO for up to 245 Buses was received on October 20, 2023, in the total amount of \$295,756,218. As the BAFO pricing exceeded the budget allocated for this project and due to funding constraints, it was determined that only 224 Buses would be awarded in the base contract. The remaining 21 Buses have been reclassified as Option buses, which will be exercised once funding becomes available. The SC reviewed the BAFO in accordance with the evaluation criteria and unanimously recommended an award to New Flyer because it affords NYC Transit the Best Value.

Procurement, DOB, and NYC Transit's Cost Price Analysis Unit have determined the final price to be fair and reasonable.

When New Flyer was notified of its selection for award, it offered a unilateral price concession of \$1 million, which could be applied to one bus. The award to New Flyer will consist of \$264,696,094 (\$1,186,978 per bus) for 223 Buses; \$186,978 for one Bus; \$434,411 for qualification testing, diagnostic tools, and manuals; \$991,718 for an estimated quantity of training classes; and \$442,037 for capital spares for a total award amount of \$266,751,238. The award to New Flyer will also include an option to purchase up to 21 additional Buses in the estimated amount of \$24,926,538 as well as an option to purchase up to 425 additional Buses, which may be included in the 2025–2029 Capital Plan. In the event the Authority exercises its option more than one year after the Notice of Award, the BAFO prices are subject to a price adjustment formula.

New Flyer will build four pilot buses in order to expedite delivery of the production buses. Pilot buses are scheduled to be provided to NYC Transit in January 2025. The pilot buses will be used for configuration audit, qualification testing and in-service evaluation. The balance of 220 buses is scheduled to begin being delivered in August 2025 and be completed in November 2027, for an overall period of 45 months from Notice of Award. The above delivery schedule is based on the assumption that Notice of Award will be issued on or before January 31, 2024. New Flyer will utilize its facility in Jamestown, New York, to build subassemblies that will later be incorporated into each of its buses at its manufacturing facility located in St. Cloud, Minnesota.

New Flyer has committed to meeting a total New York State Content for the Buses of \$51,130,621, which represents 17.32 percent of the total award amount for 224 Buses.

New Flyer has certified that pursuant to EO 16, it is not conducting business in Russia.

The contract resulting from this procurement 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. New Flyer has not committed to all of the MTA's cybersecurity requirements but has agreed to review its cybersecurity framework to continuously improve its cybersecurity protections throughout the term of the contract.

M/W/DBE Information

The MTA Department of Diversity and Civil Rights (DDCR) has established a zero percent M/WBE and zero percent SDVOB goals on this contract as, historically, there has been limited M/WBE attainment due to the lack of subcontracting availability.

Impact on Funding

This contract will be funded with 100 percent MTA funds. Funds for this procurement have been approved in the MTA 2020–2024 Capital Programs. A WAR certificate will be secured prior to award.

Alternatives

There are no alternatives. There is no reason to believe that conducting another solicitation will result in a better outcome.

Recommendation

It is recommended that the Board approve the purchase, pursuant to Public Authorities Law, Section 1209, subdivision 9(g), of 224 low-floor 60-foot Buses with two Options for up to 446 additional Buses as well as related items such as spare parts, special tools and equipment, diagnostic testing, technical documentation, and training from New Flyer in the total estimated amount of \$266,751,238 for NYC Transit. The Board is also requested to authorize the NYC Transit Assistant Chief Procurement Officer to approve the exercise of up to 21 additional Buses in estimated amount of \$24,926,538 once funding becomes available.

Staff Summary

Subject Authorization to Issue 2024 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 Olga Chernat, Deputy Chief, Financial Services

Date December 20, 2023
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref #

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance Comm.	12/18/23			
2	Board	12/20/23			

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

PURPOSE:

The MTA Finance Department is seeking the MTA and TBTA Boards’ 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 short-term (12 months or less) interim working capital borrowings, (iii) capital projects set forth in MTA Bridges and 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 BANs and bonds during the year, the aggregate principal amounts authorized hereby reflect amounts consistent with the most recent Financial Plan, as such Financial Plan may be amended from time to time (the “Authorized Maximum Amounts”), currently (i) up to \$4.5 billion in the case of transit and commuter capital programs, (ii) up to \$500 million in the case of MTA Bridges and Tunnels capital programs (other than CBDTP), (iii) up to \$300 million to fund project expenses necessary for implementation of CBDTP, and (iv) up to \$1.2 billion in the case of MTA working capital borrowings.

In addition, the MTA and TBTA Boards periodically adopt reimbursement resolutions to maintain the ability of MTA and MTA Bridges and Tunnels to finance (i) capital projects in the capital improvement programs and for the CBDTP and (ii) working capital and liquidity needs 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.

With respect to short-term working capital/liquidity notes, the MTA Finance Department believes it is in the best interests of MTA to maintain sufficient liquidity to provide secure levels of resources to address seasonal liquidity needs. This is necessary both to properly manage cash flow risk and support MTA’s credit ratings. The working capital notes are expected to mature and be repaid from available dedicated taxes and subsidies within 12 months of issuance and to be used to address a timing mismatch between expenses and revenues rather than be used as deficit financing. Although the primary security of such working capital notes will be refunding notes or bonds, the authorizing resolution sets forth the intention of MTA to deposit funds from available revenues or subsidies amounts necessary to pay principal and interest on such maturing notes rather than issue refunding notes or bonds. This is to establish that the working capital notes are intended solely as interim working capital for 12 months or less rather than as longer-term deficit financing.

Staff Summary

The MTA Finance Department will report to the MTA and TBTA Boards on 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, Sales Tax Revenue (TBTA Capital Lockbox – City Sales Tax) senior and subordinate obligations and CBDTP obligations.

DISCUSSION:

The MTA and TBTA Boards' approval is sought for the following two resolutions, documents and activities in connection with the issuance of bonds and BANs in an aggregate principal amount not to exceed the amount necessary to finance, as applicable, (i) capital projects for the transit and commuter systems set forth in approved capital programs and capital projects set forth in MTA Bridges and Tunnels capital programs, (ii) certain MTA working capital projects ("New Money Working Capital Notes"), 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 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 new money bonds and bond anticipation notes (including the New Money Working Capital Notes) 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 refunding obligations without limitation to refund and/or refinance other outstanding obligations that meet the Board's adopted policy on refundings, if applicable;
 - Issuance of MTA Obligations in competitive or negotiated public sales, by direct placement or in connection with a revolving credit or other loan agreements;
 - 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 and working capital/liquidity needs.
- 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

Staff Summary

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 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, necessary to finance or refinance the costs of the CBDTP pursuant to a previously approved resolution of TBTA;
- Issuance of refunding obligations without limitation to refund and/or refinance other outstanding obligations that meet the Board's adopted policy on refundings, if applicable;
- Issuance of TBTA Obligations in competitive or negotiated public sales, or by direct placement;
- Issuance of 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,
- Reimbursement of expenditures for each of the MTA Bridges and Tunnels capital programs, the MTA capital programs and the CBDTP.

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

(a) delegating authority to the Chairman, the Chief Financial Officer or the Deputy Chief, Financial Services of MTA, or their designees, 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:

- Notices of Sale and bid forms,
- Purchase Agreements with underwriters and other authorized purchasers,
- Direct Purchase Agreements,
- Revolving Credit Agreements or other Loan Agreements,
- Official Statements and other disclosure documents,
- Continuing Disclosure Agreements and related filings,
- Remarketing Agreements and Firm Remarketing Agreements,
- Dealer and Broker/Dealer Agreements,
- Issuing and Paying Agent and Tender Agent Agreements,
- Credit Facilities and related Parity Reimbursement Obligations and Parity Debt,
- Related Subordinated Contract Obligations,
- Escrow Agreements, and
- 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 (i) meeting the bond funded portion of approved capital programs, and (ii) financing working capital to address seasonal liquidity needs as well as to support MTA's credit ratings.

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

Staff Summary

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 authorizing future BANs and bond issues (except that rollover 2024 BANs and bonds may still be issued to refinance 2024 BANs outstanding at any time, and the authorization to issue obligations to finance working capital/liquidity needs and 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.

DECEMBER 2023

LIST OF COMPETITIVE PROCUREMENTS FOR BOARD APPROVAL

Procurements Requiring Majority Vote:

F. Personal Service Contracts

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

- | | | | |
|----|--|--------------------|-------------------------------|
| 1. | P&A Administrative Services, Inc.
Five-year base + two 1-year Options
Contract# 15888 | \$1,500,000 | <i>Staff Summary Attached</i> |
| | Award of a contract for administrative and record-keeping services in connection with the MTA Flexible Spending Account (“FSA”) program. | | |

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. | CaremarkPCS Health, LLC
42 months
Contract# 0006000020.3 | \$414,500,000 | <i>Staff Summary Attached</i> |
| | Modification to the contract for the provision of pharmacy benefits manager program services, in order to add funding and extend the contract by 12 months. | | |
| 3. | Greystone Select, Inc.
Five years and nine months
Contract# 8743-0100.7 | \$2,811,738 (estimate) | <i>Staff Summary Attached</i> |
| | Modification to the contract for tenant management and accounting services, in order to add one fulltime employee and extend the contract by six months. | | |

Item Number: 1			
Department: Chief People Officer, Hugo Pizarro			
Internal Approvals			
Order	Approval	Order	Approval
1	Procurement	6	CFO
2	People		
3	People, Tax-Favored Programs		
4	DDCR		
5	Legal		

SUMMARY INFORMATION	
Vendor Name P&A Administrative Services, Inc.	Contract No. 15888
Description Administrative & Record-Keeping Services for MTA Flexible Spending Account Plan (FSA)	
Total Amount: \$1,500,000 (not-to-exceed)	
Contract Term (including Options, if any) January 1, 2024–December 31, 2030	
Option(s) included in Total Amount? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	
Renewal? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
Procurement Type <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Noncompetitive	
Solicitation Type <input checked="" type="checkbox"/> RFP <input type="checkbox"/> Bid <input type="checkbox"/> Other:	
Funding Source <input checked="" type="checkbox"/> Operating <input type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:	

Purpose

To recommend that the Board approve the award of a competitively negotiated all-agency personal services contract to P&A Administrative Services, Inc. (“P&A”) for administrative and record-keeping services in connection with the MTA’s Flexible Spending Account (“FSA”) program. The contract term is for a period of five years, beginning January 1, 2024, with two 1-year options, that may be exercised separately or concurrently, for a total not-to-exceed amount of \$1.5 million.

Discussion

The MTA Deferred Compensation Committee has, since January 1990, operated a voluntary tax-favored program authorized under certain sections of the Internal Revenue Code. This tax-favored program is operated for the benefit of employees of the MTA and its subsidiaries and affiliates, allowing employees to pay for qualified health care and dependent care using pre-tax income through payroll deductions. Approximately 6,500 employees currently participate in the FSA plan.

In 2017, the Board approved the award of a competitively negotiated all-agency personal services contract to P&A for the provision of services related to the FSA portion of the program. The contract will expire on December 31, 2023. The program’s costs are offset by approximately \$932,000 per year in savings due to reductions to the employer portion of FICA taxes that otherwise would be owed on wages, resulting in a net-zero cost to the MTA for this service.

The Request for Proposals was publicly advertised in July 2023 and letters advising potential proposers of its availability were mailed to 10 firms. Proposals were received from three firms: P&A; PayFlex Systems USA Inc. (“PayFlex”); and Total Administrative Services Corporation (“TASC”).

The Selection Committee (“SC”), comprised of representatives from MTA Headquarters People and Pension departments, evaluated each proposal in accordance with the following: (1) Stability and reputation of the proposer and demonstration of successful experience providing FSA administration services for comparable plans; (2) Proposer’s experience with successful conversion of FSA plans from another provider; (3) Commitment of resources including time, number, and qualifications of key personnel assigned to perform the services required by the MTA and quality of oral presentation by key personnel who will perform the work, if requested by the MTA; (4) Usefulness, convenience, and overall quality of end- customer’s (i.e., participants’) user experience available across platforms (web, app, phone, etc.); (5) A demonstrated understanding of the MTA’s service requirements, and any additional value-added services that a proposer recommends; (6) Flexibility, quality, and capabilities of proposer’s IT systems with respect to the MTA’s/plan sponsor’s access to the record-keeping database (for billing, reporting, demographic changes, enrollment information, etc.); (6) Diversity Practices; and (7) Total Cost.

The SC deemed all three proposers technically qualified and recommended that each be invited for oral presentations. Upon completion of the oral presentations, the SC recommended entering into negotiations with all three and having each proposer submit its Best and Final Offer (“BAFO”). After reviewing the BAFOs, the SC unanimously determined that P&A’s proposal provided the best value to the MTA.

P&A initially proposed a per-person per-month (“PPPM”) fee of \$2.30; PayFlex proposed \$2.45; and TASC proposed \$3.06. Following negotiations, P&A submitted its BAFO of \$2.00 PPPM, the lowest among the three proposers. This represents a savings of 18 percent when compared to P&A’s initial cost proposal and is 41 percent lower than the current \$3.40 PPPM fee. In comparison to the existing contract, an annual cost savings of \$109,200, or \$764,400 total savings over the seven-year contract term, was achieved. Based on the foregoing, the BAFO is deemed fair and reasonable. P&A has been satisfactorily providing administrative and record-keeping services for MTA’s FSA accounts for 14 years.

The contract resulting from this procurement 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.

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

M/W/DBE Information

The MTA Department of Diversity and Civil Rights has recommended no goals for this contract.

Impact on Funding

This contract will be funded by the MTA Operating Budget. Based on prior experience, there will continue to be a net-zero cost to the MTA for the FSA Plan because the PPPM fees are offset by savings in employer tax contributions.

Alternatives

Do not continue the FSA Plan. This is not a practical alternative. This voluntary program has been favorably accepted by both non-represented and represented employees. Employee interest and enrollment is expected to increase annually. Additionally, the MTA does not have the capability to perform these services internally.

Recommendation

To approve the award of a competitively negotiated all-agency personal services contract to New York-based P&A for administrative and record-keeping services in connection with the MTA FSA program in the not-to-exceed amount of \$1.5 million.

Schedule H: Modifications to Personal Service & Miscellaneous Service Contracts

Item Number: 2

Vendor Name (Location) CaremarkPCS Health, LLC (Woonsocket, Rhode Island)
Description: Pharmacy Benefits Manager (PBM) Program
Contract Term (including Options, if any) June 1, 2019–December 31, 2023
Option(s) included in Total Amount? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> n/a
Procurement Type <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Noncompetitive
Solicitation Type <input checked="" type="checkbox"/> RFP <input type="checkbox"/> Bid <input type="checkbox"/> Other: Modification
Funding Source <input checked="" type="checkbox"/> Operating <input type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:
Requesting Department: Human Resources, Stephen Scholl

Contract Number 0006000020	AWO/Mod. # 3
Original Amount:	\$ 944,600,000
Prior Modifications:	\$ 425,000,000
Prior Budgetary Increases:	0
Current Amount:	\$ 1,369,600,000
This Request:	\$ 414,500,000
% of This Request to Current Amount:	30.3%
% of Modifications (including This Request) to Original Amount:	88.9%

Discussion:

MTA Headquarters is seeking Board approval to extend a competitively negotiated personal service contract, approved by the Board in March 2019 (“Contract”), with CaremarkPCS Health, LLC (“CVS Health”) for an additional 12 months (through December 31, 2024) to ensure the continuation of the pharmacy benefit management services until award can be made of the successor contract. The contract modification to extend the Contract will add funding in the amount of \$414.5 million, which includes the cost for the continuation of pharmacy benefit management services for approximately 150,000 active NYC Transit represented employees, retirees, and their dependents in accordance with existing collective bargaining agreements.

Under the Contract, CVS Health provides the pharmacy benefit management services for NYC Transit as a third-party administrator of prescription drug programs. CVS Health is primarily responsible for processing and paying prescription drug claims and, by aggregating prescription drug purchases, CVS Health is able to negotiate favorable rebates and discounts on the behalf of NYC Transit. CVS Health manages two plans: (1) a commercial plan that primarily serves members ineligible for Medicare; and (2) an Employer Group Waiver Plan (“EGWP”) serving Medicare-eligible members that takes advantage of financial incentives for employers that are made available through the Affordable Care Act.

In November 2022, the Board approved a 13-month extension of the Contract totaling \$425 million, which included additional funding for the original contract term plus a 180-day option period (through November 27, 2022) and an additional 13-month extension period (November 28, 2022–December 31, 2023). This Board request for approval for an additional \$414.5 million includes funding for the current Contract term in the amount of \$18.7 million and \$395.8 million for the extension through December 31, 2024, for a revised total Contract amount of \$1,784,100,000.

This request for an extension through December 31, 2024, is required for additional time to finalize the procurement, which began in March 2023, and is currently in step two of the RFP process. Once this process has been finalized, Board approval will be sought for the award of the successor contract.

Benefits advisory consultant Mercer Health & Benefits, LLC (“Mercer”) was engaged by the MTA to benchmark CVS Health’s pricing with the intention of negotiating a one-year extension through 2024. The market survey and analyses performed by Mercer indicated that competitive market conditions exist for the MTA to capture savings for the 2024 plan year. CVS proposed improvement to its pricing. Following negotiations, a total savings of \$15.8 million (driven primarily by higher rebates) were reached, of which \$15,003,000 are savings for the commercial plan, and \$797,000 are savings for the EGWP. Based on the foregoing analysis and negotiations, CVS Health’s pricing is determined to be fair and reasonable.

CVS Health has certified pursuant to Executive Order 16, that it is not doing business in Russia.

Applicable cybersecurity terms and conditions and requirements were previously incorporated into the Contract in connection with the November 2022 modification of the Contract.

Impact on Funding

Funding for this modification is included in NYC Transit’s Operating Budget.

Schedule H: Modifications to Personal Service & Miscellaneous Service Contracts
Item Number: 3

Vendor Name (Location) Greystone Select Incorporated (New York, New York)	Contract Number 8743-0100	Supplemental Agreement # 7
Description: Tenant Management and Accounting Services	Original Amount:	\$ 19,340,000
Contract Term (including Options, if any) March 1, 2018–December 31, 2023	Prior Modifications:	\$ 7,567,652
Option(s) included in Total Amount? <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> n/a	Current Amount:	\$ 27,856,652
Procurement Type <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Noncompetitive	This Request:	\$ 2,811,738
Solicitation Type <input checked="" type="checkbox"/> RFP <input type="checkbox"/> Bid <input type="checkbox"/> Other: Modification	% of This Request to Current Amount:	10.1%
Funding Source <input checked="" type="checkbox"/> Operating <input type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:	% of Modifications (including This Request) to Original Amount:	54%
Requesting Department: MTA Real Estate Services, David Florio		

Discussion:

MTA Headquarters is seeking Board approval to modify the all-agency competitive personal services contract awarded to Greystone Select Incorporated (“Greystone”), formerly Greystone & Co, d/b/a Greystone Management Solutions, for tenant management and accounting services in order to add one full-time employee (“FTE”) and extend the contract term for six months (January 1, 2024–June 30, 2024).

Greystone currently provides tenant lease compliance enforcement and tenant rent collection/accounting services for all tenants managed by MTA Real Estate. Greystone also provides (1) transaction management services which include acquisitions in support of the Capital Program and leasing of retail and non-retail property to generate non-farebox revenue; (2) a New York State Code Enforcement Official to provide preliminary plan review, operational compliance oversight and construction guidance to assist the Agencies and expedite completion of tenants’ design and construction with the Agencies that issue approvals; (3) dispute resolution management of collections matters and biweekly reporting on all legal matters.

Since this contract was awarded in March 2018, there have been Supplemental Agreements to add (1) Request for Proposals (“RFP”) administration; (2) Yardi database administration (Yardi is the system that is used as Real Estate’s property database and tenant accounting system); (3) transaction management (noted above); (4) easement administration; and (5) management of property acquired for the Capital Program until the MTA Construction and Development (“C&D”) contractor begins work.

Additionally, in May 2022, the Board approved a modification to add property management services in connection with Phase 2 of the Second Avenue Subway project and extend the contract from March 1, 2023, to December 31, 2023, to facilitate the preparation of a new RFP solicitation for release in the first quarter of 2023. MTA Procurement solicited a new RFP for these services in January 2023, however, additional time is being requested to complete negotiations and finalize terms for the new contract.

Under this Supplemental Agreement, the FTE will replace the Project Manager currently engaged by MTA Construction and Development to act as a liaison between the (1) the Penn Station master tenant and its subtenants; and (2) MTA C&D’s External Partner Program and code approval officials: Long Island Rail Road and Amtrak.

The cost for this Supplemental Agreement is \$2,811,738 (\$2,710,938 for the extension and \$100,800 for the FTE). The six-month extension pricing was negotiated with Greystone, who has agreed to hold current pricing from January–March 2024. For April–June 2024, Greystone proposed an escalation of 4 percent, and this was negotiated down to 3 percent, resulting in a savings of \$10,073. This 3 percent increase is deemed to be in line with the current market Consumer Price Index and is fair and reasonable.

MTA and Greystone are currently moving toward a resolution to finalize the cybersecurity terms and conditions.

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

Schedule H: Modifications to Personal Service & Miscellaneous Service Contracts

Impact on Funding

The Contract extension will be charged to the Agencies whose tenants are being managed by MTA Real Estate on their behalf and will be allocated proportionally to each Agency.

Alternatives

MTA Real Estate does not have the staffing to perform these services in-house. The Board previously authorized the delivery of these type of tenant and property management services using third-party providers such as Greystone; a lapse in these services will be detrimental to operations. The extension will allow sufficient time for MTA Procurement to negotiate a new Contract that will address MTA Real Estate's current and anticipated future needs.

DECEMBER 2023

MTA REAL ESTATE ACTION ITEMS FOR BOARD APPROVAL

ADMINISTRATIVE ACTION ITEM

MTA Metro-North Railroad

Modification to the Grand Central Terminal short-term retail licensing program, New York, NY

TRANSACTIONAL ACTION ITEMS

Metropolitan Transportation Authority

License with Rosen's Café LLC for a retail unit in the lobby at 2 Broadway, New York, NY

Development agreement with Housing is a Human Right LLC, c/o The Hudson Companies Inc. and Housing Works to construct a Rail Control Center Annex at 806 9th Avenue, New York, NY

MTA New York City Transit

Lease with Gail Lloyd Enterprises for office space at 168-25 Jamaica Avenue in support of the relocated Jamaica Bus Terminal in Queens, NY

Amended and reinstated lease between NYCT and LIC Northern Boulevard Owner, LLC for office and warehouse space at 33-00 Northern Blvd, Queens NY

Surrender of master leased property to the City of New York at the Smith-Ninth Street Station in Brooklyn, NY

MTA Long Island Rail Road

License with Terwilliger Bartone for a public walkway at the Westbury Station, Westbury, NY

MTA Metro-North Railroad

Acquisition of permanent easements from NYC Parks and Recreation at the Hutchinson River Parkway Extension in support of the Penn Station Access Project, Bronx, NY

MTA Bridges and Tunnels

License with Edward Forni for a food and beverage counter at Randall's Island Building 104, New York, NY

MTA Metro-North Railroad

Acquisition of permanent easements from NYC Parks and Recreation at the Hutchinson River Parkway Extension in support of the Penn Station Access Project, Bronx, NY

MTA Bridges and Tunnels

License with Edward Forni for a food and beverage counter at Randall's Island Building 104, New York, NY

MTA METRO-NORTH RAILROAD

Staff Summary

Subject MODIFICATION TO THE GRAND CENTRAL TERMINAL SHORT-TERM RETAIL LICENSING PROGRAM
Department REAL ESTATE
Department Head Name DAVID FLORIO
Department Head Signature
Project Manager Name KIM TREVISAN

Date DECEMBER 20, 2023
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref. #

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance Committee		X		
2	Board		X		

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

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

PURPOSE: To obtain MTA Board approval for expansion of the Real Estate Policies and Procedures for the Licensing of Real Property in Grand Central Terminal (“GCT”) Short-Term Retail Licensing Program, as adopted on April 27, 2009 and amended July 22, 2020, September 23, 2020, June 29, 2022, and September 21, 2022, to include Retail Kiosks throughout GCT.

COMMENTS:

By Staff Summary dated June 26, 2022 (attached for reference), the MTA Board made permanent a policy governing short-term licenses in GCT (“GCT Short Term Licensing Policy”), allowing MTA Real Estate to enter into short-term license agreements for durations of up to three (3) years. The GCT Short-Term Retail Licensing Policy has been successfully used in GCT to quickly activate vacant retail spaces.

By Staff Summary dated January 23, 2006 (attached for reference), the MTA Board adopted a policy that allows for MTA Real Estate to enter into month-to-month retail agreements for short-term occupancy of Retail Merchandising Units (“RMU”) (e.g. retail kiosks) located in the Graybar Passage of GCT (“Graybar Retail Kiosk Policy”). The Graybar Retail Kiosk Policy successfully provided for additional revenue generating opportunities in GCT while also enhancing the overall customer experience.

To avoid redundancy and improve consistency among MTA Real Estate policies, MTA Real Estate would like to sunset the Graybar Retail Kiosk Policy and incorporate and expand it into the GCT Short Term Licensing Policy, as amended:

- 1) Include RMU's as part of the GCT Short Term Retail Licensing program.
- 2) Include the entirety of GCT for possible RMU placements.
- 3) Remove the stated minimum/maximum rental range of \$1,500 - \$10,000 and allow negotiation of rent charges to align with what the market will bear.
- 4) Allow for flexible RMU term durations of no more than thirty-six (36) months.

Doing so will increase retail opportunities within GCT, provide for more customer amenities, and generate additional revenue.

Staff Summary

FINANCE COMMITTEE MEETING

MODIFICATION TO THE GRAND CENTRAL TERMINAL RETAIL LICENSING PROGRAM


(Cont'd.)

As with other licensing and leasing procedures, MTA Real Estate has in place procedures providing governance over kiosk vendor selection protocols.

Based on the foregoing, MTA Real Estate requests authorization to amend the current GCT Short-Term Retail Licensing Policy according to the terms and conditions set forth above.

Staff Summary

FINANCE COMMITTEE MEETING
MODIFICATION TO THE GRAND CENTRAL TERMINAL RETAIL LICENSING PROGRAM
(Cont'd.)

 Metropolitan Transportation Authority

Page 3 of 3

CC/P/REC ITEM NO. 1H
BOARD ITEM NO. 10

Memorandum



Metropolitan Transportation Authority

State of New York

Date January 23, 2006
To Members of the Capital Construction, Planning and Real Estate Committee
From Roco Krsulic
Re **Proposed policy for Graybar Retail Kiosk Permits**

Pursuant to a request from the Metro-North Committee for additional revenue generating opportunities in Grand Central Terminal, GCT Development launched the Graybar Retail Kiosk Program in May 2005. The Kiosk Program is intended to increase retail opportunities in this area of the Terminal, as well as to bring more customers into the in-line retail stores in the Graybar Passage. The kiosks provide another passenger amenity and add to the commuters' overall sense of safety within the building.

We have had six months to evaluate the Program and would like to simplify the process by which the Kiosk Program will move forward. We expect to engage eighteen or more tenants per year, based upon the length of each Permit. Monthly rental rates will vary based upon anticipated sales volume and time of year. Rents would begin at a minimum of \$1,500 per month, and may increase to a maximum of \$10,000 during prime holiday months.

The Real Estate Department is requesting authorization to negotiate and enter into month-to-month retail permits with tenants for the Graybar Retail Kiosk Program as described hereinabove without further notification to or approval from the Committee and Board.

Any permit entered into pursuant to this policy will be reported to the Committee the following month as an Information Item.

Staff Summary

Subject GRAND CENTRAL TERMINAL RETAIL LICENSING PROGRAM MODIFICATION
Department REAL ESTATE
Department Head Name DAVID FLORIO
Department Head Signature
Project Manager Name KIM TREVISAN

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

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance Committee	09/19/22	X		
2	Board	09/21/22	X		

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

AGENCY: Metropolitan Transportation Authority (“MTA”) and Grand Central Madison Operating Corporation (“GCMCOC”)

PURPOSE: To obtain MTA Board approval for expansion of the Real Estate Policies and Procedures for the Licensing of Real Property regarding Grand Central Terminal Retail Licensing Program, as adopted on April 27, 2009 and amended July 22, 2020, September 23, 2020 and June 29, 2022, to include Grand Central Madison.

COMMENTS:

By Staff Summary dated June 26, 2022, (attached), the MTA Board made permanent a revision, adopted by the Board in July 22, 2020 (Staff Summary attached) to the policy governing short-term licenses in Grand Central Terminal (“GCT Short Term Licensing Policy”), originally adopted by the Board on April 27, 2009. The GCT Short Term Licensing Policy now allows MTA Real Estate to enter into short-term license agreements in Grand Central Terminal, for durations of up to three (3) years – rather the two (2) years under the original policy. The GCT Short Term Licensing Policy has been successfully used in GCT as a post-Covid approach to quickly activate vacant retail spaces while providing time to develop long-term plans for an evolving retail market.

In Grand Central Madison, the same short-term license agreements will be used to engage and activate pop-up retail along the Madison Concourse, and the LIRR mezzanine below, until GCMCOC secures a long-term retail master tenant which will curate long term retail occupancies. By extending the policy to GC Madison MTA Real Estate seeks to ensure MTA customers can enjoy retail amenities and conveniences in Grand Central Madison upon terminal opening – in advance of the retail master tenant.

As with other licensing and leasing procedures, MTA Real Estate has put in place procedures providing governance over public offering and tenant selection protocols.

MTA Real Estate seeks authorization to amend the current Grand Central Terminal Retail Licensing Program to include Grand Central Madison.

Subject GRAND CENTRAL TERMINAL RETAIL LICENSING PROGRAM MODIFICATION
Department REAL ESTATE
Department Head Name DAVID FLORIO
Department Head Signature
Project Manager Name KIM TREVISAN

Date JUNE 29, 2022
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref. #

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance Committee	6/27/22	X		
2	Board	6/29/22	X		

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

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

PURPOSE: To obtain MTA Board approval for a permanent modification to Real Estate Policies and Procedures for the Licensing of Real Property regarding the Grand Central Terminal Retail Licensing Program, as adopted on April 27, 2009 and amended July 22, 2020 and September 23, 2020

COMMENTS:

By staff summaries dated July 22, 2020 and September 23, 2020 (each attached), the MTA Board adopted amendments to the policy governing short-term retail licenses at Grand Central Terminal (“GCT Short Term Licensing Policy”) originally adopted by the Board on April 27, 2009 (attached). The amendments to the GCT Short Term Licensing Policy are set to expire in August 2022 unless further action is taken by the MTA Board.

As with other licensing and leasing procedures, MTA Real Estate put in place procedures providing oversight over public offering and tenant selection protocols.

The GCT Short Term Licensing Policy, as amended, has been extremely successful. The information it submitted to the Finance Committee in April, 2022 reported 15 new or renewed license agreements completed in Grand Central Terminal which contributed to re-populating the retail environment in a post-Covid world. The 3-year term, along with the other modifications, has been utilized to quickly activate retail spaces until the retail market can be better evaluated in a post-Covid world and, in the longer term, will allow the MTA to react nimbly to changing retail trends, as well as demonstrate the value of GCT’s retail space generally, when marketing the retail space for longer term leases via a Request for Proposals process.

MTA Real Estate seeks authorization to permanently adopt the GCT Short Term Licensing Program as amended on the terms and conditions stated above.

Staff Summary

Subject GRAND CENTRAL TERMINAL RETAIL LICENSING PROGRAM MODIFICATION
Department REAL ESTATE
Department Head Name JOHN N. LIEBER
Department Head Signature
Project Manager Name DAVID FLORIO

Date JULY 22, 2020
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref. #

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance Committee	7/22/20	X		
2	Board	7/22/20	X		

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

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

PURPOSE: To obtain MTA Board approval for a modification to Real Estate Policies and Procedures for the Licensing of Real Property, as adopted on April 27, 2009

EXPIRATION: The modification will expire August 1, 2022

COMMENTS:

By staff summary dated April 27, 2009, the MTA Board approved the attached policy and accompanying resolution, authorizing MTA Real Estate to enter into short term license agreements in Grand Central Terminal for up to two years. The policy was created to address retail vacancies that were occurring in the Terminal before Requests for Proposals (RFPs) were awarded and a new tenant would take possession. The policy sought to keep retail space occupied and maintain customer amenities in order to continue to generate revenue.

With the advent of COVID-19, the overall retail market has suffered and many of our tenants, and proposed tenants with whom we were negotiating, are wavering on remaining in the Terminal as their leases and licenses expire.

MTA Real Estate recognizes these current, retail market challenges and the significant impact it has on businesses, especially the retail tenants at Grand Central Terminal. In an effort to avoid vacant or “dark” spaces during a time when responses to RFPs are unknown, MTA Real Estate requests the following:

1. Modification of the existing policy to increase the maximum term of new short-term license agreements in Grand Central Terminal to three (3) years (including authorization to enter into new short-term license agreements with existing lessees occupying space under expiring leases for up to three (3) years); and
2. Authorization to extend existing, short term, license agreements in Grand Central Terminal for up to an additional three (3) years.

MTA Real Estate seeks authorization to amend the current Grand Central Terminal Retail Licensing Program on the terms and conditions stated above.

Staff Summary

Subject GRAND CENTRAL TERMINAL RETAIL LICENSING PROGRAM MODIFICATION
Department REAL ESTATE
Department Head Name JOHN N. LIEBER
Department Head Signature
Project Manager Name DAVID FLORIO

Date SEPTEMBER 23, 2020
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref. #

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance Committee	9/23/20	X		
2	Board	9/23/20	X		

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

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

PURPOSE: To obtain MTA Board approval for a further modification to Real Estate Policies and Procedures for the Licensing of Real Property, as adopted on April 27, 2009 and amended July 22, 2020

EXPIRATION: The modification will expire August 1, 2022

COMMENTS:

By staff summary dated July 22, 2020 (attached), the MTA Board approved the amendment of the policy governing short-term licenses that was comprised of:

1. Modification of the existing policy to increase the maximum term of new short-term license agreements in Grand Central Terminal to three (3) years (including authorization to enter into new short-term license agreements with existing lessees occupying space under expiring leases for up to three (3) years); and
2. Authorization to extend existing, short term, license agreements in Grand Central Terminal for up to an additional three (3) years.

However, the policy amendment failed to include the temporary modification of the limitation of short term license agreements to existing tenants. In light of the impacts of Covid-19, MTA Real Estate seeks to broaden the offering of these short-term licenses beyond the current MTA tenant roster. As with other licensing and leasing policies, MTA Real Estate will put in place procedures that provide governance over public offering and tenant selection protocols.

MTA Real Estate seeks authorization to amend the current Grand Central Terminal Retail Licensing Program on the terms and conditions stated above.

METROPOLITAN TRANSPORTATION AUTHORITY

Staff Summary

Subject LICENSE WITH ROSEN'S CAFÉ, LLC FOR A RETAIL NEWSSTAND IN 2 BROADWAY, NEW YORK, NY
Department REAL ESTATE
Department Head Name DAVID FLORIO
Department Head Signature
Project Manager Name ANDREW GREENBERG

Date DECEMBER 20, 2023
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref. #

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance Committee	12/18/23	X		
2	Board	12/20/23	X		

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

AGENCY: Metropolitan Transportation Authority ("MTA")
LICENSEE: Rosen's Café, LLC ("Rosen's")
LOCATION: 2 Broadway, New York, NY
PREMISES: 302 square feet of retail space in the central lobby
USE: Sale of traditional prepackaged food, beverage and convenience items and such other items as may be approved by the MTA.
ACTION REQUESTED: Authorization to enter into a license agreement.
TERM: Five (5) years with one (1) five (5) year renewal option
COMPENSATION: \$49.67 per square foot per annum with approximately 3% annual increases and 10% sales above a \$500,000 annual break point (with market rate rent reset option term).

Year:	Annual Compensation:
1	\$15,000 plus 10% sales above \$500K
2	\$15,450 plus 10% sales above \$500K
3	\$15,925 plus 10% sales above \$500K
4	\$16,400 plus 10% sales above \$500K
5	\$16,900 plus 10% sales above \$500K

COMMENTS:

A Request For Proposals ("RFP") for the 2 Broadway lobby newsstand retail space was issued July 19, 2023, with a subsequent addendum issued on August 29, 2023. An analysis comparing all three proposals received shows that one was non-responsive, the second was from the incumbent Kamlesh Inc., and the third from Rosen's, who currently operates

Staff Summary

FINANCE COMMITTEE MEETING

LICENSE AGREEMENT WITH ROSEN'S CAFÉ, LLC FOR A RETAIL NEWSSTAND IN 2 BROADWAY, NEW YORK, NY (cont'd)

Page 2 of 2

a retail food operation in the rear of the lobby and a center lobby food cart kiosk, and who proposed the greatest compensation.

Rosen's has been in business since 1994 and currently operates food establishments in various locations including Penn Station and the Port Authority Bus Terminal. They are a tenant in good standing under their current lobby café operation. Rosen's proposed base compensation and percentage rent meets and exceeds the independent broker's opinion of value. In addition to a three-month security deposit, Rosen's will also provide a guaranty of its obligations under this license agreement. A credit report was prepared and is also favorable.

Considering the compensation proposed, the renderings proposed for the space following improvements, their existing tenancy and their proposed closing of their lobby cart, Rosen's proposal was the most compelling proposal overall.

Based on the foregoing, MTA Real Estate requests authorization to enter into a license agreement with Rosen's Café, LLC on the above-described terms and conditions.

Staff Summary

Subject CONSTRUCTION OF THE RAIL CONTROL CENTER ANNEX AT 806 9TH AVENUE, MANHATTAN
Department TRANSIT ORIENTED DEVELOPMENT
Department Head Name ROBERT PALEY
Department Head Signature
Project Manager Name MUNSUN PARK

Date DECEMBER 18, 2023
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref. #

Board Action					
Order	To	Date	Approva	Info	Other
1	Finance Committee	12/18/23	x		
2	Board	12/20/23	x		

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

AGENCY: Metropolitan Transportation Authority (“MTA”) on behalf of New York City Transit (“NYCT”)

DEVELOPER: Housing is a Human Right LLC, c/o The Hudson Companies Incorporated and Housing Works (“Hudson/Housing Works”)

LOCATION: 806 9th Avenue, New York, New York

ACTIVITY: Construction and delivery of 30,000 SF of core-and-shell office space and 15 below-grade facility parking spaces (“RCC Annex”) within an affordable housing development (“Development”) on the site of the Rail Control Center (“RCC”) parking lot (“RCC Parking Lot”) adjacent to the existing RCC building.

ACTION REQUESTED: Authorization to enter into a development agreement with Developer (“Development Agreement”) on the terms described below.

COMMENTS:

In May 2008, in connection with the designation of a developer of the Western Rail Yard (“WRY”) of the Long Island Rail Road’s John D. Caemmerer West Side Yard (“WSY”), including a necessary rezoning of the WRY, the MTA Board authorized the surrender of the RCC Parking Lot to the City of New York (“City”) for the construction of affordable housing to supplement affordable housing at the WSY. The RCC Parking Lot and the adjacent existing RCC building are part of the NYCT Master Lease Agreement with the City. A copy of the May 2008 Staff Summary (“West Side Yard Development”) and Board Resolution, both of which reference the surrender of the RCC Parking Lot for affordable housing development pursuant to a July 11, 2007 Memorandum of Understanding between the City and MTA are attached to this Staff Summary for reference.

The surrender of the RCC Parking Lot, strategically located adjacent to the RCC, presented operational challenges on where to accommodate the existing RCC emergency response vehicles and the necessary expansion of critical

CONSTRUCTION OF THE RAIL CONTROL CENTER ANNEX AT 806 9TH AVENUE, MANHATTAN (Cont'd)

Page 2 of 2

infrastructure to support the RCC. The solution was that as a condition of the surrender of the RCC Parking Lot, the City would allocate 30,000 SF of office space and 15 below-grade parking spaces for RCC vehicles within the future Development.

In 2018, the New York City Department of Housing Preservation & Development (“HPD”), as the lead City agency, issued an RFP for the RCC Parking Lot for a mixed-use development with affordable housing, ground floor retail and the RCC Annex. The RFP included specific requirements for the design and construction of the RCC Annex core-and-shell, including a separate building entrance and blast-proof walls between the RCC Annex and other uses in the future Development. Hudson/Housing Works was selected as the Developer in 2019 after a competitive RFP process that included six respondents. In the intervening years, MTA and NYCT staff worked with the Developer on the design of the RCC Annex that would meet the needs of NYCT. The Developer and HPD also received the necessary land use and community approvals as required under the City Uniform Land Use Review Procedure (“ULURP”).

The terms of the construction and delivery of the RCC Annex are included in the Development Agreement between MTA and the Developer. The Development, inclusive of the affordable housing, ground floor retail and the RCC Annex will be structured as a master condominium with each of the different building uses occupying a separate condo unit. The RCC Annex condo unit will be indentured into the NYCT Master Lease Agreement with the City.

Upon completion and delivery of the RCC Annex core-and-shell unit, estimated to be in July 2026, the MTA will reimburse the Developer for the design, construction and finance carrying costs of the RCC Annex. The 2020-2024 MTA Capital Program contains \$20 million for the construction of the RCC Annex which was included prior to the Developer being retained and a complete design and cost estimate of the RCC Annex prepared. The current estimate for the RCC Annex is \$23.8 million (Developer scope) which reflects the escalation of construction costs and the significant rise of interest rates in recent years. Additional fit-out costs will be required after the core-and-shell. A Capital Program budget modification will be processed to reflect the difference in cost.

It is anticipated that the Developer will close on the acquisition of the RCC Parking Lot site with the City in January 2024 at which time MTA will simultaneously surrender the Parking Lot to the City. The Development Agreement, Condominium documents, and other closing documents will be concurrently executed between and among MTA, the Developer and the City.

Based on the foregoing, MTA TOD requests authorization to enter into the Development Agreement on behalf of MTA and such other documents and instruments deemed necessary or appropriate to effectuate the Development Agreement and the construction of the RCC Annex on the terms set forth above and such other terms and conditions as the Chair and Chief Executive Officer of MTA or a designee deem necessary or appropriate, and to take all other actions as shall be necessary or desirable consistent with the foregoing to execute the Development Agreement and the construction of the RCC Annex.

Staff Summary

Subject WEST SIDE YARD DEVELOPMENT
Department REAL ESTATE
Department Head Name ROCO KRSULIC
Department Head Signature
Project Manager Name ROCO KRSULIC

Date MAY 22, 2008
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref #

Board Action					
Order	To	Date	Approval	Info	Other
1	Board	05/22/08	X		

Internal Approvals			
Order	Approval	Order	Approved
		1	Legal
		2	Chief Financial Officer
		3	Executive Director

Narrative	
AGENCY:	Metropolitan Transportation Authority ("MTA") / Long Island Rail Road Company ("LIRR")
DEVELOPER:	Joint venture entity of Related Companies L.P. and Goldman Sachs Group Inc. ("Developer" or "Related/Goldman")
LOCATION:	John D. Caemmerer West Side Yard ("WSY"), consisting of The Western Rail Yard ("WRY") bounded by 11 th and 12 th Avenues and West 30 th and 33 rd Streets (Block 676, Lot 3); and The Eastern Rail Yard ("ERY") bounded by 10 th and 11 th Avenues and West 30 th and 33 rd Streets (Block 702, Lots 1 and 50 and Block 704, Lots 1, 5 and 6)
ACTIVITY:	Mixed-use development
ACTION REQUESTED:	<ol style="list-style-type: none"> Authorize the MTA Chief Executive Officer to execute Conditional Designation Letters with Developer for the WRY and ERY. Authorize the MTA Chief Executive Officer to enter into Contracts and other project documents with the Developer.
TERM:	19 year ground leases, severable, with options to purchase severed fee parcels. See Attachment A - Major WRY Transaction Points, and See Attachment B - Major ERY Transaction Points.
SPACE:	Approximately 26.17 acres (each yard is approximately 13.085 acres)
COMPENSATION:	Net Present Value of Ground Leases: One billion and fifty-four million (\$1,054,000,000), calculated at a discount rate of 6%.

BACKGROUND:

In July of 2007, the Metropolitan Transportation Authority ("MTA") issued two separate Requests For Proposals (the "RFPs") for the sale of and/or long term leasing of air space and related real property interests for development at the Eastern Rail Yard ("ERY") and Western Rail Yard ("WRY") sections of the Long Island Rail Road's John D. Caemmerer West Side Yard ("WSY"). The ERY was re-zoned in 2005 as part of the Special Hudson Yards District and presently permits on-site floor area ratio ("FAR") mixed-use development of approximately 6.27 million square feet (11 FAR). The WRY will require a re-zoning pursuant to the City's Uniform Land Use Review Procedure ("ULURP"), and associated environmental review, to accommodate large-scale mixed use development and a PS/IS public school. The current WRY zoning is industrial M2-3 with an FAR of 2.

Two of the primary objectives of the RFPs are to maximize revenue for MTA's capital plan and to assure safe, uninterrupted LIRR service at the WSY, which functions as a 24/7 active storage, maintenance, and cleaning facility for LIRR. The RFPs also express MTA's goals of promoting excellence in architecture, urban design, and sustainability in keeping with the City's and State's vision for the economic development and revitalization of the Hudson Yards area.

In response to the RFPs, on October 11, 2007 the MTA received proposals for both yards from five qualified real estate development firms. An appraisal report commissioned for each site at the time of the issuance of the RFPs was received in November 2007 with the valuation date established to coincide with the proposal submission date. The ERY, assuming a zoning compliant commercial FAR of 8 and a residential FAR of 3, for a total of 11 FAR (approximately 6.27 million square feet), is valued at \$1.176 billion (\$187.56 PSF of FAR). The WRY, with an assumed commercial and residential FAR of 5 each after rezoning, for a projected total of 10 FAR (approximately 5.7 million square feet), is valued at \$1.149 billion (\$201.58 PSF of FAR).

The appraisals consider the sites as developable greenfields and do not deduct from value the substantial costs attributable to the platform and/or infrastructure that must be constructed over the existing railroad tracks and accessory facilities to support development. However, the appraisals do attribute a 10% discount to reflect the fact that buildings located on the proposed platform would lack basement areas. In addition, the land use parameters of the Rail Yards Agreement and the Principals Memorandum of Understanding (MOU), each between the City and the MTA, are considered in the reports, as well as the Design Recommendations and Guidelines attached to the Principals MOU.

In connection with the proposed development of the WRY, beyond the on-site affordable housing requirements set forth in the Principals MOU, the MTA is proposing to make a parcel located on the southeast corner of 54th Street and 9th Avenue (Block 1044, Lot 3), available to the City of New York for the construction of additional affordable housing at the time of a closing of a WRY development transaction. This parcel, which is owned by the City of New York, is part of the NYCTA Master Lease Agreement.

COMMUNITY REQUESTS:

Community Board elected officials, and other civic and community groups have expressed concerns and provided recommendations relating to the development of the WSY, including on the following subjects: density, transportation improvements, affordable housing, community facilities, the public school, open space and urban design elements, connection to the potential Hudson River Park, total preservation of the High Line, and sustainability issues.

DISCUSSION OF PROPOSALS:

The RFPs stated that the MTA would consider proposed dispositions in the form of either a sale, or up to a 99-year non-subordinate lease. The property interests to be conveyed consist of land, in the case of the "Terra Firma" (the vacant land area where there are no LIRR tracks or facilities), or space above a limiting plane, in the case of the areas over which a roof will be required above the LIRR tracks and facilities. Proposers were encouraged to recommend both sale and lease alternatives.

In response to the RFPs, on October 11, 2007, submissions were received from the following five (5) proposers, each seeking to purchase and/or lease development rights at both the ERY and WRY:

1. Brookfield Properties Developer LLC ("Brookfield")
2. Extell Development Company ("Extell")
3. Hudson Center East LLC and Hudson Center West LLC
(a Joint Venture of The Durst Organization, Inc. and Vornado Realty Trust) ("D-V").
4. The Related Companies in a partnership with Goldman Sachs ("Related/Goldman")
5. TS West Side Holding, LLC (a Joint Venture of Tishman Speyer and Morgan Stanley) ("TSW").

The net present value ("NPV") of each combined yard proposal received in October 2007, assuming exercise of purchase options (and calculated at a 6% discount rate) was as follows: \$908 million from Brookfield; \$1.015 billion from D-V; \$598 million from Extell; \$1.049 billion from Related/Goldman; and \$819 million from TSW. These figures are net of proposer-estimated costs for the construction of the roof over the WSY, including related Force Account.

To aid in the analysis of the proposals, three working groups were formed to address the following subject areas: Design, Finance, and Constructability/Technical Issues, with each group including staff members from the MTA, LIRR, and the Hudson Yards Development Corporation ("HYDC"), with support from outside real estate, legal, and architectural/engineering consulting firms. After the working groups considered the initial responses and an oral presentation, each working group held separate meetings and presentations with each of the five proposers in order to clarify certain aspects of their submissions or to update the proposers on engineering requirements.

Each working group gave a presentation of its evaluations to the Selection Committee, which consists of a majority of MTA members and two representatives from HYDC. The Selection Committee was formed pursuant to the Rail Yards Agreement made between the MTA and the City in September 2006.

In late January, 2008, following the analysis of the October 11, 2007 proposals, the MTA solicited Supplemental Proposals from the five development teams. The solicitation included a form of a Conditional Designation Letter ("CDL"), and summaries of principal terms of a Construction Agreement, Ground Lease, and related transaction documents, reflecting MTA's preferred deal terms and transaction structure.

DISCUSSION OF SUPPLEMENTAL PROPOSALS:

Four out of the original five proposers responded to the request for revised proposals in late February, 2008. Their responses are summarized in the chart below. Brookfield declined to submit a Supplemental Proposal.

		D-V	Extell	Related/Goldman	TSW
Commercial Office Space	WRY	1,004,000 zsf within one building.	982,000 zsf within one building.	1,923,600 zsf within one building.	3,190,000 zsf within two buildings.
	ERY	4,111,000 zsf within three buildings.	2,680,000 zsf Within three buildings.	3,572,980 zsf within two buildings.	4,860,000 zsf within three buildings.
PS/IS School	WRY	120,000 zsf	120,000 zsf preferably within the ERY Cultural Facility.	120,000 zsf	120,000 zsf
Retail Space	WRY	141,000 zsf	256,000 zsf	191,956 zsf	210,000 zsf
	ERY	185,000 zsf	409,000 zsf	565,641 zsf	270,000 zsf
Community Space Component	WRY	TBD.	Not included.	8,500 zsf	TBD.

Staff Summary

		D-V	Extell	Related	TSW
Preferred Treatment of High Line	WRY and ERY	Removes 10 th Ave. Spur. Dismantles and reconstructs Curve on 12th Ave. Dismantles 12th Ave. segment. Design allows for Bridge across 12 th Ave.	Removes 33 rd /34 th Streets connection segment. Design allows for Bridge across 12 th Ave.	Retains 30 th Street and 12 th Ave. segments. Possibly removes 33 rd /34 th Streets connection segment. Design allows for Bridge across 12 th Ave.	Removes 10 th Ave. Spur. Demolition and replacement of the High Line Curve where necessitated by the construction of underground garage structure. Design allows for Bridge across 12 th Ave.
Residential Space	WRY	2,284,000 zsf of Rental Residential 80/20 affordable housing within seven buildings (about 2,950 units, 20% affordable - about 590 units).	3,800,000 zsf of Residential (rental and/or condominium) within seven buildings (about 2,617 units, including about 339 affordable units).	961,576 zsf of Rental Residential 80/20 affordable housing within three buildings (about 1,324 units, 20% affordable – about 275 units), including 173,084 zsf of Permanently Affordable Housing within three buildings (about 261 units).	800,000 zsf of Rental Residential 80/20 affordable housing within two buildings (about 984 units, 20% affordable - about 197 units), including 162,800 zsf of Permanently Affordable Housing within two buildings (about 182 units).
	WRY	2,284,000 zsf of Condominium within six buildings (about 2,250 units).		2,671,145 zsf of Condominium within seven buildings (about 1,927 units).	1,420,000 zsf of Condominium within four buildings (about 1,092 units).
	ERY	1,778,000 zsf within three buildings (market rate residential: rental and/or condominium, about 1,750 units).	1,718,000 zsf within two buildings (market rate residential: rental and/or condominium, about 1,463 units).	612,392 zsf of 80/20 affordable housing within two buildings (about 830 units, 20% affordable – about 166 units).	460,000 zsf in one building (market rental, about 528 units)
	ERY			1,054,668 zsf of Condominium within three buildings (about 692 units).	480,000 zsf of Condominium within four buildings (about 444 units).
Cultural Facility Component	ERY	200,000 zsf of Reserved FAR; 67,780 sf above-grade footprint for the Cultural Facility Area.	200,000 zsf of Reserved FAR; no stated footprint of the Cultural Facility Area.	200,000 zsf of Reserved FAR; 30,000 sf above-grade footprint for the Cultural Facility Area.	200,000 zsf of Reserved FAR; 18,000 sf above-grade footprint for the Cultural Facility Area.
Parking Component	WRY	200-1,000 below-grade accessory parking spaces, plus a portion of the 75 spaces for LIRR Operations to be located within WSY.	50 (minimum) below-grade accessory parking spaces, plus a portion of the 75 spaces for LIRR Operations to be located within WSY.	263 below-grade accessory parking spaces, plus 30 of the 75 spaces for LIRR Operations to be located within the WSY.	750 below-grade accessory parking spaces, plus a portion of the 75 spaces for LIRR Operations to be located within WSY.
	ERY	450 (minimum) to 1,000 below-grade accessory parking spaces, plus a portion of the 75 spaces for LIRR Operations to be located within the WSY.	450 (minimum) to 1,000 below-grade accessory parking spaces, plus a portion of the 75 spaces for LIRR Operations to be located within the WSY.	450 (minimum) to 1,000 below-grade accessory parking spaces, plus 45 of 75 spaces for LIRR Operations to be located within the WSY.	450 below-grade accessory parking spaces, plus a portion of the 75 spaces for LIRR Operations to be located within the WSY.

Staff Summary

The NPV of the combined-yard supplemental proposals were as follows: D-V \$842,000,000; Extell \$1,150,000,000; Related/Goldman \$943,000,000; and TSW \$897,000,000. These figures are again net of proposer-estimated costs for the construction of the LIRR Yards roof structure, including related Force Account, which estimated costs had been adjusted by these proposers after further consultations with LIRR staff.

Following receipt and review of the supplemental submissions, MTA met with each of the proposer teams. In these subsequent discussions, Related/Goldman revealed that it was not in a position to go forward with pursuing an ERY proposal at that time because of the unexpected withdrawal of its proposed anchor commercial tenant. Related/Goldman requested that its single-yard WRY proposal continue to be considered. Due to concerns about the difficulty of coordinating construction plans and activities of different developers at each of the yards, and the potential impacts of less coordinated construction on railroad operations, Related/Goldman's single-yard proposal was suspended from active consideration while discussions proceeded with those remaining proposers offering to develop both of the Yards.

Extell, in its response to the supplemental proposals solicitation, continued to deviate from the Hudson Yard Uniform Tax Exemption Policy ("UTEP"), pricing its proposals based upon an assumed level of property taxation well below that provided for by existing tax abatement policies. During on-going discussions, Extell revised its position in part, but continued to rely upon major deviations from UTEP and other tax policies. As a result, its proposal was no longer considered competitive.

Discussions proceeded with Durst-Vornado and TSW. During the discussions with these two proposers, both substantially improved their offers. Thereafter, TSW and D-V were requested to provide their final offers. They were directed to focus principally on financial return to the MTA, expressed as net present value, and project completion certainty. Both proposers were advised that targeted 'deal terms' negotiations would commence with the proposer making the most responsive final offer.

TSW markedly increased its financial offer, reaching a NPV of \$1,004,000,000 (which amount, if calculated taking into account land residual value in the pricing of purchase options, would increase to \$1,054,000,000). Additional negotiations with D-V resulted in it increasing its financial offer to an NPV of \$892,200,000, still far below the NPV represented by TSW's proposal. At that point, D-V was advised that its offer was not competitive and was encouraged to increase its offer prior to the MTA's determination to move to detailed deal negotiations with a single proposer. D-V did not increase its offer at that time. The MTA then advanced to more detailed negotiations with TSW in recognition of its superior final offer. (After MTA had requested and received what were "final" offers, and after MTA had, on that basis, proceeded with and made substantial progress in fleshing out deal terms with TSW, D-V advised MTA that it wished to raise its offer further, eventually describing an offer that MTA calculated was approximately \$970 million in NPV. This was still less than the NPV that had been proposed by TSW in its responsive final offer.)

SUBSEQUENT DEVELOPMENTS

The March 26, 2008 Selection Committee Recommendation.

On March 26, 2008, the Selection Committee unanimously agreed that TSW should be recommended for conditional designation as developer for both the ERY and WRY. At that time TSW offered the best overall combination of total financial return, certainty of return, railroad operational compatibility, and development experience. TSW's proposals offered MTA a NPV calculated at \$1,004,000,000 (or \$1,054,000,000 with the inclusion of the residual value), which was the highest of the proposers at that time. Moreover, after intensive negotiations on multiple deal points, MTA was able substantially to enhance the financial certainty features of TSW's proposal. See Attachments A and B to the Staff Summary of March 26, 2008, which summarized major transaction points for TSW's WRY and ERY proposals, as negotiated.

With respect to the scope and scale of impacts on LIRR operations and services, confidence was attained in the course of construction agreement negotiations that TSW would design and construct its project in a manner that would minimize the impact on the LIRR and ensure the ongoing viability of LIRR operations in the WSY. See Attachment C to the Staff Summary of March 26, 2008, outlining principal terms that TSW had agreed would be incorporated into the construction agreement.

Staff Summary



The Board Authorization of March 26, 2008 and Ensuing CDL Negotiations with TSW

At the March 26, 2008 meeting of the MTA Board, the Board accepted the Selection Committee's recommendation and adopted resolutions that, among other things, authorized MTA's Chief Executive Officer to execute Conditional Designation Letters ("CDLs") with TSW for the ERY and WRY, provided CDLs could be negotiated by MTA staff to a final form that was satisfactory to MTA and that substantially conformed to the proposed deal terms outlined in the March 26, 2008 staff summary.

Negotiations thereafter proceeded with TSW with the goal of finalizing the CDLs for execution. On April 30, 2008, after over a month of further negotiations, MTA determined that the CDL for the WRY was satisfactory and substantially conformed to the proposed deal terms authorized at the March Board meeting. The WRY CDL was then signed by the parties and held in escrow, together with a check from TSW in the amount of \$11,000,000 (representing \$6,000,000 in participation fees and a \$5,000,000 deposit into an expenses reimbursement fund), in anticipation of finalizing the ERY CDL terms within seven days. Under the terms of the escrow agreement, the release from escrow of the WRY CDL and the \$11,000,000 check was made conditional upon the parties coming to final acceptable terms for the ERY CDL as well as upon the satisfactory conclusion of discussions between TSW and the City of New York concerning various matters relating to Hudson Yards redevelopment.

Despite intensive negotiations, MTA and TSW were unable to agree to terms with respect to the ERY CDL that were consistent with the deal terms outlined in the March 26, 2008 staff summary and on May 13, 2008 TSW informed MTA that it was withdrawing its development proposals for the WRY and ERY.

MTA Staff's Renewed Discussions with the Remaining Proposers.

At the time of TSW's withdrawal, MTA publicly announced that it would be resuming discussions with the other proposers in an effort to obtain acceptable terms for development transactions for the ERY and WRY. MTA quickly received expressions of interest from all three of the remaining proposers that had participated in the Supplemental Proposal process.

Related/Goldman, as noted above, had in March 2008 indicated to MTA that it was not in a position at that time to go forward with pursuing an ERY proposal. Related/Goldman now advised MTA that it desired to conclude development transactions for both the ERY and WRY and that it would be willing to consider as a basis for the transaction the deal terms that MTA had negotiated at length with TSW. To that end, Related/Goldman asked to be provided with the detailed CDLs which had not been fully executed by TSW.

Extell Development Corp., as noted above, had previously submitted proposals with high land valuations, but which were based upon assumed real property tax levels well below those provided for by existing tax abatement policies, meaning that the value of its proposal to MTA would decline substantially in the event Extell did not obtain such favorable levels of tax abatement from the taxing authorities. Extell now indicated that it wished to reformulate its proposals to remove this highly problematic feature, assuming that it could reach an appropriate understanding with the City of New York with respect to real property taxation matters.

D-V also contacted the MTA to express an interest in both yards. Subsequently D-V stated that it wished to re-enter substantive discussions with MTA only if MTA would agree to negotiate exclusively with D-V in an effort to reach a final deal, meaning that the MTA would not be permitted to speak to other proposers about deal terms during such proposed exclusive period nor consider any offers from the other proposers in the event that a tentative agreement with D-V was reached. D-V also indicated that it did not want to recommence negotiations based on the TSW deal structure, but rather on the basis of the deal framework and terms that D-V had last discussed with the MTA in late March, and which had not been the subject of detailed negotiations between D-V and MTA. Finally, D-V did not confirm that its financial offer would remain at or above the level that had been reached when those discussions had left off in March.

MTA, in an effort to move the process forward to a prompt conclusion, provided copies of the CDLs – in the form that had been achieved through negotiations with TSW – to the three proposers, subject to a confidentiality agreement. Because MTA was not willing to limit competition by entering into exclusive negotiations with D-V on the terms described above, MTA staff resumed substantive discussions with the other two proposers.

Staff Summary



Extell initiated discussions with the City to address tax abatement issues that affected the framework of its proposal. Based upon progress it reported in those discussions, Extell indicated to MTA that it would be in a position to reformulate its proposals so that Extell, rather than MTA, assumed any risk arising from Extell obtaining a less favorable tax abatement treatment than it was seeking. Extell also communicated that MTA could anticipate revised offers with a combined NPV of at least \$900 million. Extell further indicated that although it was willing to negotiate using the TSW CDLs as a starting point, it was not willing to bind itself to the terms set forth in those documents.

After Related/Goldman had reviewed the relevant documents, they agreed to conclude a deal with the MTA by executing CDLs in substantially the form that had been negotiated with TSW at a combined NPV of \$1.000 billion dollars. Further discussions over the May 17 and 18 weekend culminated in Related/Goldman agreeing to increase its proposal such that the financial value to MTA increased to a NPV of \$1.054 billion, an amount equal to the value of the Board-authorized TSW transactions (incorporating the residual values in both calculations), subject to Related/Goldman's right to opt to delay base rent payments for up to an additional two years with respect to parcels upon which no building construction had begun within the original abatement period. Exercise of the extension of the abatement period by up to two years on such undeveloped parcels would only be permitted if (i) the Developer paid increased future rent in an amount that would result in MTA recouping one-half of the NPV of the delayed rent and (ii) the Developer increased its default payment guarantee by the full amount of the delayed rent such that MTA would recoup the full amount of the delayed rent in the event that Developer defaulted under the lease prior to construction start. The maximum anticipated impact of this abatement extension provision upon the NPV to the MTA (that is, under a scenario where no building had been commenced on any parcel on the WRY and the ERY and the abatement extension was for a full two year period) is approximately \$43 million, i.e., a reduction of the total NPV to the MTA from an estimated \$1.054 billion to an estimated \$1.011 billion.

SELECTION COMMITTEE RECOMMENDATION

On Sunday, May 18, 2008 the West Side Yards Selection Committee convened and unanimously agreed that the Selection Committee recommend that the MTA Board authorize the conditional designation of the Related/Goldman joint venture for the development of the WRY and ERY. Notable features of the Related/Goldman proposals that support this recommended outcome include the following:

- The economics of Related/Goldman's proposals substantially conform to the favorable financial terms that the Board approved at its March meeting for a TSW transaction. The only material difference between the TSW and the Related/Goldman financial proposals is the potential for an additional two year abatement extension in the Related/Goldman transaction which, in the worst case as described above, could cause the NPV of the Related/Goldman transaction to be reduced from \$1.054 billion to \$1.011 billion were unfavorable economic conditions to result in the Developer not commencing building construction on any parcel within the first five years of the ERY lease, or the first four years of the WRY lease.
- The Related/Goldman development entities have signed CDLs (which embody the terms set forth in Attachments A and B hereto, which attachments are identical to Attachments A and B to the March 26, 2008 TSW staff summary except for the inclusion of the option for an additional two year abatement described above, and in Attachment C to the March 26, 2008 TSW staff summary) that are being held in escrow and will become effective upon MTA Board approval. Related/Goldman has also deposited an \$11 million check that will be cashed upon MTA Board approval (\$6 million of which is for participation fee payments and \$5 million of which is to fund an expenses reimbursement fund). The Selection Committee and MTA staff believe that MTA's interests are best served by consummating this certain transaction now, rather than exposing MTA to the substantial risk of reduced competition and the uncertainty of an acceptable future transaction.
- Related/Goldman agreed to substantially the same construction agreement terms that had been acceptable to LIRR and had been agreed to with TSW with respect to its interactions with the LIRR and the protection of LIRR operations and services.
- The Related/Goldman joint venture offers a compelling combination of development expertise and financial acumen and resources. Related has more than 30 years experience in development, including in mixed-use environments such as the Time Warner Center (developed on land purchased from MTA). Goldman Sachs, as a leading global investment bank, possesses the expertise and resources to provide sound financial structure to an undertaking of this magnitude.
- The Related/Goldman proposals have a higher proportion of residential space relative to commercial space, and offer more affordable (and more permanent affordable) housing on-site at the Hudson Yards than did the TSW proposals. These features may enhance the prospects for favorable zoning outcomes for the WRY ULURP process that are consistent with orderly achievement of a successful WRY closing.

Staff Summary

- The Related/Goldman proposals provide for retention of the High Line on both the south and the west, and do not propose removal of the Spur within the ERY, thus reducing the possibility of delays associated with disputes relating to the demolition of portions of the High Line.
- The Related/Goldman plan proposes LEED certification by the U.S. Green Building Council, as a LEED Neighborhood Development rated district, representing a significant commitment to green development in the United States.

In conclusion, it is recommended that the Boards of MTA, LIRR and TBTA adopt the attached resolutions which, among other things, authorize:

1. The MTA Chief Executive Officer to execute Conditional Designation Letters with Related/Goldman as the conditionally designated developer, for an exclusive period of 165 days, for the proposed disposition of certain developable property rights in the Eastern and Western Rail Yards.
2. The MTA Chief Executive to enter into Contracts and other project documents with Related/Goldman as may be negotiated pursuant to the Conditional Designation Letters.
3. The MTA to serve as Co-Lead Agency with the New York City Planning Commission ("CPC") for the environmental review of the proposed mixed-use development over the Western Rail Yard and associated actions pursuant to applicable State and local environmental laws and regulations.
4. The TBTA to convey its property interests in the WSY to the MTA prior to the Closing of the proposed transactions.

For Reference Purposes Only

RESOLUTION

BOARDS OF THE
METROPOLITAN TRANSPORTATION AUTHORITY
LONG ISLAND RAIL ROAD
TRIBOROUGH BRIDGE AND TUNNEL AUTHORITY

WHEREAS, Metropolitan Transportation Authority (“MTA”) owns Lot 50 in Block 702 (the “MPB Lot”), which is located on the north side of West 30th Street between 10th and 11th Avenues in Manhattan; and

WHEREAS, Triborough Bridge and Tunnel Authority (“TBTA”) owns the remainder of the real property on the West Side of Manhattan generally bounded on the north by West 33rd Street, on the east by 10th Avenue, on the south by West 30th Street and on the west by 12th Avenue, including rights to occupy the portion of such property under 11th Avenue (the “TBTA Property”, and together with the MPB Lot, the “Rail Yards”), which Rail Yards comprise (i) that portion located to the east of 11th Avenue (the “Eastern Rail Yard” or “ERY”) and (ii) that portion located to the west of 11th Avenue (the “Western Rail Yard” or “WRY”); and

WHEREAS, TBTA intends to transfer ownership of the TBTA Property to the MTA for a nominal sum, pursuant to Section 553(p) of the Public Authorities Law; and

WHEREAS, the City of New York has taken steps to expand the Manhattan central business district and to promote the economic development interests of the City and State of New York by revitalizing the Far West Side of Manhattan into a mixed-use commercial and residential area by, among other things, rezoning portions of what is known as the Hudson Yards Redevelopment Area and undertaking, in conjunction with the MTA, the extension of the Number 7 subway line west from Times Square (the “Number 7 Line Extension Project”); and

WHEREAS, the MTA and City in September 2006 entered into (a) a memorandum of understanding (the “Rail Yards MOU”), which provided for, among other things, the issuance of Requests for Proposals by the MTA for development of the Eastern Rail Yard and for the Western Rail Yard, with the selection of a developer or developers for such yards to be made by the MTA Board, and (b) a memorandum of understanding (the “Number 7 Line MOU”) for the design, construction and funding of the Number 7 Line Extension Project; and

WHEREAS, on July 11, 2007, MTA and the City entered into a further memorandum of understanding (the “July 11 MOU”), by which the City and MTA, recognizing that the WRY requires re-zoning to accommodate mixed-use development, identified certain actions within the control of the City and MTA to be undertaken to accomplish the City’s goals of promoting the orderly development of the Hudson Yards Redevelopment Area in accordance with sound planning objectives and MTA’s goals of achieving the maximum revenue from the development of the WRY for application to MTA’s capital plans for investment in the New York region’s public transportation system while assuring safe, continuous, uninterrupted service by the Long Island Rail Road (“LIRR”); and

WHEREAS, pursuant to the July 11 MOU, the City and MTA set forth a number of shared understandings, including that (i) Design Guidelines for the WRY annexed to the July 11 MOU represented planning and design goals that WRY development should promote and achieve; (ii) an affordable housing commitment by the developer of the WRY would be included in the WRY RFP, requiring developing all rental housing at the WRY as “80/20” housing (subject to allocation of sufficient tax-exempt bond cap or other equivalent low-cost financing to the developer and the availability of such other incentives as generally available for development of 80/20 housing in the City of New York); (iii) the City would support in the WRY rezoning a density bonus in an effort to foster the creation of permanently affordable low income housing on-site and the City would additionally contribute \$40 million to construct or otherwise create new affordable housing off-site of the WRY, including at a possible site (the “48/10 Site”) owned by the City at 48th Street and 10th Avenue, to complement the on-site affordable housing commitment; (iv) in the event the City wished to construct off-site affordable housing using such capital funds at a site (the “54/9 Site”) at 54th Street and 9th Avenue (which is owned in fee by the City but subject to NYCT leasehold control), authorization of the Board would be sought to make such site available to the City for such project (subject to the right of NYCT to maintain occupancy of a portion of the premises for operations) at the time MTA was closing the sale or lease of the WRY for development based upon a re-zoning complying with the Design Guidelines; (v) a WRY School Floor Area bonus should be included in the WRY rezoning, subject to the creation of which bonus the WRY RFP would require a WRY developer to reserve a location for a school, to be built and paid for by the City; (vi) the City would fund and perform in a timely manner a re-profiling of 33rd Street, west of 11th Avenue to provide better site access at WRY; (vii) the City would make water and sewer available in the streets adjacent to the WRY, at City expense, in sufficient capacities and on a timely basis to service the development on the WRY contemplated by the Design Guidelines; and (viii) the City would pay the annual operations and maintenance costs of the linear open space located on the High Line structure along West 30th Street; and

WHEREAS, the MTA and New York City Planning Commission (“CPC”) propose to serve as Co-Lead Agencies for the environmental review of the proposed mixed-use development over the WRY, pursuant to the State Environmental Quality Review Act (“SEQRA”) and, in the case of CPC, the New York City Environmental Quality Review (“CEQR”); and

WHEREAS, the actions to be analyzed in such review (collectively, the “Proposed Action”) include: (1) the lease and/or sale of the air space and related real property interests over the WRY by MTA to an entity selected by MTA through a competitive process to carry out such mixed-use development; (2) the rezoning by the City of the WRY pursuant to the Uniform Land Use Review Procedure; (3) the establishment of new legal grades in West 33rd Street between 11th and 12th Avenues to facilitate a proposed platform over the WRY; (4) the construction of a PS/IS school above the WRY; (5) the associated disposition of the 54/9 Site and the 48/10 Site for the development of affordable housing at such sites; and (6) such other zoning map changes, text amendments, off-site improvements, development rights transfers, and other agency actions as may be necessary or appropriate to facilitate such mixed-use development and to implement any necessary mitigation measures; and

WHEREAS, in view of the size and scope of the Proposed Action, MTA staff has determined that the Proposed Action might result in one or more significant environmental impacts, and accordingly recommends that MTA cooperate with the CPC in issuing a positive declaration, undertaking scoping, and preparing a draft and a final environmental impact statement for the Proposed Action;

WHEREAS, on July 11, 2007, MTA issued and thereafter publicly advertised a Request for Proposals (the “WRY RFP”) for mixed-use development of the WRY, inviting proposals for dispositions in the form of either a sale, or up to a 99-year lease, of the developable WRY property rights; and

WHEREAS, on October 11, 2007, MTA received submissions from five proposers in response to the WRY RFP, including Extell Development Company (“Extell”); Brookfield Properties Developer LLC (“Brookfield”); The Related Companies in a partnership with Goldman Sachs (“Related/Goldman”); TS West Side Holding, LLC (c/o Tishman Speyer Properties) (“TSW”); and Hudson Center East LLC and Hudson Center West LLC (a joint venture of The Durst Organization, Inc. and Vornado Realty Trust) (“D-V”); and,

WHEREAS, on January 28, 2008, MTA requested supplemental proposals from the five proposers, and, in such supplemental proposal solicitation, included a draft Conditional Designation Letter (“CDL”) to be completed by each of the proposers, which CDL, if later executed by the MTA and a proposer in a mutually acceptable form, would provide a conditionally designated developer an exclusive term (the “Designation Term”) to fully negotiate and execute a contract to enter into ground lease and the other documents and agreements needed in connection with the proposed disposition of the developable WRY rights; and

WHEREAS, on February 26, 2008, MTA received supplemental submissions from four of the five above-noted proposers in response to its solicitation; and

WHEREAS, as further described in the staff summary accompanying this resolution, MTA staff, in working groups formed with representatives of Hudson Yards Development Corporation, engaged in detailed review of the October 11, 2007 and February 26, 2008 submissions of the proposers, heard presentations from proposers, conducted discussions and negotiations with the proposers, and reported on relevant aspects of the proposals to the Selection Committee created pursuant to the Rail Yards MOU (the “Selection Committee”); and

WHEREAS, the submissions of the proposers have been summarized to the Board, as set forth in the materials contained in and annexed to the staff summary, and the Selection Committee has recommended that Related/Goldman be conditionally designated by the MTA Board as the Western Rail Yard developer; and

WHEREAS, the fair market value of the WRY development rights in question has been tested and evaluated through a competitive selection process, the methods, terms and conditions of which have permitted full and free competition, involving public advertisement for proposals, the

receipt of competitive proposals, the conduct of discussions and negotiations with the proposers in order to maximize value, and the presentation of the competitive proposals to the Board by public staff summary; and

WHEREAS, the WRY CDL, upon execution by the MTA and a proposer, will serve to designate the Conditionally Designated Developer as the exclusive party with whom MTA will negotiate the transaction for the WRY during the Designation Term, and will provide that (i) the conditional designation does not create or give rise to any contractual or other legally enforceable rights, obligations or liabilities of any kind on the part of any party, other than for the conditionally designated proposer and MTA to negotiate the transaction in good faith and to carry out their express obligations set forth therein; (ii) if the conditionally designated proposer and MTA cannot in good faith successfully conclude contract negotiations during the Designation Term, either party may choose to terminate the conditional designation without liability for any costs or expenses incurred by the other party in the preparation, clarification, submission or negotiation of the RFP and proposer's response thereon, such CDL, the Contract or any other project document, except for any liabilities incurred under the Temporary Entry Permit that survive such termination and/or amounts reimbursed to MTA, LIRR and other parties under the WRY Expenses Reimbursement Agreement; and (iii) in the event that a Contract is not entered into on or prior to the end of the Designation Term for any reason, as more particularly set forth in the CDL, certain fees shall be retained by MTA, and MTA may choose to negotiate with other proposers or other potential developers, to terminate the selection process or to begin a new selection process for such Yard; and

WHEREAS, the Boards of the MTA, TBTA and LIRR find the proposal of the developer recommended by the Selection Committee for designation to be the most advantageous to the MTA, price and other factors set forth in the WRY RFP having been considered; and

WHEREAS, the Boards of the MTA, TBTA and LIRR further find that the proposed disposition of the WRY property rights is for not less than fair market value and is proposed to be made upon proper terms and conditions, and that an appraisal of the value of such property rights has been made by an independent appraiser as set forth in the accompanying staff summary and included in the record of the transaction; and

WHEREAS, the Boards of the MTA, TBTA and LIRR further find that the disposal of the WRY property rights is intended to further the public welfare and to advance the economic development interests of the MTA by, *inter alia*, enhancing the ability of MTA to develop and improve commuter transportation and other services related thereto within the metropolitan commuter transportation district and creating substantial sources of revenue to MTA, and that, in addition, the disposal of the property rights in question is intended to advance the economic development interests of the City and State of New York ("State") as well as the interest of MTA in transit-oriented development, by spurring the revitalization of the Hudson Yards Redevelopment Area, which is expected to result in the creation and retention of substantial number of job opportunities and the creation or retention of substantial sources of revenues to the City, State, and MTA; and

WHEREAS, the Boards of the MTA, TBTA and LIRR find that the terms and conditions of the proposed disposition will provide for safe, continuous, and uninterrupted LIRR service, while enhancing the WRY by providing for a roof structure, or platform, over such yard, as well as other improvements to such yard;

NOW THEREFORE, upon the recommendation of MTA's Chairman, Executive Director and Chief Executive Officer, and the Selection Committee, the Boards of the MTA, TBTA and LIRR resolve as follows:

1. The Executive Director and Chief Executive Officer is hereby authorized to execute a Conditional Designation Letter with RG WRY LLC, designating RG WRY LLC as the conditionally designated developer for the proposed disposition of certain developable property rights in the Western Rail Yard.
2. The Executive Director and Chief Executive Officer and his respective designees are hereby authorized to take all necessary or appropriate actions for the MTA to participate as a co-lead agency with the CPC in the environmental review of the Proposed Action and to cooperate with the CPC in carrying out their respective obligations under SEQRA and CEQR, including, without limitation, issuing a positive declaration for the Proposed Action, completing a public scoping process for and preparing a draft and final environmental impact statement with respect to the Proposed Action and publishing all notices and conducting all public meetings and hearings as shall be required in connection with the foregoing.
3. Subject to the foregoing, the Executive Director and Chief Executive Officer and his respective designees are hereby authorized to execute a contract and any other necessary or appropriate agreements, leases, deeds, documents, and other instruments and to take any other necessary or appropriate steps to implement the proposed disposition of certain developable property rights in the Western Rail Yard and the construction of improvements thereon as part of the development thereof including but not limited to: (i) the transfer of the ownership of the WRY from TBTA to MTA; (ii) effectuation of the terms and conditions of the Conditional Designation Letter, and/or such other terms and conditions as MTA and Developer may negotiate, such terms to be acceptable to the Executive Director and the Chief Executive Officer, and (iii) effectuation of the terms and conditions of the July 11 MOU as pertinent to the WRY; *provided* that the contract and other project documents shall provide that such contract and project documents shall not be binding on the MTA unless and until (a) the MTA Board and the CPC shall have completed the environmental review of the Proposed Action in accordance with the requirements of SEQRA and CEQR and (b) on the basis of that review, the MTA Board shall have made written findings concerning the environmental impacts of the Proposed Action in accordance with SEQRA and its implementing regulations, 6 NYCRR, Part 617, and approved the material terms of the contract and the other project documents.

4. The Executive Director and Chief Executive Officer and his respective designees are hereby authorized to take any and all actions as may be necessary, desirable or convenient to satisfy applicable legal or regulatory requirements in connection with the foregoing actions.

Dated: May 22, 2008

For Reference Purposes Only

RESOLUTION

BOARDS OF THE
METROPOLITAN TRANSPORTATION AUTHORITY
LONG ISLAND RAIL ROAD
and TRIBOROUGH BRIDGE AND TUNNEL AUTHORITY

WHEREAS, Metropolitan Transportation Authority (“MTA”) owns Lot 50 in Block 702 (the “MPB Lot”), which is located on the north side of West 30th Street between 10th and 11th Avenues in Manhattan; and

WHEREAS, Triborough Bridge and Tunnel Authority (“TBTA”) owns the remainder of the real property on the West Side of Manhattan generally bounded on the north by West 33rd Street, on the east by 10th Avenue, on the south by West 30th Street and on the west by 12th Avenue, including rights to occupy the portion of such property under 11th Avenue (the “TBTA Property”, and together with the MPB Lot, the “Rail Yards”), which Rail Yards comprise (i) that portion located to the east of 11th Avenue (the “Eastern Rail Yard” or “ERY”) and (ii) that portion located to the west of 11th Avenue (the “Western Rail Yard” or “WRY”); and

WHEREAS, TBTA intends to transfer ownership of the TBTA Property to the MTA for a nominal sum, pursuant to Section 553(p) of the Public Authorities Law; and

WHEREAS, the City of New York has taken steps to expand the Manhattan central business district and to promote the economic development interests of the City and State of New York by revitalizing the Far West Side of Manhattan into a mixed-use commercial and residential area by, among other things, rezoning portions of what is known as the Hudson Yards Redevelopment Area and undertaking, in conjunction with the MTA, the extension of the Number 7 subway line west from Times Square (the “Number 7 Line Extension Project”); and

WHEREAS, the MTA and City in September 2006 entered into (a) a memorandum of understanding (the “Rail Yards MOU”), which provided for, among other things, the issuance of Requests for Proposals by the MTA for development of the Eastern Rail Yard and for the Western Rail Yard, with the selection of a developer or developers for such yards to be made by the MTA Board; and (b) a memorandum of understanding (the “Number 7 Line MOU”) for the design, construction and funding of the Number 7 Line Extension Project; and

WHEREAS, on July 11, 2007, MTA issued and thereafter publicly advertised a Request for Proposals for development proposals for the ERY (the “ERY RFP”), which is currently zoned as set forth in the Special Hudson Yards District zoning to accommodate large-scale mixed use development, which RFP invited proposals for dispositions in the form of either a sale, or up to a 99-year lease, of the developable property rights; and

WHEREAS, on July 11, 2007, MTA and the City entered into a further memorandum of understanding (the "July 11 MOU"), by which the City and MTA recognized that certain actions within the control of the City and MTA should be undertaken to accomplish the City's goals of promoting the orderly development of the Hudson Yards Redevelopment Area in accordance with sound planning objectives and MTA's goals of achieving the maximum revenue from the development of the ERY for application to MTA's capital plans for investment in the New York region's public transportation system while assuring safe, continuous, uninterrupted service by the Long Island Rail Road ("LIRR"); and

WHEREAS, pursuant to the July 11 MOU, the City has agreed, among other things, to make water and sewer available in the streets adjacent to the ERY, at City expense, in sufficient capacities and on a timely basis to service the development on the ERY contemplated by the ERY zoning, to fund and perform in a timely manner a re-profiling of 33rd Street east of 11th Avenue to provide better site access at ERY, and to pay the annual operations and maintenance costs of the linear open space located on the High Line structure along West 30th Street, and the MTA agreed, inter alia, to require ERY developers to reserve space in the ERY for use as a cultural facility, in consideration for which reservation of space the City has agreed to pay the MTA the sum of \$15,000,000 at the time of closing by the MTA of the sale or lease of the ERY; and

WHEREAS, on October 11, 2007, MTA received submissions from five proposers in response to the ERY RFP, including Extell Development Company ("Extell"); Brookfield Properties Developer LLC ("Brookfield"); The Related Companies in a partnership with Goldman Sachs ("Related/Goldman"); TS West Side Holding, LLC (c/o Tishman Speyer Properties) ("TSW"); and Hudson Center East LLC and Hudson Center West LLC (a joint venture of The Durst Organization, Inc. and Vornado Realty Trust) ("D-V"); and

WHEREAS, on January 28, 2008, MTA requested supplemental proposals from the five proposers, and, in such supplemental proposal solicitation, included a draft Conditional Designation Letter ("CDL") to be completed by each of the proposers, which CDL, if later executed by the MTA and a proposer in a mutually acceptable form, would provide a conditionally designated developer an exclusive term (the "Designation Term") to fully negotiate and execute a contract to enter into ground lease and the other documents and agreements needed in connection with the proposed disposition of the developable ERY rights; and

WHEREAS, on February 26, 2008, MTA received supplemental submissions from four of the five above-noted proposers in response to its solicitation; and

WHEREAS, as further described in the staff summary accompanying this resolution, MTA staff, in working groups formed with representatives of Hudson Yards Development Corporation, engaged in detailed review of the October 11, 2007 and February 26, 2008 submissions of the proposers, heard presentations from proposers, conducted discussions and negotiations with the proposers, and reported on relevant aspects of the proposals to the Selection Committee created pursuant to the Rail Yards MOU (the "Selection Committee"); and

WHEREAS, the submissions of the proposers have been summarized to the Board, as set forth in the materials contained within and annexed to the staff summary, and the Selection Committee has recommended the MTA Board authorize the MTA to conditionally designate Related/Goldman as the Eastern Rail Yard developer; and

WHEREAS, the fair market value of the ERY development rights in question has been tested and evaluated through a competitive selection process, the methods, terms and conditions of which have permitted full and free competition, involving public advertisement for proposals, the receipt of competitive proposals, the conduct of discussions and negotiations with the proposers in order to maximize value, and the presentation of the competitive proposals to the Board by public staff summary; and

WHEREAS, the ERY CDL, upon execution by the MTA and a proposer will serve to designate the conditionally designated developer as the exclusive party with whom MTA will negotiate the transaction for the ERY during the Designation Term, and will provide that (i) the conditional designation does not create or give rise to any contractual or other legally enforceable rights, obligations or liabilities of any kind on the part of any party, other than for the conditionally designated proposer and MTA to negotiate the transaction in good faith and to carry out their express obligations set forth therein; (ii) if the conditionally designated proposer and MTA cannot in good faith successfully conclude contract negotiations during the Designation Term, either party may choose to terminate the conditional designation without liability for any costs or expenses incurred by the other party in the preparation, clarification, submission or negotiation of the RFP and proposer's response thereto, such CDL, the contract or any other project document, except for any liabilities incurred under the Temporary Entry Permit that survive such termination and/or amounts reimbursed to MTA, LIRR and other parties under the ERY Expenses Reimbursement Agreement; and (iii) in the event that a contract is not entered into on or prior to the end of the Designation Term for any reason, (a) as more particularly set forth in the CDL, certain fees shall be retained by MTA, and (b) MTA may choose to negotiate with other proposers or other potential developers, to terminate the selection process or to begin a new selection process for such Yard; and

WHEREAS, the Boards of the MTA, TBTA and LIRR find the proposal of the developer recommended by the Selection Committee for designation to be the most advantageous to the MTA, price and other factors set forth in the ERY RFP having been considered; and

WHEREAS, the Boards of the MTA, TBTA and LIRR further find that the proposed disposition of the ERY property rights is for not less than fair market value and is proposed to be made upon proper terms and conditions, and that an appraisal of the value of such property rights has been made by an independent appraiser as set forth in the accompanying staff summary and included in the record of the transaction; and

WHEREAS, the Boards of the MTA, TBTA and LIRR further find that the disposal of the ERY property rights is intended to further the public welfare and to advance the interests of the MTA by, inter alia, enhancing the ability of MTA to develop and improve commuter transportation and

other services related thereto within the metropolitan commuter transportation district and creating substantial sources of revenue to MTA, and that, in addition, the disposal of the property rights in question is intended to advance the economic development interests of the City and State of New York ("State"), and the interest of the MTA in transit oriented development, by spurring the revitalization of the Hudson Yards Redevelopment Area, which is expected to result in the creation and retention of substantial number of job opportunities and the creation or retention of substantial sources of revenues to the City, State, and MTA; and

WHEREAS, the Boards of the MTA, TBTA and LIRR find that the terms and conditions of the proposed disposition will provide for safe, continuous, and uninterrupted LIRR service, while enhancing the ERY by providing for a roof structure over such yard, as well as other improvements to such yard.

NOW THEREFORE, upon the recommendation of MTA's Chairman, Executive Director and Chief Executive Officer, and the Selection Committee, the Boards of the MTA, TBTA and LIRR resolve as follows:

1. The Executive Director and Chief Executive Officer is hereby authorized to execute a Conditional Designation Letter with RG ERY LLC designating RG ERY LLC as the conditionally designated developer for disposition of certain developable property rights in the Eastern Rail Yard.
2. The Executive Director and Chief Executive Officer and his respective designees are hereby authorized to execute a contract and any other necessary or appropriate agreements, contracts, leases, deeds, documents, and other instruments, and to take any other necessary or appropriate steps, to implement the proposed disposition of certain developable property rights in the Eastern Rail Yard and the construction of improvements thereon as part of the development thereof, including but not limited to (i) the transfer of the ownership of the ERY from TBTA to MTA; (ii) effectuation of the terms and conditions of the Conditional Designation Letter, and/or such other terms and conditions as MTA and Developer may negotiate, such terms to be acceptable to the Executive Director and the Chief Executive Officer, and (iii) effectuation of the terms and conditions of the July 11 MOU as pertinent to the ERY.
3. The Executive Director and Chief Executive Officer and his respective designees are hereby authorized to take any and all actions as may be necessary, desirable or convenient to satisfy applicable legal or regulatory requirements in connection with the foregoing actions.

Dated: May 22, 2008

ATTACHMENT A - MAJOR WRY TRANSACTION POINTS

Deal Structure	99-year ground lease, severable, with options to purchase severed fee parcels.
Contract Deposit	Total 10% of Initial Land Value (ILV), payable as follows: <ul style="list-style-type: none"> • 5% of ILV deposited in escrow on Contract execution; payable to MTA at Transaction Closing (delivery of possession). • 2.5% of ILV payable at first anniversary of Transaction Closing • 2.5% of ILV payable at second anniversary of Transaction Closing
Initial Land Value	\$494 Million ILV.
Rent Factor; Annual Base Rent	Annual Base Rent equal to 6.5% of ILV less Contract Deposit (or, in case of Severed Parcel on which construction of Building has been commenced prior to full funding of Contract Deposit, less such portion of Contract Deposit as has been or is thereafter funded), escalated as below.
Base Rent Escalations	<ul style="list-style-type: none"> • Fixed Escalation: 10% every 5 years following Transaction Closing • FMV Reset: at years 30, 55 and 80 of each Severed Lease Parcel, with initial Reset on all Severed Lease Parcels no later than 40th anniversary of Transaction Closing • FMV Resets valued as if encumbered by Lease and unimproved by Roof, capped at 120% of previous year's Base Rent, with valuation disputes to be resolved by a "baseball" arbitration process.
Base Rent Abatement	<ul style="list-style-type: none"> • Annual Base Rent 100% abated for maximum 2 years from Transaction Closing; 50% abated for maximum of additional 3 years from second anniversary of Transaction Closing • Base Rent with respect to Severed Parcels during Building construction is greater of (i) allocated Severed Parcel Base Rent at then-current abatement level, or (ii) 50%. Allocated Base Rent at completion (TCO) of each Building is 100%.
Option for Rent Delay [THIS IS THE ONLY PROVISION]	<ul style="list-style-type: none"> • Developer has the option to delay base rent payments for up to an additional two years with respect to parcels upon which no building construction had begun within the original base abatement period described above. Developer's right to

<p>THAT IS DIFFERENT FROM THE TSW TRANSACTION SUMMARY]</p>	<p>exercise such option to extend the abatement period by up to two years on such undeveloped parcels is conditioned upon (i) the Developer agreeing to pay increased future rent in an amount that would result in MTA recouping one-half of the NPV of the delayed rent and (ii). the Developer increasing its default payment guaranty by the full amount of the delayed rent such that MTA would recoup the full amount of the delayed rent in the event that Developer defaults under the lease prior to construction start.</p>
<p>Fee Purchase Option Exercise, Price</p>	<ul style="list-style-type: none"> • Fee purchase option for each Building exercisable at time of receipt of TCO or any time thereafter. • Fee purchase price equals present value of all remaining Base Rent under Severed Parcel lease, including escalations and FMV Resets (with FMV Resets assumed at 120% of previous year's rent), plus value of MTA reversionary interest at lease expiration, discounted to date of fee closing at 6.5%.
<p>Guaranties</p>	<ul style="list-style-type: none"> • Base Rent Guaranty of full amount of Base Rent, in effect from commencement of initial phase of Roof construction until completion of full WRY Roof, capped at \$250 Million • Roof Completion Guaranty in effect from commencement of each respective phase of Roof construction, guaranteeing lien-free final completion of such phase of Roof construction capped at (x) 115% of hard costs plus (y) associated soft costs such as architectural and engineering, to the extent not theretofore paid, less amounts to be funded pursuant to the Roof construction loan (other than loan amounts which are not funded by reason of Borrower default.) • Building Completion Guaranty in effect during period of Building construction, guaranteeing lien-free substantial completion of Building on each Severed Parcel capped at (x) 115% of hard costs plus (y) associated soft costs such as architectural and engineering, to the extent not theretofore paid, less amounts to be funded pursuant to the Building construction loan (other than loan amounts which are not funded by reason of Borrower default.) • Default Payment Guaranty covers required Default Payments (i.e., any unpaid installments of Deposit and Base Rent due under Lease from Transaction Closing until Developer surrenders possession of site (other than Severed Parcels with respect to which a Buildings Completion Guaranty has been delivered) to MTA, plus additional default payment per schedule). Default Payment Guaranty expires when Default Payments have been paid in full or are otherwise reduced to

	<p>zero.</p> <ul style="list-style-type: none"> • Guarantor to be creditworthy entity satisfactory to MTA with net worth at all times sufficient to provide commercially reasonable coverage levels of Guaranty obligations.
PILOT and PILOST	<ul style="list-style-type: none"> • Full PILOT payable, subject to UTEP, 421-a, and other statutory abatements available to Developer without regard to MTA exemption. • Full PILOST to MTA on core and shell and initial tenant improvements in all buildings (commercial and residential).
Tax-Exempt Roof Financing Savings	50% of net savings to MTA.
No. 7 Line	<ul style="list-style-type: none"> • If at any point, No. 7 Line target completion date is extended: <ul style="list-style-type: none"> • (x) for first 12 months of delay 50% “Base Rent holiday” (i.e., 50% of whatever Base Rent would otherwise be payable during that period) • (y) for any delay beyond 12 months, 100% Base Rent abatement until date that is 2 years prior to then-scheduled completion date at which time 50% Base Rent abatement commences, (i.e., schedule is pushed out, such that in all events, Base Rent will not be payable until 2 years prior to the anticipated delivery of the No. 7 Line.) • All of the above is subject to true-up if lost time is made up and No. 7 is completed by January 2014. • Developer will have the right to terminate transaction with Deposit and all Base Rent refunded to Developer if No. 7 Line is terminated or if target completion date does not provide for completion by January 2020.
Litigation	<p>So long as no injunction, Developer to close on original Contract terms at earlier of (i) favorable final non-appealable order in litigation, or (ii) 18 months. If Developer demonstrates to MTA’s reasonable satisfaction that due to pending litigation it is not feasible to obtain financing on commercially reasonable terms for Project commencement, closing extended for additional period until favorable final non-appealable order in litigation, not to exceed additional 18 months. If Developer does not close after additional extension, MTA may elect to terminate Contract and retain 25% of Deposit, and refund to Developer the remainder of the Contract Deposit plus all unspent/uncommitted funds in the WRY Expenses Fund, the WRY portion of the Shea Facility Fund and the WRY</p>

	portion of the Site Preparation Fund.
Zoning Risk	If final zoning does not allow for 10 FAR with mix of commercial and residential square footages per WRY Design Guidelines, Developer may terminate Contract with MTA to retain 25% of Contract Deposit and refund to Developer the remainder of the Contract Deposit plus all unspent/uncommitted funds in the WRY Expenses Fund, the WRY portion of the Shea Facility Fund and the WRY portion of the Site Preparation Fund.
Environmental	<ul style="list-style-type: none"> • Liability for pre-existing conditions discovered during Study Period and Contract Period capped at \$2.5MM if no Transaction Closing (such amount (or LOC) put into environmental fund prior to entry onto site). • Upon Transaction Closing, Developer assumes full liability (other than Spill No. 04-07411 as identified in RFP, for which Developer assumes no liability).
SEQRA/Board Approval Risk	If MTA Board makes the SEQRA findings that would allow the Project but does not approve the Transaction, Developer gets refund of Deposit plus all amounts previously advanced to MTA (full amounts of deposits made for Environmental Fund, Expenses Fund, Shea Fund, Site Preparation Fund), PLUS liquidated damages in amount equal to 10% of PLV plus 18 months of WRY Rent, PLUS at Developer's option, unwinding of ERY transaction (with Deposit plus all ERY Rent therefore paid by Developer refunded to Developer).
Terra Firma Construction Prior to Roof Commencement	If zoning would allow WRY to be developed in a manner which would allow substantial development to take place without commencement of a reasonable allocation of the Roof, then the parties will agree on an equitable mechanism to adjust the purchase price with respect to early land development where no portion of the Roof is required, subject to subsequent true-up.
Springing Payment on ERY Default	If Developer defaults on ERY lease, a springing payment of \$100M, payable in no more than two installments over the 24 month period next following the ERY default, will be due under WRY lease. If Developer fails to make such payment Developer will be in default under the WRY lease, in which case WRY Default Payment provisions apply (but not the \$100M payment).
Construction Issues	See attached.
WRY Outside Closing Date	WRY Contract will contain performance milestones to undertake ULURP and close Transaction by specified outside date, subject

	only to litigation extension, delays caused by MTA and/or other governmental delays not due to Developer fault.
CDL Expense Deposits	<ul style="list-style-type: none"> • Expense Fund initial deposit at \$5M for ERY and WRY, replenished to \$2M • Environmental Deposit (or LOC) at \$2.5M WRY • WRY portion of Shea Facility Fund (and WRY portion of Site Preparation Fund, if applicable), per MTA CDL Draft (may be funded upon Contract execution, rather than CDL, at Developer election) • Participation Fee of \$3M upon CDL execution.
Site Plan and Uses	Consistent with Developer Site Plan and Master Plan Proposal
High Line	Developer to reconstruct and maintain (or cause to be maintained) High Line per Developer proposal, at Developer's sole cost and risk.

For Reference Purposes Only

ATTACHMENT B - MAJOR TRANSACTION POINTS

Deal Structure	99-year ground lease, severable, with options to purchase severed fee parcels.
Contract Deposit	Total 10% of Initial Land Value (ILV), payable as follows: <ul style="list-style-type: none"> • 5% of ILV deposited in escrow on Contract execution; payable to MTA at Transaction Closing (delivery of possession). • 2.5% of ILV payable at first anniversary of Transaction Closing • 2.5% of ILV payable at second anniversary of Transaction Closing
Initial Land Value	\$376 Million ILV.
Rent Factor; Annual Base Rent	Annual Base Rent equal to 6.5% of ILV less Contract Deposit (or, in case of Severed Parcel on which construction of Building has been commenced prior to full funding of Contract Deposit, less such portion of Contract Deposit as has been or is thereafter funded), escalated as below.
Base Rent Escalations	<ul style="list-style-type: none"> • Fixed Escalation: 10% every 5 years following Transaction Closing • FMV Reset: at years 30, 55 and 80 of each Severed Lease Parcel, with initial Reset on all Severed Lease Parcels no later than 4th anniversary of Transaction Closing • FMV Resets valued as if encumbered by Lease and unimproved by Roof, capped at 120% of previous year's Base Rent, with valuation disputes to be resolved by a "baseball" arbitration process.
Base Rent Abatement	<ul style="list-style-type: none"> • Annual Base Rent 100% abated for maximum 3 years from Transaction Closing; 50% abated for maximum 3 years from third anniversary of Transaction Closing • Base Rent with respect to Severed Parcels during Building construction is greater of (i) allocated Severed Parcel Base Rent at then-current abatement level, or (ii) 50%. Allocated Base Rent at completion (TCO) of each Building is 100%.
Option for Rent Delay [THIS IS THE ONLY PROVISION]	<ul style="list-style-type: none"> • Developer has the option to delay base rent payments for up to an additional two years with respect to parcels upon which no building construction had begun within the original base abatement period described above. Developer's right to

<p>THAT IS DIFFERENT FROM THE TSW TRANSACTION SUMMARY]</p>	<p>exercise such option to extend the abatement period by up to two years on such undeveloped parcels is conditioned upon (i) the Developer agreeing to pay increased future rent in an amount that would result in MTA recouping one-half of the NPV of the delayed rent and (ii) the Developer increasing its default payment guaranty by the full amount of the delayed rent such that MTA would recoup the full amount of the delayed rent in the event that Developer defaults under the lease prior to construction start.</p>
<p>Fee Purchase Option Exercise, Price</p>	<ul style="list-style-type: none"> • Fee purchase option for each Building exercisable at time of receipt of TCO or any time thereafter. • Fee purchase price equals present value of all remaining Base Rent under Severed Parcel lease, including escalations and FMV Resets (with FMV Resets assumed at 12% of previous year's rent), plus value of MTA reversionary interest at lease expiration, discounted to date of fee closing at 6.5%.
<p>Guaranties</p>	<ul style="list-style-type: none"> • Roof Completion Guaranty in effect from commencement of Roof construction, guaranteeing lien-free final completion of entire Roof construction capped at (x) 115% of hard costs plus (y) associated soft costs such as architectural and engineering, to the extent not theretofore paid, less amounts to be funded pursuant to the Roof construction loan (other than loan amounts which are not funded by reason of Borrower default.) Roof construction to be on a continuous basis till completion. • Building Completion Guaranty in effect during period of Building construction guaranteeing lien-free substantial completion of Building on each Severed Parcel, capped at (x) 115% of hard costs plus (y) associated soft costs such as architectural and engineering, to the extent not theretofore paid, less amounts to be funded pursuant to the Building construction loan (other than loan amounts which are not funded by reason of Borrower default.) • Default Payment Guaranty covers required Default Payments (i.e., any unpaid installments of Deposit and Base Rent due under Lease from Transaction Closing until Developer surrenders possession of site to MTA (other than Severed Parcels with respect to which a Buildings Completion Guaranty has been delivered), plus additional default payment per schedule). Default Payment Guaranty expires when Default Payments have been paid in full or are otherwise reduced to zero, and upon commencement of construction of Roof, with Roof Completion Guaranty delivered. • Guarantor to be creditworthy entity satisfactory to MTA with net worth at all times sufficient to provide commercially

	reasonable coverage levels of Guaranty obligations.
PILOT and PILOST	<ul style="list-style-type: none"> • Full PILOT payable, subject to UTEP, 421-a, and other statutory abatements available to Developer without regard to MTA exemption. • Full PILOST to MTA on core and shell and initial tenant improvements in all buildings (commercial and residential).
Tax-Exempt Roof Financing Savings	50% of net savings to MTA.
No. 7 Line	<ul style="list-style-type: none"> • If at any point, No. 7 Line target completion date is extended: <ul style="list-style-type: none"> • (x) for first 12 months of delay, 50% “Base Rent holiday” (i.e., 50% of whatever Base Rent would otherwise be payable during that period) • (y) for any delay beyond 12 months, 100% Base Rent abatement until date that is 2 years prior to then-scheduled completion date, at which time 50% Base Rent abatement commences, (i.e., schedule is pushed out, such that in all events, Base Rent will not be payable until 2 years prior to the anticipated delivery of the No. 7 Line.) • All of the above is subject to true-up if lost time is made up and No. 7 is completed by January 2014. • Developer will have the right to terminate transaction with Deposit and all Base Rent refunded to Developer if No. 7 Line is terminated or if target completion date does not provide for completion by January 2020.
Litigation	So long as no injunction, Developer to close on original Contract terms at earlier of (i) favorable final non-appealable order in litigation, or (ii) 18 months. If Developer demonstrates to MTA reasonable satisfaction that due to pending litigation it is not feasible to obtain financing on commercially reasonable terms for Project commencement, closing extended for additional period until favorable final non-appealable order in litigation, not to exceed additional 18 months. If Developer does not close after additional extension, MTA may elect to terminate Contract and retain 25% of Deposit, and refund to Developer the remainder of the Contract Deposit plus all unspent/uncommitted funds in the ERY Expenses Fund, the ERY portion of the Shea Facility Fund and the ERY portion of the Site Preparation Fund.
Environmental	<ul style="list-style-type: none"> • Liability for pre-existing conditions discovered during Study Period and Contract Period capped at \$2.5MM if no Transaction

	<p>Closing (such amount (or LOC) put into environmental fund prior to entry onto site).</p> <ul style="list-style-type: none"> • Upon Transaction Closing, Developer assumes full liability. • MTA to demolish Metals Purchasing Building and cap soil at MTA's cost and expense. Developer responsible for abatement of soil conditions below Metals Purchasing Building.
Terra Firma Construction Prior to Roof Commencement	If Developer elects to construct a Building on terra firma (i.e., without construction of Roof), both Base Rent and Fee Purchase price will be calculated based upon Gross Land Value and not ILV, with true-up when Roof is subsequently commenced.
Springing Payment on ERY Default	If Developer defaults on ERY lease, a springing payment of \$100M, payable in no more than two installments over the 24 month period next following the ERY default, will be due under WRY lease. If Developer fails to make such payment Developer will be in default under the WRY lease, in which case WRY Default Payment provisions apply (but not the \$100M payment).
Construction Issues	See attached.
CDL Expense Deposits	<ul style="list-style-type: none"> • Expense Fund initial deposit at \$5M for ERY and WRY, replenished to \$2M • Environmental Deposit (or LOC) at \$2.5M ERY • ERY portion of Shea Facility Fund (and ERY portion of Site Preparation Fund, if applicable), per MTA CDL Draft (may be funded upon Contract execution, rather than CDL, at Developer election) • Participation Fee of \$3M upon CDL execution
Site Plan and Uses	Consistent with Developer Site Plan and Master Plan Proposal
High Line	Developer to reconstruct and maintain (or cause to be maintained) High Line (except Spur), per Developer proposal, at Developer's sole cost and risk.

DEFAULT PAYMENT SCHEDULE

Year	ERY Payment Type Due	ERY Payment Amount Due	Guaranteed Additional ERY Default Amount Due	WRY Payment Type Due	WRY Payment Amount Due	Guaranteed Additional WRY Default Amount Due
2009 (ERY Closing)	5% Deposit 0% Rent*	\$18.8M	Remainder of Deposit	-0-	-0-	
2010 (WRY Closing)	2.5% Deposit 0% Rent*	\$9.4M	Remainder of Deposit	5% Deposit 0% Rent*	\$24.7M	Remainder of Deposit
2011	2.5% Deposit 0% Rent*	\$9.4M	18 months rent	2.5% Deposit 0% Rent*	\$12.35M	Remainder of Deposit
2012	50% Rent*	\$10.998M	12 months rent	2.5% Deposit 50% Rent*	\$12.35M \$14.45M	18 months rent
2013	50% Rent*	\$10.998M	6 months rent	50% Rent*	\$14.45M	12 months rent
2014	50% Rent*	\$10.998M	0	50% Rent*	\$14.45M	6 months rent
2015	100% Rent	\$21.996M	0	100% Rent	\$28.9M	0
<p>* N.B.: Scheduled rent abatements cease upon commencement of construction of buildings. Rent w/r/t individual buildings during construction is greater of (i) allocated rent at then-current abatement level, or (ii) 50%. Allocated rent at completion of buildings is 100%.</p>						

MTA NEW YORK CITY TRANSIT

Staff Summary

Subject LEASE WITH GAIL LLOYD ENTERPRISES FOR OFFICE SPACE IN SUPPORT OF THE RELOCATED JAMAICA BUS TERMINAL IN QUEENS, NY
Department REAL ESTATE
Department Head Name DAVID FLORIO
Department Head Signature
Project Manager Name RAYMOND SMYTH

Date DECEMBER 20, 2023
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref. #

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance Committee	12/18/23	X		
2	Board	12/20/23	X		

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

AGENCY: MTA New York City Transit (“NYCT”)
LESSOR: Gail Lloyd Enterprises
LOCATION: 168-25 Jamaica Avenue, Queens NY
PREMISES: 2,051 square foot space located on the second floor
USE: Bus operation support space for the relocated Jamaica Bus Terminal
TERM: 10-Year term with annual termination options after year 5; and 5 annual renewal options after year 10
RENT: \$42 PSF
ESCALATIONS: Three percent (3%) annual increases

COMMENTS:

The Jamaica Bus Terminal (“JBT”) is currently located at the intersection of 89th Avenue and Merrick Boulevard in Queens, New York. NYCT, MTA Bus Company, and Nassau County (through its operator, NICE Bus) actively conduct operations at the JBT. The current lease for the JBT expired in September 2023 and the property was recently sold to a developer and is anticipated to become a mixed-use development in the coming years which will include a new JBT. Therefore, an alternative location is required in order to ensure bus operations can continue uninterrupted once NYCT has to vacate the JBT location. A parking lot owned by Greater Jamaica Development Corporation (“GJDC”) was identified as a suitable replacement site for the JBT. A lease agreement with GJDC, approved by the MTA Board in January 2023, is currently being finalized. On a parallel path, a sublease is being negotiated between MTA and Nassau County for the shared used of bus operations with NICE Bus.

A swing space is required to support bus operations at the replacement site. Following a search conducted by MTA Real Estate in the immediate vicinity of the replacement site, a 2,051 square foot space within a retail complex was identified as a suitable location for the swing space. The Lessor has expressed willingness to enter into a lease agreement with NYCT. Pending approval by its Legislature, Nassau County has expressed a desire to enter into a sublease agreement as a subtenant of NYCT paying a pro-rata share of rent based on the sublease for the JBT replacement site.

**FINANCE COMMITTEE MEETING
LEASE WITH GAIL LLOYD ENTERPRISES FOR OFFICE SPACE IN SUPPORT OF THE
RELOCATED JAMAICA BUS TERMINAL IN QUEENS, NY (cont'd)**

Page 2 of 2

MTA Real Estate initiated preliminary negotiations with the Lessor for a lease. The proposed annual rent is \$42 per square foot, inclusive of costs related to the \$340,000 build-out of the space which is being performed by the Lessor on behalf of the MTA.

Subject to negotiations, the MTA has the option to pay a portion of the build-out cost and receive a reduced rent.

Should the MTA elect to vacate the site prior to year fifteen (15), a payment equal to the unamortized buildout costs and reimbursement of broker commission will be required. A security deposit equal to three (3) months of rent will also be required.

Based on the foregoing, MTA Real Estate is requesting authorization for NYCT to enter into a lease with Gail Lloyd Enterprises and a sublease with Nassau County (or NICE Bus) based on the terms outlined above.

Staff Summary

Subject AMENDED AND RESTATED LEASE BETWEEN NYCT AND LIC NORTHERN BOULEVARD OWNER, LLC FOR OFFICE AND WAREHOUSE SPACE AT 33-00 NORTHERN BLVD, QUEENS, NY
Department REAL ESTATE
Department Head Name DAVID FLORIO
Department Head Signature
Project Manager Name CHRISTINE STODDARD

Date DECEMBER 20, 2023
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref. #

Board Action					
Order	To	Date	Approva	Info	Other
1	Finance Committee	12/18/23	x		
2	Board	12/20/23	x		

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

AGENCY/LESSEE: MTA New York City Transit Authority (“NYCT”)

LESSOR: LIC Northern Boulevard Owner, LLC

LOCATION: 33-00 Northern Boulevard, Long Island City, NY

ACTIVITY: An amended and restated lease (the “A&R Lease”)

USE: Consolidation of office space (“Office Space”) for NYCT’s Paratransit, Electronic Maintenance Division (“EMD”) and Operations Planning, and relocation of EMD warehouse space (“Warehouse Space”)

PREMISES:

Extension Premises (“Extension Premises”):
 Paratransit – 139,283 rentable square feet (“RSF”) of Office Space on the entire 8th and partial 7th floor
 Operations Planning – approximately 17,539 RSF of Office Space on a portion of the 6th floor
 Storage Space – approximately 1,000 RSF

Expanded Premises (“Expanded Premises”):
 EMD – approximately 47,902 RSF of Office Space on a portion of the 5th floor and 23,404 RSF of Warehouse Space on a portion of the ground floor
 Partial 6th Floor: - 2,200 RSF (optional)
 Operations Planning – approximately 5,261 RSF of Office Space on a portion of the 6th floor (optional)

Must Take Premises (“Must Take Premises”)
 EMD – approximately 11,000 RSF of Warehouse Space on a portion of the ground floor

Extension Premises, Expanded Premises and Must Take Premises hereinafter collectively referred to as the “Premises”.

Staff Summary

AMENDED AND RESTATED LEASE BETWEEN NYCT AND LIC NORTHERN BOULEVARD OWNER, LLC FOR OFFICE SPACE AND WAREHOUSE SPACE LOCATED AT 33-00 NORTHERN BLVD, QUEENS, NY

ACTION REQUESTED: Authorization to enter into the A&R Lease to extend Paratransit and Operations Planning's existing lease and expand the premises to accommodate the relocation of EMD's Office Space and Warehouse Space functions

LEASE TERM: Extension Premises – through expiration of the term for the Expanded Premises.

Storage Space – through expiration of the term for the Expanded Premises.

Expanded Premises - Twenty (20) Years from the later of (such date being the "Final Rent Commencement Date") A) the Rent Commencement Date of the Expanded Premises (if possession occurs simultaneously for all portions of the Premises) and B) the Rent Commencement Date of the last portion of the Expanded Premises (if possession occurs on separate dates for the respective portions of the Expanded Premises).

TERMINATION OPTION: NYCT shall have a one-time right to terminate, for all or a portion of the Lease, effective on the fifteenth (15th) anniversary of the Final Rent Commencement Date, upon eighteen (18) months prior notice. NYCT will pay a termination fee of the unamortized portion of (i) Landlord's unamortized Contribution towards Tenant's initial alterations and improvements to the Premises, on a straight-line basis over 20 years, (ii) the broker's commission. The calculation of such termination fee shall only take into account such amounts applicable to the portion of the Premises being terminated.

RENT COMMENCEMENT: Extension Premises - Three (3) months following NYCT's possession and occupancy of the Premises upon substantial completion of Lessor's Work

Expanded Premises, Office Space - Six (6) months following NYCT's possession and occupancy of the Premises upon substantial completion of Lessor's Work

Expanded Premises, Warehouse - Twelve (12) months following NYCT's possession and occupancy of the Premises upon substantial completion of Lessor's Work

Must Take Premises - Twelve (12) months following NYCT's possession and occupancy of the Premises upon substantial completion of Lessor's Work following the earlier to occur: (a) vacancy of the existing tenant currently located in the Must Take Premises or (b) January 1, 2027.

BASE RENT:

	Rent/SF*	Square Feet	Annual Rent
Rent Commencement – 5th Anniversary of Rent Commencement			
Office	\$35.34	212,185	\$7,498,618
Warehouse	\$20.09	23,404**	\$470,186
5th Anniversary of Rent Commencement – 10th Anniversary of Rent Commencement			
Office	\$39.42	212,185	\$8,364,333
Warehouse	\$22.64	34,404	\$778,907
10th Anniversary of Rent Commencement – 15th Anniversary of Rent Commencement			
Office	\$43.90	212,185	\$9,314,922
Warehouse	\$25.45	34,404	\$875,582
15th Anniversary of Rent Commencement – 20th Anniversary of Rent Commencement			
Office	\$48.83	212,185	\$10,360,994
Warehouse	\$28.53	34,404	\$981,546

* Net of \$5.41 per square foot in exempt real estate taxes

** Additional 11,000+/- square feet of must take space will be added in year 3

Staff Summary

AMENDED AND RESTATED LEASE BETWEEN NYCT AND LIC NORTHERN BOULEVARD OWNER, LLC FOR OFFICE SPACE AND WAREHOUSE SPACE LOCATED AT 33-00 NORTHERN BLVD, QUEENS, NY

Page 3 of 4

- RENT ESCALATIONS:** 1.25% escalations in lieu of Operating Expenses, not included in rent amounts set forth above.
- REAL ESTATE TAXES:** The Extension Premises are exempt from the imposition of real estate taxes pursuant to Public Authorities Law Section 1275, and the Expansion Premises and Must Take Premises will also be exempt from the imposition of real estate taxes.
- RENEWAL OPTION:** One (1) 10-year and two (2) 5-year renewal options, for all or a portion of the Premises, at 100% Fair Market Value ("FMV"), upon twelve (12) months' prior written notice. NYCT may elect renewal options in any order.
- PARKING:** Thirty-one (31) exclusive parking spaces at \$350 per month, per parking space, with 10% increases every five (5) years of the Final Rent Commencement Date.
- UTILITIES:** Directly metered to the public utility.
- CLEANING:** Lessee to provide cleaning services at its own cost and expense beginning January 1, 2027.
- LESSOR'S WORK:** Lessor, at Lessor's expense, will design and construct the core and shell of the Premises based on a preliminary design and scope prepared by NYCT, to be further refined in the A&R Lease. NYCT is responsible for the fit-out of the Premises following delivery of the core and shell by Lessor, with a Tenant Improvement allowance of \$100 per SF (office) and \$50 per SF (warehouse) for the Expansion Premises; and \$75 per SF for the Extension Premises.
- RIGHT OF FIRST OFFER:** Lessee shall have the right of first option ("ROFO") to purchase the Building or to enter into a ground lease for the Building in which the Premises are located prior to Lessor marketing the Building for sale or lease to the general public; provided however, if Tenant elects to terminate only a portion of the Premises, Landlord shall have the right to terminate Tenant's ROFO and request costs incurred by Landlord to amend the tax lots.

COMMENTS:

At 33-00 Northern Boulevard, NYCT's Paratransit and Operations Planning departments currently have offices in the building pursuant to an existing lease. Paratransit's call center and supporting offices, each of which provide public transit for individualized rides, have been occupying their premises at 33-00 Northern Boulevard since 2005. In 2016, NYCT's Operations Planning Department added their Signage Unit's printing division and support offices to their premises at 33-00 Northern Boulevard under the existing lease. The addition of the space for Operations Planning brought the NYCT's combined office space total to approximately 150,000 square feet in the aggregate between the two departments. In 2016, the term of the existing lease was extended up to and including December 31, 2026.

MTA Real Estate engaged its exclusive real estate consultant and broker, CBRE, Inc., to develop a strategy to consolidate NYCT's office and warehouse footprint in Long Island City to achieve cost savings and operational efficiency. NYCT's Electronics Maintenance Division ("EMD") currently has office and warehouse facilities located at a nearby building in Long Island City that is due to expire in June 2024. As EMD's lease is expiring, such expiration creates an opportunity that allows for the consolidation of all three departments into one, centralized location. Furthermore, Operations Planning will consolidate all its personnel into the Premises which will accommodate the future growth of Operations Planning. Paratransit, which has been occupying its premises at 33-00 Northern Boulevard since 2005, will also be afforded the opportunity to reconfigure and renovate their Premises.

Relocating EMD's function to 33-00 Northern Boulevard will increase operational efficiency by accommodating increased personnel, with a larger square-footage footprint, as well as provide increased access to warehouse storage with loading

Staff Summary

AMENDED AND RESTATED LEASE BETWEEN NYCT AND LIC NORTHERN BOULEVARD OWNER, LLC FOR OFFICE SPACE AND WAREHOUSE SPACE LOCATED AT 33-00 NORTHERN BLVD, QUEENS, NY

Page 4 of 4

docks for both individual and shared use. Further, 33-00 Northern Boulevard sits directly under NYCT's 36th St subway station, which will allow direct fiberoptic connection to critical subways communication infrastructure.

As part of the A&R Lease, the Lessor will contribute a minimum of \$18,171,625 to NYCT for the buildout of the Premises across all departments. Any funds not initially spent by NYCT for the buildout will be allocated to refurbishment of the Premises throughout the duration of the lease term. All work to be performed by the Lessor upon Lessor's receipt of the scope of work provided by NYCT.

In light of the above, CBRE, Inc. on behalf of MTA Real Estate, was directed to conduct a market survey and identify suitable relocation sites. There are no other available locations suitable for an office consolidation of this size, which included both warehouse and parking to accommodate and support NYCT's operations in Long Island City. CBRE, Inc. performed a fair market rental value ("FMV") survey and concluded that the proposed rent payable under the A&R Lease is within the FMV range for comparable properties, ranging from \$38.50 - \$43.50 per square foot. The rent negotiated falls within this range.

Based on the foregoing, MTA Real Estate requests authorization to enter into the A&R Lease with the Lessor on the above-described terms and conditions.

Staff Summary

Subject SURRENDER OF NEW YORK CITY TRANSIT LEASED PROPERTY TO CITY OF NEW YORK IN BROOKLYN
Department REAL ESTATE
Department Head Name DAVID FLORIO
Department Head Signature
Project Manager Name ARTURO ESPINOZA

Date DECEMBER 20, 2023
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref. #

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance Committee	12/18/23	X		
2	Board	12/20/23	X		

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

AGENCY: MTA New York City Transit (“NYCT”)

GRANTEE: City of New York (“City”)

LOCATION: A portion of Block 477, Lot 1 on the tax map of the Borough of Brooklyn, King’s County, City and State of New York, which borders the Gowanus Canal and 9th Street in the Gowanus neighborhood of Brooklyn (the “Gowanus Property”)

SURRENDERED AREA: A portion of the Gowanus Property not to exceed 4,000 square feet (the “Surrendered Area”)

ACTION REQUESTED: Authorization to enter into a surrender agreement

COMPENSATION: Approximately \$228 per square foot. Total amount not to exceed \$912,000.

COMMENTS:

NYCT is acquiring easements on property owned by the New York City Department of Parks and Recreation (“Parks”) pursuant to the attached staff summary dated November 29, 2023, in support of a capital project to undertake accessibility improvements at the Broadway Junction subway station complex in Brooklyn.

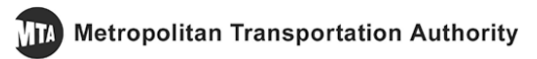
In connection with the acquisition of easements on Parks’ property, there is a legal requirement to provide in-kind substitution of real property, which may consist of one or more parcels, whose total value meets or exceeds the value of the easements acquired by NYCT.

The Surrendered Area is one such parcel that was identified as a suitable candidate for the in-kind substitution. The Surrendered Area is adjacent to the NYCT’s Smith – 9th St subway station on the Culver Line and, as part of the Gowanus Property it is subject to an Agreement of Lease between the City and NYCT dated June 1, 1953 (the “Master Lease”). An independent valuation of the Surrendered Area determined the fair market value of the Surrendered Area is approximately \$228 per square foot. A property line survey of the Gowanus Property is underway which will determine the exact dimensions and size of the Surrendered Area, which is not expected to exceed 4,000 square feet or \$912,000 in value.

The projected maximum value of the Surrendered Area reduces the shortfall referenced in the November 29, 2023, staff summary from \$4,730,000 to \$3,818,000. MTA Real Estate is collaborating with Parks to identify additional parcels whose value meets or exceeds the remaining shortfall.

Staff Summary

FINANCE COMMITTEE MEETING



SURRENDER OF NEW YORK CITY TRANSIT LEASED PROPERTY TO CITY OF NEW YORK IN BROOKLYN (Cont'd.)

Page 2 of 2

Parks will construct a public access path within the Surrendered Area. The surrender agreement will be approved as to form by MTA Legal. In the surrender agreement to formally release NYCT's leasehold interest in the Surrendered Area back to the City under the Master Lease, NYCT will retain rights within the un-surrendered portion Gowanus Property to operate and maintain the subway. Additionally, if NYCT proposes to locate an elevator in the Gowanus Property in a future MTA Capital Plan, both parties will cooperate on a suitable location for the same within the Surrendered Area, and the area occupied by the elevator and associated improvements in the Surrendered Area will be added to the Master Lease.

Based on the foregoing, MTA Real Estate requests authorization for NYCT to enter into a surrender agreement with the City of New York under the above-described terms and conditions.

Staff Summary

Subject ACQUISITION OF TEMPORARY AND PERMANENT EASEMENTS FROM THE NEW YORK CITY DEPARTMENT OF PARKS AND RECREATION IN SUPPORT OF ACCESSIBILITY IMPROVEMENTS AT NYCT'S BROADWAY JUNCTION STATION IN BROOKLYN, NY
Department REAL ESTATE
Department Head Name DAVID FLORIO
Department Head Signature
Project Manager Name ARTURO ESPINOZA

Date NOVEMBER 29, 2023
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref. #

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance Committee	11/27/23	X		
2	Board	11/29/23	X		

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

AGENCY: MTA New York City Transit ("NYCT")
GRANTOR: New York City Department of Parks and Recreation ("Parks")
LOCATION: Portion of Kings County Block 1547 Lot 1 in Callahan-Kelly Playground ("the Park") adjacent to NYCT's Broadway Junction subway station in Brooklyn
EASEMENT AREA: Temporary easements totaling 14,316 square feet and permanent easements totaling 9,616 square feet
USE: Construction, maintenance, and operation of accessibility improvements
ACTION REQUESTED: Authorization to enter into easement agreements
COMPENSATION: \$8,330,000 for all easements with an offset of \$3,600,000 for a portion of Sackman Street to be transferred to Parks and additional offsets of parcels worth at least \$4,730,000 to be transferred to Parks.

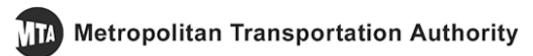
COMMENTS:

In support of a capital project to install accessibility improvements at the Broadway Junction subway station complex serving the A, C, J, Z, and L lines, temporary and permanent easements need to be acquired in adjacent property belonging to Parks. The easements will allow for the expansion of the station headhouse to create space for new elevators and ramps along with new aerial bridges to improve circulation throughout the station complex.

New York State legislation, included in the 2020-2021 Enacted Budget, added PAL 1266 (12-a) to create a new 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. The legislation adding PAL 1266 (12-a) was enacted so that the MTA can 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 TEMPORARY AND PERMANENT EASEMENTS FROM THE NEW YORK CITY DEPARTMENT OF PARKS AND RECREATION IN SUPPORT OF ACCESSIBILITY IMPROVEMENTS AT NYCT'S BROADWAY JUNCTION STATION IN BROOKLYN, NY (Cont'd.)

Page 2 of 2

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 MTA has identified to the City the real property interests that the MTA needs to construct the accessibility improvements at the Broadway Junction subway station complex, and the City has consented to the transfer / sale of said real property interests to the MTA.

The New York State Assembly and Senate in June 2022 approved a bill authorizing this parkland alienation for the MTA acquisition of said real property interests at Parks' Callahan Kelly Playground and the Governor signed the bill in August 2022. An additional bill for technical corrections to the 2022 legislation was passed in May 2023 and signed by the Governor in July 2023.

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

Since the Park received federal funding, any action to alienate any portion of the Park requires an additional process overseen by the National Park Service called conversion, the result of which is a requirement for identifying property whose value meets or exceeds the value of the real property interests alienated from Parks to serve as substitute parkland to be transferred to Parks permanently. Only property of sufficient recreational usefulness as a park qualifies; it is insufficient to compensate Parks with funds. One such parcel was identified early in the process and was included in the 2022 alienation legislation: the portion of Sackman Street adjacent to the Park. Thus, the alienation legislation authorized NYCT to undertake the process of a mapping action to formally discontinue and close a portion of Sackman Street (known as a "de-mapping") bordering the Park and then subsequently transferring jurisdiction of such de-mapped area to Parks.

An independent valuation of the easement areas alienated from Parks and the portion of Sackman Street to be transferred to Parks resulted in a shortfall of \$4,730,000 and the need to identify additional parcels in the Borough of Brooklyn to make up the difference. A significant driver of that shortfall is the requirement to value the temporary easements as permanent easements when the duration of the temporary occupancy is greater than 6 months, which is the case in this project. Therefore, in order to make up the shortfall, MTA identified additional parcels controlled by NYCT and they are being appraised. MTA Real Estate will negotiate terms and work with Parks to transfer the desired parcels to Parks' jurisdiction. The property acquisition will be subject to satisfactory completion of any necessary environmental reviews.

Based on the foregoing, MTA Real Estate requests authorization to proceed with negotiations and enter into easement agreements with Parks at the above-described terms and conditions. This Staff Summary will be updated to include any of the additional parkland replacement parcels identified to satisfy the above-described shortfall and the final terms and conditions will be presented to the Finance Committee and Board for approval.

MTA LONG ISLAND RAIL ROAD

Staff Summary

Subject LICENSE WITH TERWILLIGER BARTONE PROPERTIES, LLC FOR A PUBLIC WALKWAY AT THE LIRR WESTBURY STATION, WESTBURY, NY
Department REAL ESTATE
Department Head Name DAVID FLORIO
Department Head Signature
Project Manager Name XAVIER CARRERA

Date DECEMBER 20, 2023
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref. #

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance Committee	12/18/23	X		
2	Board	12/20/23	X		

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

AGENCY: MTA Long Island Rail Road (“LIRR”)

LICENSEE: Terwilliger Bartone Properties, LLC (“Terwilliger Bartone”)

LOCATION: Westbury Station, Westbury, NY

USE: Public access walkway from the east end of the outbound platform at the LIRR Westbury Station.

ACTION REQUESTED: Authorization to enter into a license agreement for the construction, repair, and maintenance by Terwilliger Bartone of a public access walkway to the station platform

COMPENSATION: None

COMMENTS:

Terwilliger Bartone, a development company, recently constructed a residential building adjacent to the LIRR Westbury Station (“the Station”) and is seeking to construct a public access walkway to the Station platform. The public access walkway will create direct access from the residential building directly to the Station platform and provide an additional public access point for LIRR’s ridership.

Pursuant to the MTA Real Estate Department Policies and Procedures for the Licensing of Real Property, Circumstance 3, MTA Real Estate is authorized to award a license without implementing MTA’s RFP competitive process as long as the proposed licensed area is situated and adjacent to a property owner who is the only single adjacent property owner who can make use of the proposed licensed area. In this case, Terwilliger Bartone’s property is located directly across from the Station platform access point and, as a result, Terwilliger Bartone is the only single adjacent property owner who can make use of the proposed licensed area.

Based on the foregoing, MTA Real Estate requests authorization to grant a license on behalf of the LIRR to Terwilliger Bartone under the above-described terms and conditions.

MTA METRO-NORTH RAILROAD

Staff Summary

Subject ACQUISITION OF EASEMENTS AT NYC PARKS' HUTCHINSON RIVER PARKWAY EXTENSION FOR PENN STATION ACCESS, BRONX, NY
Department REAL ESTATE
Department Head Name DAVID FLORIO
Department Head Signature
Project Manager Name ANGELA SZU

Date DECEMBER 20, 2023
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref. #

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance Committee	12/18/23	X		
2	Board	12/20/23	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 (“Parks”)

LOCATION: Areas within the Hutchinson River Parkway Extension which are contiguous to Bronx Block 4411 Lot 1 (“Parkway Property”)

EASEMENT AREAS: Subject to change following further design refinements, the approximate sizes are:

- (I) Co-op City Station western egress and ancillary facilities
 - a. 8,427± square feet
 - b. 595± square feet
- (II) Railroad right-of-way augmentations
 - a. 2,341± square feet (grading)
 - b. 877± square feet (grading and overhead catenary structure)
 - c. 831± square feet (subsurface drainage)

USE: Easements in support of the Penn Station Access Project (“PSAP”)

ACTION REQUESTED: Acquisition of permanent easements in support of the PSAP for the Co-op City Station and along Amtrak’s Hell Gate Line.

TERM: Permanent

COMPENSATION: To be determined pursuant to PAL 1266 (12-a)

COMMENTS:

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

Staff Summary

FINANCE COMMITTEE MEETING



ACQUISITION OF EASEMENTS AT NYC PARKS' HUTCHINSON RIVER PARKWAY EXTENSION FOR PENN STATION ACCESS, BRONX, NY (Cont'd.)

Page 2 of 2

Five permanent easements within the Parkway Property near the proposed Co-op City Station in the Bronx have been identified as required for the PSAP. Two of the easements will be acquired for the Co-op City Station western egress and ancillary facilities and three of the easements will be acquired for Amtrak's Hell Gate Line Right-of-Way augmentations.

Per Parks, the lands within Hutchinson River Parkway Extension are Parkway Property, not parkland, so alienation is not required to authorize 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.

The MTA has identified the permanent easements required for PSA within the Parkway Property, and the City has consented to the transfer of the permanent easements within the Parkway Property 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 Parks on the above-described terms and conditions.

**MTA
BRIDGES
&
TUNNELS**

Staff Summary

Subject LICENSE WITH EDWARD FORNI FOR A FOOD AND BEVERAGE OPERATION AT RANDALL'S ISLAND BUILDING 104, NEW YORK, NY
Department REAL ESTATE
Department Head Name DAVID FLORIO
Department Head Signature
Project Manager Name RAYMOND SMYTH

Date DECEMBER 20, 2023
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref. #

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance Committee	12/18/23	X		
2	Board	12/20/23	X		

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

AGENCY: MTA Bridges and Tunnels ("B&T")
LICENSEE: Edward Forni
LOCATION: Building 104 Training Facility at Randall's Island, New York, NY
PREMISES: Approximately 487 SF in a portion of the Building 104 Training Facility Cafeteria
USE: Food and beverage operation within B&T's employee cafeteria
ACTION REQUESTED: Approval to enter into a license agreement with Edward Forni
COMPENSATION: None

COMMENTS:

MTA Real Estate issued a Request for Proposal ("RFP") seeking a food and beverage operator to occupy a portion of the employee cafeteria ("Premises") located within the Building 104 Training Facility.

The sole proposer under the RFP was Edward Forni who has an extensive background of relevant prior work experience extending over twenty (20) years managing, owning, and operating various delis, an Italian supermarket, grocery and sandwich store, and catering service. The Licensee intends to operate the Premises as a deli providing meals, snacks, and beverages to the two-hundred fifty (250) B&T employees and weekly visitors estimated to attend the Building 104 Training Facility for training purposes.

The term of the license agreement will be ten (10) years. B&T will provide utilities, including electricity, gas, and water at no cost to the Licensee. Additionally, B&T will be responsible for service contracts for the kitchen hood, Ansul system and any grease traps located within the Premises.

The Premises will be delivered to the Licensee in clean and in working-order condition upon commencement of the term of the license agreement. The Licensee will thereafter be responsible to ensure that all equipment remains clean and in operational condition. B&T will retain ownership of all existing appliances and equipment.

FINANCE COMMITTEE MEETING

LICENSE AGREEMENT WITH EDWARD FORNI FOR THE FOOD AND BEVERAGE OPERATION AT RANDALL'S ISLAND BUILDING 104 TRAINING FACILITY, NEW YORK, NEW YORK (Cont'd)

Page 2 of 2

Given that the Licensee's operations will serve to benefit B&T employees and the MTA, no compensation is being requested under the license agreement; however, the MTA will request a security deposit in the amount of five thousand dollars (\$5,000.00) to cover any potential damages to the Premises during the term of the license agreement.

MTA Legal has drafted the license agreement, approved as to form, and the Licensee will be required to provide appropriate insurance coverage and indemnification for the above use.

Based on the foregoing, MTA Real Estate requests authorization to enter into a license agreement on behalf of B&T with Edward Forni under the above-described terms and conditions.

Staff Summary

Subject Revisions to Governance Guidelines
Department Corporate Compliance
Department Head Name Lamond W. Kears
Department Head Signature <i>Lamond W. Kears</i>
Project Manager Name Karen Schrempp

Date December 20, 2023
Vendor Name N/A
Contract Number N/A
Contract Manager Name N/A
Table of Contents Ref # N/A

Board Action					
Order	To	Date	Approval	Info	Other
1	Governance	12/18/23	X		
2	Board	12/20/23	X		

Internal Approvals			
Order	Approval	Order	Approval
1	Corporate Compliance <i>LWK</i>		
2	Legal <i>PS</i>		

Purpose:

To obtain Board approval for revisions to the Governance Guidelines in order to comply with Public Authorities Law Section 1264(1).

Discussion:

Public Authorities Law Section 1264(1) requires the MTA to annually review and approve its Governance Guidelines. The proposed revisions are mostly non-substantive including (1) assuring the guidelines are gender neutral, (2) added Chief Compliance Officer to conflict of interest section, and (3) changing the name of the Joint Commission on Public Ethics (“JCOPE”) to the Commission on Ethics and Lobbying in Government (“COELIG”) to comply with the Ethics Commission Reform Act of 2022.

Recommendation:

It is recommended that the Board adopt and approve the Governance Guidelines.