



Metropolitan Transportation Authority

January 2020

MTA Board Action Items



MTA Board Meeting
2 Broadway
20th Floor Conference Room
New York, N.Y. 10004
Thursday, 1/23/2020
10:00 AM - 2:00 PM ET

1. PUBLIC COMMENT PERIOD

2. APPROVAL OF MINUTES

MTA Regular Board Minutes - December 18, 2019

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NYCT/MaBSTOA/SIRTOA/MTA Bus Company Regular Board Minutes - December 18, 2019

NYCTA Regular Minutes - December 18, 2019 - Page 14

MTA Metro-North Railroad Regular Board Minutes - December 18, 2019

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MTA Long Island Rail Road Regular Board Minutes - December 18, 2019

LIRR Regular Minutes - December 18, 2019 - Page 29

Triborough Bridges & Tunnels Regular Board Minutes - December 18, 2019

TBTA Regular Minutes - December 18, 2019 - Page 37

MTA Capital Construction Regular Board Minutes - December 18, 2019

MTACC Regular Minutes - December 18, 2019 - Page 44

3. PRESENTATIONS

4. COMMITTEE ON FINANCE

Action Item

i. Capital Markets Based Reinsurance

Capital Markets Based Reinsurance - Page 48

MTAHQ Procurements Report

MTAHQ Procurement Report - Page 51

i. Non-Competitive

MTAHQ Non-Competitive Procurement - Page 54

ii. Competitive

MTAHQ Competitive Procurements - Page 57

iii. Ratifications

MTAHQ Ratifications - Page 62

Real Estate Items

i. Real Estate Agenda and Staff Summaries

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

MNR Procurements Report (no items)

LIRR Procurements Report

LIRR Procurements - Page 86

i. Non-Competitive (no items)

ii. Competitive

LIRR Competitive - Page 90

iii. Ratifications (no items)

MTA C&D Procurements Report

MTA C&D Procurements - Page 93

i. Non-Competitive (no items)

ii. Competitive

MTA C&D Competitive - Page 97

iii. Ratifications (no items)

6. COMMITTEE ON NYCT & BUS

NYCT & Bus Procurements Report

NYCTA Procurement Cover Page, Staff Summary and Resolution - Page 101

i. Non-Competitive (no items)

ii. Competitive

NYCTA Competitive - Page 106

iii. Ratifications (no items)

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

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

9. EXECUTIVE SESSION

Date of Next Meeting: Thursday, February 20, 2020

**Metropolitan Transportation Authority
Minutes of
Regular Board Meeting
2 Broadway
New York, NY 10004
Wednesday, December 18, 2019
10:00 a.m.**

The following members were present:

**Hon. Patrick Foye, Chairman & CEO
Hon. Andrew Albert
Hon. Sarah E. Feinberg
Hon. Rhonda Herman
Hon. David Jones
Hon. Linda Lacewell
Hon. Kevin Law
Hon. Robert W. Linn
Hon. David Mack
Hon. Haeda B. Mihaltses
Hon. Robert F. Mujica
Hon. Vincent Tessitore, Jr.
Hon. Veronica Vanterpool
Hon. Neal Zuckerman**

The following alternate non-voting members were also present:

**Hon. Norman Brown
Hon. Randolph Glucksman**

The following members were absent:

**Hon. Susan Metzger
Hon. Lawrence Schwartz**

Helene Fromm, Chief of Staff, Robert Foran, Chief Financial Officer, Thomas J. Quigley, General Counsel, Janno Lieber, MTA Chief Development Officer, Anthony McCord, Chief Transformation Officer, Andrew Byford, President, NYCT, Phillip Eng, President, Long Island Rail Road, Catherine Rinaldi, President, Metro-North Railroad, Daniel DeCrescenzo, Acting President, TBTA, Craig Cipriano, Acting President, MTA Bus/Senior Vice President, NYCT Department of Buses, and Lucille Songhai, Assistant Director, Government Affairs, Associate Staff Analyst, Strategy & Customer Experience, 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, the Metro-North

Commuter Railroad Company, the MTA Capital Construction 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 Metropolitan Suburban Bus Authority, and the First Mutual Transportation Assurance Company. Refer to the other agencies' minutes of this date for items on the agendas of the Boards of the other agencies.

1. PUBLIC SPEAKERS SESSION.

Following the Public Safety announcement, Lucille Songhai, Assistant Director, Government Affairs, reminded speakers of the two (2) minute speaking limit, and called speakers attention to the countdown clock and the warning light, which will come on alerting speakers that thirty (30) seconds remain to conclude their remarks.

The following thirty-two (32) speakers commented during the public speakers' session. Refer to the video recording of the meeting produced by the MTA and maintained in MTA records, and to the other agencies' minutes of this date, for the content of speakers' statements.

Vincent Pedulla, private citizen
Assembly Member Amy Pauline
Jessica De La Rosa, Straphangers Campaign
Mr. X, private citizen
Lisa Daglian, PCAC
Gian Pedulla, Department of Education, District 75
Bradley Brashears, PCAC
Tramell Thompson, TWU 100
Alberto Alamo, TWU 100
Rachel Fauss, Reinvent Albany
Jason Pinero, Passenger United
Valerie Joseph, BCID
H.P. Schroerer, UMEWE
Colin Wright, Transit Center
Janos Marton, Civil Rights Lawyer, Manhattan DA Candidate
Janice Bartley, AHRC
Chad DeRoche, AHRC
Sasha Blair-Goldenson, EAG
Sara Walker, private citizen
Miriam Fisher, private citizen
Ana Miljak, Mayday Student Organization
Christiana Gonzalez, private citizen
Omar Vera, private citizen
Cassandra Raffucci, private citizen

Collin Asley, Professor, Hunter College
Susanne Cinnamon, private citizen
Eben Kirksey, IFAS
Elias Besen, Mayday Student Organization
Jessica Murray, Rise & Resist
Jessie Stone-Jackson, private citizen
Jaffari Fox, private citizen
Matthew Giese, CURES

2. CHAIRMAN FOYE'S REMARKS.

Chairman Foye thanked the public speakers for their candor and he stated that all the issues raised by the public speakers are important to the Board and the MTA. Customers deserve reliable service, which the MTA is in the process of consistently delivering at New York City Transit, Long Island Rail Road, and Metro-North. In addition, the Chairman stated that customers deserve substantial investment in the system, including unprecedented investment in accessibility, which is a fundamental tenet of the 2020-2024 Capital Plan. Customers also deserve to feel safe and secure in the system and, the Chairman stated that at the same time, the MTA needs to balance its budget while funding these priorities.

Chairman Foye commented on the felony assault and hate crime that occurred on December 12th at the Wall Street Subway Station, and he thanked the New York Police Department Transit Bureau, who immediately responded and made an arrest.

Chairman Foye stated that the MTA is seeing continued improvements in performance as the end of the year approaches and as the agency prepares to execute the historic 2020-2024 Capital Plan. The Chairman stated that this year great work has been done across all the agencies and the that MTA is looking to continue and build on in 2020. Chairman Foye thanked the hardworking frontline employees, who deliver operational excellence every day, and recognized their dedication and commitment.

Chairman Foye noted that the MTA has reached a tentative contract agreement with TWU Local 100 since the last Board meeting. The MTA negotiated in good faith over a period of months to deliver a deal that is a win for customers, the taxpayers, and transit employees. The MTA is awaiting the outcome of the union's ratification process, after which the agreement will come before the Board for approval next year. The Chairman stated that this contract, along with the Capital Plan, will allow the MTA to advance its core mission to keep the region moving.

Chairman Foye stated that earlier this week the MTA announced that subway on-time performance ("OTP") reached 81.8% in November, which constitutes six straight months with OTP above 80%. Running times were faster on every line last month compared to the same time a year ago. For the Long Island Rail Road, OTP reached 90.7% in November. Metro-North did even better, with an OTP of 94% in November. Chairman Foye stated that MTA is also proud of the improvements seen on MTA buses. This week MTA advanced its commitment to creating a cleaner, greener fleet by rolling out the first of its new all-electric articulated buses and by implementing several strategies to improve bus performance that are

already paying major dividends, including the opening of the 14th Street Busway, and Automatic Bus Lane Enforcement.

Chairman Foye announced a major expansion of the OMNY contactless fare payment system into Penn Station. The MTA achieved its four millionth tap, exceeding all usage projections. At Penn Station, 96 OMNY readers went live at 18 turnstile arrays serving the A, C, E and 1, 2, 3 subway lines. Penn Station is one of the busiest transit hubs in North America, with more than 160,000 people per day using MetroCards. The project remains on track for all subway stations and buses to have OMNY by the end of 2020. By 2021, the MTA is expecting to enable OMNY for Long Island Rail Road and Metro-North, with the goal of phasing out the MetroCard completely by 2023.

Chairman Foye welcomed Chief Transformation Officer Anthony McCord and he noted that the first major initiative of the Transformation Plan is underway. MTA has commenced the process of migrating employees from across all agencies who support capital projects and centralizing them under Chief Development Officer, Janno Lieber. The Chairman stated that this is the first major step towards establishing a single organization responsible for the planning, development, and delivery of all capital projects across the MTA. The consolidation also provides a single point of capital project accountability and makes it easier to bundle capital projects into larger packages to optimize value and schedule. The new office centralizes prioritizing and planning to ensure the new Capital Plan will address the greatest needs.

Chairman Foye stated that the budget and financial plan will be considered by the Board at today's meeting. The Chairman stated that budgets are not just about the fiscal realities but are also a statement of priorities for the coming year. The MTA recognizes the tough fiscal times ahead and this plan, through a host of measures, tackles those issues head on.

Chairman Foye recognized the hard work and dedication of the following staff and Board Member who are leaving the MTA family.

Helene Fromm, Chief of Staff, retiring after spending much of her career in public service and most of it in the MTA legal department, serving as Deputy General Counsel and Acting General Counsel, leading the MTA team on a variety of matters. Ms. Fromm also served as Chief of Staff of the New York City's Mayor's Office of Operations. Both at the City and, later as MTA Bus General Counsel, Ms. Fromm was integral to the success of an agency that today has an annual ridership of 123 million. As MTA Chief of Staff, Ms. Fromm has handled a number of critical operational issues and worked closely with the MTA Board.

Donald Spero, Deputy Chief Financial Officer, who is also retiring, started his career with the MTA in 1988 at TBTA, where he served in a variety of planning and financial positions and culminated his career there as President. Among many notable accomplishments, Mr. Spero oversaw the implementation of Open Road Tolling at the Henry Hudson Bridge and the Hugh L. Carey and Queens Midtown Tunnels. He has since served in a key leadership role in the development of the MTA's largest and historic 2020-2024 Capital Program. Mr. Spero has served as a trusted adviser to many staff at the MTA Headquarters.

Midori Valdivia, Chief of Staff to the Chairman and CEO, who is moving on from the MTA at the end of this year. Previously, Ms. Valdivia served as Deputy Commissioner of Finance and Administration at the Taxi & Limousine Commission, and before that, worked with Chairman Foye at the Port Authority. Since joining the MTA, she has led some of the most important agency priorities, including the successful passage of historic legislation last session enabling Central Business District Tolling. Ms. Valdivia has also served in a key leadership role on Transformation and development of the proposed, historic 2020-2024 Capital Program. More importantly, she's served as a thoughtful advisor, always providing a clear perspective and advocating for the best interests of the public and our customers.

Board Member Veronica Vanterpool joined the MTA Board in 2016 but has long served as a thoughtful and tireless advocate for sound transportation policy on behalf of customers and riders. As a Board Member, Ms. Vanterpool has consistently brought a clear vision and strong understanding of what the core MTA mission is and has always boldly and candidly shared her perspective. Her leadership and insights will be much missed, both at the MTA and in the region.

The details of the Chairman's remarks are contained in the video recording of the meeting, produced by the MTA and maintained in MTA records.

3. APPROVAL OF MINUTES.

Upon motion duly made and seconded, the Board approved the Minutes of the Regular Board meeting held on November 14, 2019.

4. FORENSIC AUDIT PRESENTATION.

Chairman Foye announced that the MTA Forensic Performance Audit presentation, that the MTA was tasked by the Governor and Legislature to complete by the end of this year, will be presented by Bert Nuehring and Erik Nylund of Crowe LLP.

The Chairman stated that the audit found that MTA has met all its obligations under the law, and that MTA capital planning processes are consistent with industry leading practices, but does recommend changes MTA can make to ensure MTA is meeting its internal responsibilities to make its processes more efficient.

Mr. Nuehring and Mr. Nylund presented an overview of the Forensic Performance Audit's objectives, findings and conclusions, and recommendations. Following the presentation, Chairman Foye opened the floor to discussions and questions from the Board.

The details of the presentation and Board Members' comments and questions are included in the video recording of the meeting produced by the MTA and maintained in the MTA records.

5. MTA 2019 BUDGET ADOPTION.

Chairman Foye stated that the agency's budget is designed to address the fiscal challenges the MTA faces while ensuring that the priorities to move the organization forward for the

customers are met. The Chairman recognized the concerns raised at the committee meetings on Monday and he noted that the budget includes continuing commitment to the customers, in that the proposed budget does not include budget-driven service reductions and that the projected biennial fare and toll increases will remain below the rate of inflation. The Financial Plan also reflects the commitment to transformation and reform, and reinvesting in operations so that the increase in performance seen in ridership and OTP continues. The Chairman noted that this budget is a financial forecast, which includes assumptions as every budget does. Chairman Foye stated that there will be opportunities to revise the budget, as part of the financial planning cycle, in February, July and November, with the presentation of the MTA's Financial Plans. The MTA is taking concrete steps to manage issues, such as overtime, including implementing the recommendations from the Morrison & Foerster report by setting up an overtime management task force.

Chairman Foye introduced MTA Chief Financial Officer Robert Foran, who presented the action items for the MTA 2020 Proposed Final Budget and the Proposed MTA Final 2020-2023 Financial Plan for Board's consideration and approval. Copies of the proposed Budget and Plan, together with the accompanying staff summaries, were distributed to Board Members and are maintained in MTA records.

Chairman Foye proposed a motion to adopt the Proposed MTA 2020 Final Budget and the Proposed Final Financial Plan for 2020-2023 and opened the floor for discussion.

Details of the Board Members' discussion relating to the MTA 2020 Budget and Financial Plan 2020-2023 are included in the video recording of the meeting produced by the MTA and maintained in the MTA records.

Upon motion duly made and seconded, the Board approved the Adoption of the MTA 2020 Final Proposed Budget and 2020-2023 Financial Plan. The specifics are set forth in the staff summaries and documentation filed with the meeting materials. Board Members David Jones, Robert Linn and Veronica Vanterpool voted in opposition.

6. COMMITTEE ON FINANCE.

A. Action Items. Upon motion duly made and seconded the Board approved the action items listed below. The specifics are set forth in the staff summaries and documentation filed with the meeting materials. Board member Veronica Vanterpool voted in opposition to item #1 below.

1. Henry Hudson Bridge ("HHB") Bronx and Cross Bay Bridge ("CBB") Queens Resident Rebate Program. Adopt the resolution delegating authority to the MTA Chairman and Chief Executive Officer to take such actions as may be necessary or appropriate in connection with two proposed MTA toll rebate programs for Bronx residents at the HHB and Queens residents at the CBB, outlined in Exhibit A and summarized in the staff summary.
2. Authorization to Issue New Money Transportation Revenue Bonds and Bond Anticipation Notes, Dedicated Tax Fund Bonds and Bond Anticipation Notes, and Triborough Bridge and Tunnel Authority General Revenue and Subordinate

Revenue Bonds and Bond Anticipation Notes. Approved resolutions and the necessary documentation and all other actions to issue new money bond anticipation notes (BANs) and bonds to finance up to \$3.75 billion of capital projects set forth in the approved transit and commuter capital programs, and to issue up to \$525 million of new money bonds and BANs to finance capital projects set forth in the approved MTA Bridges & Tunnels capital programs

3. Authorization to Issue Transportation Revenue Refunding Bonds, Dedicated Tax Fund Refunding Bonds, Triborough Bridge and Tunnel Authority General Revenue Refunding Bonds and Subordinate Revenue Refunding Bonds. Approved resolutions and the necessary documentation and all other actions described in the staff summary, 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 officer to issue refunding bonds, from time-to-time, subject, if applicable, to the Refunding Policy adopted by the Board in December, 2018, as amended from time-to-time, and provided that the MTA Chief Financial Officer or the MTA Director, Finance makes a determination that the refunding of certain bonds or other obligations prior to maturity will be beneficial to the obligors thereof and/or their affiliates and subsidiaries.
4. Authorization to Issue MTA Hudson Rail Yards (“HRY”) Refunding Trust Obligations to Refund Tranche 1 of the MTA Hudson Rail Yards Trust Obligations, Series 2016A to be Purchased by MTA with Proceeds of Transportation Revenue Bonds Issued for such Purpose. Approved the Resolution authorizing MTA HRY Refunding Trust Obligations and authorizing the issuance of such obligations, as well as all actions related to the issuance of the HRY Refunding Trust Obligations as described in the staff summary, including other costs of issuance and transaction costs, deemed necessary and desirable in connection therewith; and approved such other related actions which shall continue in effect without any further action by the Board unless modified or repealed, and approved the purchase of the HRY Refunding Trust Obligations with the proceeds of the Transportation Revenue Refunding Bonds (TRB Bonds).
5. Approval of Triborough Bridge and Tunnel Authority Central Business District Tolling Program (“CBDTP”) Second Subordinate Revenue Resolution authorizing CBDTP Second Subordinate Revenue Obligations and Authorization to Issue Triborough Bridge and Tunnel Authority CBDTP Second Subordinate Revenue Obligations. Approved resolutions and documents and all other actions described in the staff summary, 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, including the selection of a trustee and paying agent and other fiduciaries thereunder that meets the requirements of the resolution. The authorization to issue the bonds, notes, commercial paper or other form of indebtedness and take other related actions hereunder shall continue in effect without any further action by the MTA Bridges and Tunnels Boards until the adoption by the MTA Bridges and Tunnels Board of subsequent bond supplemental resolutions relating to 2021 note and bond issues (except that bonds may still be issued to refinance 2020 BANs outstanding at any time) unless (a) the MTA Bridges

and Tunnels Board shall have confirmed the effectiveness of this authorization for an additional period, or (b) the MTA Bridges and Tunnels Board shall have modified or repealed this authorization.

6. MTA and TBTA Reimbursement Resolutions for Federal Tax Purposes. Approved and adoption of reimbursement resolutions, required by Federal Tax Law to preserve the ability to finance certain capital projects on a tax-exempt basis. The authorization shall continue in effect until the adoption by the MTA and TBTA Board of subsequent reimbursement resolutions for calendar year 2021.

B. Procurement Items. Upon motion duly made and seconded the Board approved the following procurement items listed below. The specifics are set forth in the staff summaries and documentation filed with the meeting materials. Board Member Neal Zuckerman recused himself from the vote on item #1 below.

1. Various Contractors – Management Consulting Services – No. 0000102. Approved an award of nineteen (19) competitively negotiated as-needed all agency contracts to vendors to compete via a mini-RFP process when management consulting services are requested.
2. Nickey Cave – Time Square Shuttle Station Artwork - No. TBD. Approved the award of a Master Agreement to artist Nickey Cave for the design, fabrication and installation of permanent artwork for the Times Square Shuttle Station and passageway.

C. Real Estate Items. Upon 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

Metro-North Railroad

1. Lease agreement with Rite Aid of New York, Inc. for the operation of a drug store and pharmacy located in Retail Space MC-10 in the Shuttle passage of Grand Central Terminal, Manhattan, N.Y.

New York City Transit Authority

2. License agreement with Nilesh Prajapati and his wife, Nikita Prajapati (or a corporate entity to be formed, owned and controlled by said individuals) to operate travel convenience stores at two separate units, one in the free zone mezzanine level and the other on the platform level of 5th Avenue and 53rd Street subway station, Queens Blvd Line, Manhattan, N.Y.
3. License agreement with Jahid Minto (or a corporate entity to be formed, owned and controlled by said individual) to operate a travel convenience store located at one freestanding unit in the free zone mezzanine level of the Chambers Street subway station, Broadway/7th Avenue Line, Manhattan, N.Y.

4. Amendment of a non-exclusive license agreement with TC Systems Inc. (f/k/a Teleport Communications New York) to extend the terms and modify the compensation to allow for the continued operations and maintenance of one 144 strand fiber optic cable located at NYCT's IND 6th Avenue Line Right-of-Way, between 63rd Drive/Rego Park Station and the Parsons Boulevard Station, Queens, N.Y.
5. Amendment of a non-exclusive license agreement with TC Systems Inc. (f/k/a Teleport Communications New York) to extend the terms and modify the compensation to allow for the continued operations and maintenance of one 16 strand fiber strand cable, and one 216 fiber stand cable (longitudinal occupancy of approximately 3,881 linear feet within NYCT duct) located in NYCT's Clark Street Tunnel from Manhattan to Brooklyn, N.Y.

Metropolitan Transportation Authority

6. Lease amendment with 111 Washington Avenue, LLC for authorization to enter into a lease amendment to add one vehicle parking space located at 111 Washington Avenue, Suite 209, Albany, N.Y.

7. COMMITTEE ON CORPORATE GOVERNANCE.

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

1. Public Authorities Law Required Policies. Approved revisions to certain existing policies of the MTA and its Agencies, in order to comply with Public Authorities Law Section 2824.
2. Subsidiary Corporation Name Change Pursuant to Public Authorities Law("PAL"). Approved the Resolution which provides for:
 - The change, pursuant to Section 1266(5) of the PAL, of the agency name "MTA Capital Construction Company" to "MTA Construction and Development Company," and commonly referred to as MTA Construction and Development;
 - The filing with the Secretary of State of the State of New York of a Certificate of Amendment of the Certificate of Incorporation of MTA Capital Construction Company;
 - Subject to the filing of the Certificate of Amendment of the Certificate of Incorporation of MTA Capital Construction Company, the adoption of the MTA Construction and Development Company's By-Laws; and
 - Authorized the Chairman and the Managing Director and their respective designees to take such actions as may be necessary to effectuate the name change to MTA Construction and Development Company.

8. INSPECTOR GENERAL PRESENTATION.

MTA Inspector General Carolyn Pokorny provided an overview on several MTA systemic issues, which included homelessness, Superstorm Sandy recovery, overtime, and the MTA transformation.

The details of Inspector General Pokorny's report and Board Members' comments and questions are included in the video recording of the meeting produced by the MTA and maintained in the MTA records.

9. BOARD MEMBER VANTERPOOL'S FINAL REMARKS.

Board Member Vanterpool thanked the Chairman, the Board and staff members, who she stated are often not recognized for their hard work, such as Adrian Knights, Supervisor, Information Services and other staff members, and members of the press. Board Member Vanterpool also thanked Mayor De Blasio and her fellow City Board Members for their support. Ms. Vanterpool stated that it is her hope that whoever fills her seat will continue to champion diversity, independent autonomies and use this forum to raise awareness of important issues that are in the best interest of the MTA customers and the region.

- 10. ADJOURNMENT.** Upon motion duly made and seconded, the Board voted to adjourn the meeting at 1:30 p.m.

Respectfully submitted,

Victoria Clement
Assistant Secretary

**Minutes of the
Regular Board Meeting
for the New York City Transit Authority,
Manhattan and Bronx Surface Transit Operating Authority,
Staten Island Rapid Transit Operating Authority and
MTA Bus Company
2 Broadway
New York, NY 10004
Wednesday December 18, 2019
10:00 a.m.**

The following members were present:

**Hon. Patrick Foye, Chairman & CEO
Hon. Andrew Albert
Hon. Sarah E. Feinberg
Hon. Rhonda Herman
Hon. David Jones
Hon. Linda Lacewell
Hon. Kevin Law
Hon. Robert W. Linn
Hon. David Mack
Hon. Haeda B. Mihaltses
Hon. Robert F. Mujica
Hon. Vincent Tessitore, Jr.
Hon. Veronica Vanterpool
Hon. Neal Zuckerman**

The following alternate non-voting members were also present:

**Hon. Norman Brown
Hon. Randolph Glucksman**

The following members were absent:

**Hon. Susan Metzger
Hon. Lawrence Schwartz**

Helene Fromm, Chief of Staff, Robert Foran, Chief Financial Officer, Thomas J. Quigley, General Counsel, Janno Lieber, MTA Chief Development Officer, Anthony McCord, Chief Transformation Officer, Andrew Byford, President, NYCT, Phillip Eng, President, Long Island Rail Road, Catherine Rinaldi, President, Metro-North Railroad, Daniel DeCrescenzo, Acting President, TBTA, Craig Cipriano, Acting President, MTA Bus/Senior Vice President, NYCT Department of Buses, and Lucille Songhai, Assistant Director, Government Affairs, Associate Staff Analyst, Strategy & Customer Experience, also attended the meeting.

1. CHAIRMAN FOYE CALLED THE MEETING TO ORDER

MTA Chairman & CEO Patrick Foye called the meeting to order.

2. PUBLIC COMMENT PERIOD

There were thirty-two (32) registered public speakers. The following speakers spoke on MTA NYC Transit/Staten Island Rapid Transit Operating Authority /MTA Bus Company matters during the public speaker session.

Vincent Pedulla, private citizen
Assembly Member Amy Pauline
Jessica De La Rosa, Straphangers Campaign
Mr. X, private citizen
Lisa Daglian, PCAC
Gian Pedulla, Department of Education, District 75
Bradley Brashears, PCAC
Tramell Thompson, TWU 100
Alberto Alamo, TWU 100
Rachel Fauss, Reinvent Albany
Jason Pinero, Passenger United
Valerie Joseph, BCID
H.P. Schroerer, UMEWE
Colin Wright, Transit Center
Janos Marton, Civil Rights Lawyer, Manhattan DA Candidate
Janice Bartley, AHRC
Chad DeRoche, AHRC
Sasha Blair-Goldenson, EAG
Sara Walker, private citizen
Miriam Fisher, private citizen
Ana Miljak, Mayday Student Organization
Christiana Gonzalez, private citizen
Omar Vera, private citizen
Cassandra Raffucci, private citizen
Collin Asley, Professor, Hunter College
Susanne Cinnamon, private citizen
Eben Kirksey, IFAS
Elias Besen, Mayday Student Organization
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Jessie Stone-Jackson, private citizen
Jaffari Fox, private citizen
Matthew Giesse, CURES

Please refer to the video recording of the meeting produced by the MTA and maintained in MTA records for the content of the speakers' statements

3. CHAIRMAN FOYE'S REMARKS

Chairman Foye thanked the public speakers for their candor and remarked that all the issues raised by the public speakers are important to the Board and the MTA. He commented that customers

deserve reliable service, which the MTA tries to consistently deliver at New York City Transit, Long Island Rail Road, and Metro-North. He stated that customers also deserve substantial investment in the system and to feel safe and secure in the system. He noted the inclusion of an unprecedented investment in accessibility as a fundamental tenet of the 2020-2024 Capital Plan. The Chairman also articulated the MTA's need to balance its budget while funding these priorities. Chairman Foye commented on a troubling felony assault and hate crime that occurred on December 12th at the Wall Street Subway Station and thanked the New York Police Department Transit Bureau, which immediately responded and made an arrest.

Chairman Foye commented that the MTA is seeing continued improvements in performance as it prepares to execute the historic 2020-2024 Capital Plan and that the MTA is looking to continue to build on the great work that has been accomplished in the prior year. Chairman Foye thanked the hardworking frontline employees who deliver operational excellence every day and recognized their dedication and commitment.

Chairman Foye commented that the MTA has reached a tentative contract agreement with TWU Local 100 since the last Board meeting. He stated that the MTA negotiated in good faith over a period of months to deliver a deal that is a win for customers, the taxpayers and transit employees. The MTA is awaiting the outcome of the union's ratification process, after which the agreement will come before the Board for approval next year. This contract, along with the Capital Plan, will allow the MTA to advance its core mission to keep the region moving.

Chairman Foye also commented that earlier this week the MTA announced that subway on-time performance ("OTP") reached 81.8% in November, which constitutes six straight months with OTP above 80%. Running times were faster on every line last month compared to the same time a year ago. For the Long Island Rail Road, OTP reached 90.7% in November. Metro-North did even better, with an OTP of 94% in November. This week, the MTA also rolled out the first of its new all-electric articulated buses and has implemented several strategies to improve bus performance that are already paying major dividends, including the opening of the 14th Street Busway and Automatic Bus Lane Enforcement.

Chairman Foye also announced a major expansion of the OMNY contactless fare payment system into Penn Station. The MTA achieved its four millionth tap exceeding all usage projections. At Penn Station, 96 OMNY readers went live at 18 turnstile arrays serving the A, C, E and 1, 2, 3 subway lines. Penn Station is one of the busiest transit hubs in North America with more than 160,000 people per day using MetroCards. The project remains on track for all subway stations and buses to have OMNY by the end of 2020. By 2021, the MTA is expecting to enable OMNY for Long Island Rail Road and Metro-North and the goal is to phase out the MetroCard completely by 2023.

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Chairman Foye commented that the budget and financial plan will be considered by the Board at the meeting. Budgets are not just about the fiscal realities but are also a statement of priorities for the coming year. The MTA recognizes the tough fiscal times ahead. This plan tackles those issues head on.

Chairman Foye recognized the hard work and dedication of the following staff and Board Member who are leaving the MTA family.

- Helene Fromm, Chief of Staff, spent much of her career in public service and most of it in the MTA legal department, serving as Deputy General Counsel and Acting General Counsel leading the MTA team on a variety of matters. Ms. Fromm also served as Chief of Staff of the New York City's Mayor's Office of Operations. Both at the City and later as MTA Bus General Counsel, Ms. Fromm was integral to the success of an agency that today has an annual ridership of 123 million. As MTA Chief of Staff, she has handled a number of critical operational issues and worked closely with the MTA Board.
- Don Spero, Deputy Chief Financial Officer, started his career with the MTA in 1988 at TBTA where he served in a variety of planning and financial positions and culminated his career there as President. Among many notable accomplishments, Mr. Spero oversaw the implementation of Open Road Tolling at the Henry Hudson Bridge and the Hugh L. Carey and Queens Midtown Tunnels. He has since served in a key leadership role in the development of the MTA's largest and historic 2020-2024 Capital Program. Mr. Spero has served as a trusted adviser to many staff at MTA Headquarters.
- Midori Valdivia, Chief of Staff to the Chairman and CEO, is moving on from the MTA at the end of this year. Ms. Valdivia previously served as Deputy Commissioner of Finance and Administration at the Taxi & Limousine Commission and before that worked with Chairman Foye at the Port Authority. Since joining the MTA, she has led some of the most important agency priorities, including the successful passage of historic legislation last session enabling Central Business District Tolling. Ms. Valdivia has also served in a key leadership role on Transformation and development of the proposed historic 2020-2024 Capital Program. More importantly, she has served as a thoughtful advisor, always providing a clear perspective and advocating for the best interests of the public and our customers.
- Board Member Veronica Vanterpool joined the MTA Board in 2016 but has long served as a thoughtful and tireless advocate for sound transportation policy on behalf of customers and riders. As a Board Member, Ms. Vanterpool has consistently brought a clear vision and strong understanding of what the core MTA mission is, and has always boldly and candidly shared her perspective. Her leadership and insights will be much missed, both at the MTA and in the region.

The details of the remarks by Chairman Foye are contained in the video recording of the meeting, produced by the MTA and maintained in MTA records.

4. APPROVAL OF MINUTES

Upon motion duly made and seconded, the Board approved the Minutes of the Regular Board meeting held on November 14, 2019.

5. FORENSIC AUDIT PRESENTATION

Chairman Foye announced Bert Nuehring and Erik Nylund of Crowe LLP to perform the MTA Forensic Performance Audit presentation that the MTA was tasked by the Governor and Legislature to complete by the end of this year.

The Chairman stated that the audit found that MTA has met all its obligations under the law and that MTA capital planning processes are consistent with industry leading practices. The audit does recommend changes MTA can make to ensure it is meeting its internal responsibilities to make its processes more efficient.

Mr. Nuehring and Mr. Nylund presented an overview of the Forensic Performance Audit's objectives, findings and conclusions and recommendations. Following the presentation, Chairman Foye opened the floor to discussions and questions from the Board.

The details of the presentation and Board Members' comments and questions are included in the video recording of the meeting produced by the MTA and maintained in the MTA records.

6. 2020 FINAL BUDGET AND NOVEMBER FINANCIAL PLAN 2020-2023

Chairman Foye stated that the agency's budget is designed to address the fiscal challenges the MTA faces while ensuring that the priorities to move the organization forward for the customers are met. The Chairman recognized the concerns raised at the committee meetings on Monday and he noted that the budget includes continuing commitment to the customers in that it does not include budget-driven service reductions. Further, the projected biennial fare and toll increases will remain below the rate of inflation. The Financial Plan also reflects the commitment to transformation and reform and reinvesting in operations so that the increase in performance seen in ridership and OTP continues. The Chairman noted that this budget is a financial forecast, which includes assumptions as every budget does. Chairman Foye stated that there will be opportunities to revise the budget as part of the financial planning cycle in February, July and November, with the presentation of the MTA's Financial Plans. The MTA is taking concrete steps to manage issues such as overtime, including implementing the recommendations from the Morrison & Foerster report by setting up an overtime management task force.

Chairman Foye introduced MTA Chief Financial Officer Robert Foran, who presented the action items for the MTA 2020 Proposed Final Budget and the Proposed MTA Final 2020-2023 Financial Plan for Board's consideration and approval. Copies of the proposed Budget and Plan, together with the accompanying staff summaries, were distributed to Board Members and are maintained in MTA records.

Chairman Foye proposed a motion to adopt the Proposed MTA 2020 Final Budget and the Proposed Final Financial Plan for 2020-2023 and opened the floor for discussion.

Details of the Board Members' discussion relating to the MTA 2020 Budget and Financial Plan 2020-2023 are included in the video recording of the meeting produced by the MTA and maintained in the MTA records.

Upon motion duly made and seconded, the Board approved the Adoption of the MTA 2020 Final Proposed Budget and 2020-2023 Financial Plan. The specifics are set forth in the staff summaries and documentation filed with the meeting materials. Board Members David Jones, Robert Linn and Veronica Vanterpool voted in opposition.

7. COMMITTEE ON FINANCE

Real Estate Items Upon motion duly made and seconded, the Board approved: (i) license agreements for two separate retail spaces with Nilesh Prajapati on mezzanine and platform levels at the 5th Avenue 53rd Street Subway Station; (ii) a license agreement with Jahid Minto on the mezzanine at the Chambers Street Subway Station/7th Avenue; (iii) an amendment of a license agreement for the continued operation and maintenance of one 144 count fiber optic cable along the IND 6th Avenue Line Right of Way; and (iv) an amendment of a non-exclusive license agreement for the continued operation and maintenance of one 16 fiber-strand cable and one 216 fiber-strand fiber optic cable along the Clark Street Tunnel Right of Way.

The specifics of the above items are set forth in the staff summaries and documentation filed with the meeting materials.

8. COMMITTEE ON TRANSIT & BUS OPERATIONS MTA NYC Transit & MTA Bus Company

Procurements:

Competitive Procurements: Upon motion duly made and seconded, the Board approved competitive procurements requiring a two-thirds vote (Schedule C in the Agenda).

Details of the above items are set forth in staff summaries, copies of which are on file with the records of the meeting of the Board of MTA NYC Transit /Staten Island Rapid Transit Operating Authority /MTA Bus Company.

Ratifications: Upon motion duly made and seconded, the Board approved ratifications requiring a majority vote (Schedule K in the Agenda).

Details of the above items are set forth in staff summaries, copies of which are on file with the records of the meeting of the Board of MTA NYC Transit /Staten Island Rapid Transit Operating Authority /MTA Bus Company.

9. COMMITTEE ON CORPORATE GOVERNANCE

The Board was presented with the following MTA policies recommended to it by the Committee on Corporate Governance that relate to NYC Transit /Staten Island Rapid Transit Operating Authority /MTA Bus Company:

- The MTAHQ Drug and Alcohol Policy.

- The Family Medical Leave Act Policy.

Upon motion duly made and seconded, the Board voted to approve the foregoing policies. The details of the policies are contained in a staff summary and documentation filed with the records of this meeting.

10. MTA INSPECTOR GENERAL PRESENTATION

Chairman Foye introduced Carolyn Pokorny, MTA Inspector General, who provided an overview of the systemic issues her office is focused on addressing including homelessness, Superstorm Sandy recovery and resiliency, overtime and transformation.

The video recording of the meeting produced by the MTA and maintained in MTA records contains a complete record of the presentation and comments made by Board Members and staff.

11. BOARD MEMBER VANTERPOOL'S FINAL REMARKS

Board Member Vanterpool thanked the Chairman, the Board and staff members, who she stated are often not recognized for their hard work such as Adrian Knights, Supervisor, Information Services and other staff members and members of the press. Board Member Vanterpool also thanked Mayor De Blasio and her fellow City Board Members for their support. Ms. Vanterpool stated that it is her hope that whoever fills her seat will continue to champion diversity, independent autonomies and use this forum to raise awareness of important issues that are in the best interest of the MTA customers and the region.

12. ADJOURNMENT

Upon motion duly made and seconded, the Board voted to adjourn the meeting at 1:30 p.m.

Respectfully submitted,
/s/Mariel A. Thompson
Mariel A. Thompson
Assistant Secretary

Minutes of the Regular Meeting
Metro-North Commuter Railroad Company
2 Broadway – 20th Floor
New York, NY 10004
Wednesday, December 18, 2019
10:00 a.m.

The following members were present:

Hon. Patrick Foye, Chairman & CEO
Hon. Andrew Albert
Hon. Sarah E. Feinberg
Hon. Rhonda Herman
Hon. David Jones
Hon. Linda Lacewell
Hon. Kevin Law
Hon. Robert W. Linn
Hon. David Mack
Hon. Haeda B. Mihaltses
Hon. Robert F. Mujica
Hon. Vincent Tessitore, Jr.
Hon. Veronica Vanterpool
Hon. Neal Zuckerman

The following alternate non-voting members were also present:

Hon. Norman Brown
Hon. Randolph Glucksman

The following members were absent:

Hon. Susan Metzger
Hon. Lawrence Schwartz

Helene Fromm, Chief of Staff, Robert Foran, Chief Financial Officer, Thomas J. Quigley, General Counsel, Janno Lieber, MTA Chief Development Officer, Anthony McCord, Chief Transformation Officer, Andrew Byford, President, NYCT, Phillip Eng, President, Long Island Rail Road, Catherine Rinaldi, President, Metro-North Railroad, Daniel DeCrescenzo, Acting President, TBTA, Craig Cipriano, Acting President, MTA Bus/Senior Vice President, NYCT Department of Buses, and Lucille Songhai, Assistant Director, Government Affairs, Associate Staff Analyst, Strategy and Customer Experience, also attended the meeting. Unless otherwise indicated, these minutes reflect items on the agenda of the Metro-North Commuter Railroad Company Board (“Metro-North”). Refer to the other agencies’ minutes of this date for items on the agendas of the Boards of the other agencies.

Chairman Foye called the meeting to order and the electronic emergency safety procedure announcement was played.

1. **PUBLIC SPEAKERS:**

Lucille Songhai, Assistant Director, introduced the public speakers. There were 32 registered public speakers. The following speakers spoke on Metro-North related matters:

Assemblywoman Paulin, representing the 88th Assembly District, commented on behalf of 26 additional Assembly Members. She commented on the importance of prioritizing Metro-North's 2020-2024 Capital Plan projects and the need for additional rolling stock, power stations, and security cameras.

Additional details of the comments made by the public speakers are contained in the other agencies' minutes of this date. The video recording of the meeting produced by the MTA and maintained in the MTA records contains a complete record of the public comments.

2. **CHAIRMAN FOYE'S REMARKS:**

Chairman Foye thanked the public speakers for their candor and remarked that all the issues raised by the public speakers are important to the Board and the MTA. He commented that customers deserve reliable service, which the MTA is in the process of consistently delivering at New York City Transit, Long Island Rail Road, and Metro-North. Customers also deserve substantial investment in the system, including unprecedented investment in accessibility, which is a fundamental tenet of the 2020-2024 Capital Plan, and to feel safe and secure in the system. At the same time, the MTA needs to balance its budget while funding these priorities. Chairman Foye commented on a troubling felony assault and hate crime that occurred on December 12th at the Wall Street Subway Station, and thanked the New York Police Department Transit Bureau, which immediately responded and made an arrest.

Chairman Foye commented that the MTA is seeing continued improvements in performance as it prepares to execute the historic 2020-2024 Capital Plan. This year, great work has been done across all the agencies that the MTA is looking to continue and build on in 2020. Chairman Foye thanked the hardworking frontline employees, who deliver operational excellence every day, and recognized their dedication and commitment.

Chairman Foye commented that the MTA has reached a tentative contract agreement with TWU Local 100 since the last Board meeting. The MTA negotiated in good faith over a period of months to deliver a deal that is a win for customers, the taxpayers, and transit employees. The MTA is awaiting the outcome of the union's ratification process, after which the agreement will come before the Board for approval next year. This contract, along with the Capital Plan, will allow the MTA to advance its core mission to keep the region moving.

Chairman Foye also commented that earlier this week, the MTA announced that subway on-time performance ("OTP") reached 81.8% in November, which constitutes six straight months with OTP above 80%. Running times were faster on every line last month compared to the same time a year ago. For the Long Island Rail Road, OTP reached 90.7% in November.

Metro-North did even better, with an OTP of 94% in November. This week, the MTA also rolled out the first of its new all-electric articulated buses and has implemented several strategies to improve bus performance that are already paying major dividends, including the opening of the 14th Street Busway, and Automatic Bus Lane Enforcement.

Chairman Foye also announced a major expansion of the OMNY contactless fare payment system into Penn Station. The MTA achieved its four millionth tap, exceeding all usage projections. At Penn Station, 96 OMNY readers went live at 18 turnstile arrays serving the A, C, E and 1, 2, 3 subway lines. Penn Station is one of the busiest transit hubs in North America, with more than 160,000 people per day using MetroCards. The project remains on track for all subway stations and buses to have OMNY by the end of 2020. By 2021, the MTA is expecting to enable OMNY for Long Island Rail Road and Metro-North, and the goal is to phase out the MetroCard completely by 2023.

Chairman Foye welcomed Chief Transformation Officer Anthony McCord and commented that the MTA has commenced the process of migrating employees from across all agencies who support capital projects and centralizing them under Chief Development Officer, Janno Lieber. This is the first major step towards establishing a single organization responsible for the planning, development, and delivery of all capital projects across the MTA. The consolidation also provides a single point of capital project accountability and makes it easier to bundle capital projects into larger packages to optimize value and schedule. The new office centralizes prioritizing and planning to ensure the new Capital Plan will address the greatest needs.

Chairman Foye commented that the budget and financial plan will be considered by the Board at the meeting. Budgets are not just about the fiscal realities but are also a statement of priorities for the coming year. The MTA recognizes the tough fiscal times ahead and this plan, through a host of measures, tackles those issues head on.

Chairman Foye also recognized the following staff and Board Member departures and retirements:

- Helene Fromm, Chief of Staff – Ms. Fromm spent much of her career in public service and most of it in the MTA legal department, serving as Deputy General Counsel and Acting General Counsel, leading the MTA team on a variety of matters. Ms. Fromm also served as Chief of Staff of the New York City’s Mayor’s Office of Operations. Both at the City and, later as MTA Bus General Counsel, Ms. Fromm was integral to the success of an agency that today has an annual ridership of 123 million. As MTA Chief of Staff, she has handled a number of critical operational issues and worked closely with the MTA Board.
- Donald Spero, Deputy Chief Financial Officer – Mr. Spero started his career with the MTA in 1988 at TBTA, where he served in a variety of planning and financial positions and culminated his career there as President. Among many notable accomplishments, Mr. Spero oversaw the implementation of Open Road Tolling at the Henry Hudson Bridge and the Hugh L. Carey and Queens Midtown Tunnels. He has since served in a key leadership role in the development of the

MTA's largest and historic 2020-2024 Capital Program. Mr. Spero has served as a trusted adviser to many staff at the MTA Headquarters.

- Midori Valdivia, Chief of Staff to the Chairman and CEO – Ms. Valdivia is moving on from the MTA at the end of this year. Previously, Ms. Valdivia served as Deputy Commissioner of Finance and Administration at the Taxi & Limousine Commission, and before that, worked with Chairman Foye at the Port Authority. Since joining the MTA, she has led some of the most important agency priorities, including the successful passage of historic legislation last session enabling Central Business District Tolling. Ms. Valdivia has also served in a key leadership role on Transformation and development of the proposed, historic 2020-2024 Capital Program. More importantly, she's served as a thoughtful advisor, always providing a clear perspective and advocating for the best interests of the public and our customers.
- Board Member Veronica Vanterpool – Board Member Vanterpool joined the MTA Board in 2016 but has long served as a thoughtful and tireless advocate for sound transportation policy on behalf of customers and riders. As a Board Member, Ms. Vanterpool has consistently brought a clear vision and strong understanding of what the core MTA mission is and has always boldly and candidly shared her perspective. Her leadership and insights will be much missed, both at the MTA and in the region.

The details of the remarks by Chairman Foye are contained in the video recording of the meeting, produced by the MTA and maintained in MTA records.

3. **APPROVAL OF MINUTES:**

Upon motion duly made and seconded, the Board approved the Minutes of the Metro-North Regular Board meeting held on November 14, 2019.

4. **FORENSIC AUDIT PRESENTATION:**

Chairman Foye announced that the MTA Forensic Performance Audit, which the MTA was tasked by the Governor and Legislature to complete by the end of this year, will be presented by Crowe LLP. Chairman Foye stated that the audit found that the MTA met all of its obligations under the law and that MTA capital planning processes are consistent with industry leading practices; however, it recommended changes the MTA can make to ensure the MTA is meeting its internal responsibilities to make its processes more efficient.

Chairman Foye introduced representatives from Crowe LLP who presented a summary of the results of the audit. Audit findings identified areas of improvement in cost estimating, asset inventory assessment documentation, and modernization of the capital planning systems.

The details of the audit are contained in documentation filed with the records of this meeting. The video recording of the meeting produced by the MTA and maintained in MTA

records contains a complete record of the presentation and comments made by Board Members and staff.

5. **MTA 2020 FINAL BUDGET AND NOVEMBER FINANCIAL PLAN 2020-2023:**

Chairman Foye stated that the MTA's budget is designed to address the fiscal challenges the MTA faces while ensuring that the priorities to move the organization forward for the customers are met. Chairman Foye recognized the concerns raised at the committee meetings on Monday and he noted that the budget includes continuing commitments to the customers. For example, the budget does not include budget-driven service reductions and the projected biennial fare and toll increases will remain below the rate of inflation. The financial plan also reflects the commitment to transformation and reform, with reinvestments in operations so that increases in performance continue. Chairman Foye noted that this budget is a financial forecast, which includes assumptions as every budget does, and that there will be opportunities to revise the budget as part of the financial planning cycle in February, July, and November, with the presentation of the MTA's financial plans. The MTA is taking concrete steps to manage issues such as overtime, including implementing the recommendations from the Morrison & Foerster report by setting up an overtime management task force.

Chairman Foye and Chief Financial Officer ("CFO") Robert Foran presented the MTA 2020 Final Budget and November Financial Plan for 2020-2023. CFO Foran commented on changes made to the financial plan since November, including a one-year delay for the Metro-North Rockland County bus subsidy and the cancellation of the new Metro-North parking fee structure.

Upon motion duly made and seconded, the Board approved the adoption of the MTA 2020 Final Budget and Financial Plan for the period of 2020-2023. Board Members Vanterpool, Linn, and Jones opposed the motion.

The details of the MTA 2020 Final Budget and Financial Plan for the period of 2020-2023 are contained in documentation filed with the records of this meeting. The video recording of the meeting produced by the MTA and maintained in MTA records contains a complete record of the presentation and comments made by Board Members and staff.

6. **COMMITTEE ON FINANCE:**

MTAHQ Procurement:

The Board was presented with the following competitive procurement recommended to it by the Committee on Finance that relates to Metro-North:

- Board approval to award nineteen (19) competitively negotiated as-needed all agency management consulting services contracts. The vendors will compete via a mini-RFP process when management consulting services are requested. The total not to exceed budget for the contract series is \$25,000,000.

Upon motion duly made and seconded, the Board approved the foregoing procurement. Board Member Zuckerman abstained from the vote. The details of the approved procurement, including a complete list of consultants, are contained in a staff summary and documentation filed with the records of this meeting.

Real Estate Item:

The Board was presented with the following real estate item recommended to it by the Committee on Finance that relates to Metro-North:

- Board authorization to enter into a lease agreement with Rite Aid of New York, Inc. for the operation of a drug store and pharmacy in the Shuttle Passage in Grand Central Terminal for a term of ten (10) years for an annual base rent of \$2,559,000 increasing 3% annually plus 10% of gross sales over a breakpoint of \$25,590,000 increasing 3% annually.

Upon motion duly made and seconded, the Board approved the foregoing real estate item. The details of the above real estate item are contained in a staff summary and documentation filed with the records of this meeting.

7. JOINT METRO-NORTH AND LONG ISLAND RAIL ROAD COMMITTEE:

Metro-North Procurement:

- Board approval to award an 18-month competitively solicited federally funded design-build contract in the not-to-exceed amount of \$10,417,500 to the firm John Civetta & Sons Inc. for the design and construction of the 3rd Avenue Bridge located over the New Haven Line in Mount Vernon, New York.

Long Island Rail Road Procurement:

The Board was presented with the following Long Island Rail Road competitive procurement that relates to Metro-North:

- Board approval to retain consultants to perform personal services for design, engineering, construction supervision and inspection services, and miscellaneous construction-related professional services to support both the 2020-2024 Capital Program and the 2020-2024 needs of the MTA Operating Divisions. The total not to exceed budget for the contract series is \$2,300,000,000.

Upon motion duly made and seconded, the Board approved the foregoing procurements. Board Members Law and Zuckerman abstained from the Long Island Rail Road procurement vote. The details of the above procurements are contained in staff summaries and documentation filed with the records of this meeting.

8. COMMITTEE ON CORPORATE GOVERNANCE:

Action Items:

The Board was presented with the following action items from the Committee on Corporate Governance that relate to Metro-North:

- Board approval for revisions to certain existing policies of the MTA and its agencies, in order to comply with Public Authorities Law Section 2824.
- Board approval to change the agency name “MTA Capital Construction Company” to “MTA Construction and Development Company,” pursuant to Section 1266(5) of the Public Authorities Law, and take such actions as may be necessary to effectuate the name change.

Upon motion duly made and seconded, the Board approved the foregoing action items. The details of the action items are contained in staff summaries and documentation filed with the records of this meeting.

9. **MTA INSPECTOR GENERAL PRESENTATION:**

Chairman Foye introduced Carolyn Pokorny, MTA Inspector General, who provided an overview of the systemic issues her office is focused on addressing including homelessness, Superstorm Sandy recovery and resiliency, overtime, and transformation.

The video recording of the meeting produced by the MTA and maintained in MTA records contains a complete record of the presentation and comments made by Board Members and staff.

10. **BOARD MEMBER VANTERPOOL’S FINAL REMARKS:**

Board Member Vanterpool thanked Chairman Foye, the Board, and staff members, who she stated are often not recognized for their hard work, as well as members of the press. Board Member Vanterpool also thanked Mayor De Blasio and her fellow City Board Members for their support. Ms. Vanterpool stated that it is her hope that whoever fills her seat will continue to champion diversity and independent autonomies and use the forum to raise awareness of important issues that are in the best interests of MTA customers and the region.

11. **ADJOURNMENT:**

Upon motion duly made and seconded, the Board voted to adjourn the meeting at 1:30 p.m.

Respectfully submitted,



Richard Gans
Vice President, General Counsel and
Secretary

December-2019 Board Minutes – FINAL
Legal/Corporate

**Minutes of the Regular Board Meeting
Long Island Rail Road Company
2 Broadway
New York, NY 10004
Wednesday, December 18, 2019
10:00 a.m.**

The following members were present:

Hon. Patrick Foye, Chairman & CEO

Hon. Andrew Albert
Hon. Sarah E. Feinberg
Hon. Rhonda Herman
Hon. David Jones
Hon. Linda Lacewell
Hon. Kevin Law
Hon. Robert W. Linn
Hon. David Mack
Hon. Haeda B. Mihaltses
Hon. Robert F. Mujica
Hon. Vincent Tessitore, Jr.
Hon. Veronica Vanterpool
Hon. Neal Zuckerman

The following alternate non-voting members were also present:

Hon. Norman Brown
Hon. Randolph Glucksman

The following members were absent:

Hon. Susan Metzger
Hon. Lawrence Schwartz

Helene Fromm, Chief of Staff, Robert Foran, Chief Financial Officer, Thomas J. Quigley, General Counsel, Janno Lieber, MTA Chief Development Officer, Anthony McCord, Chief Transformation Officer, Andrew Byford, President, NYCT, Phillip Eng, President, Long Island Rail Road, Catherine Rinaldi, President, Metro-North Railroad, Daniel DeCrescenzo, Acting President, TBTA, Craig Cipriano, Acting President, MTA Bus/Senior Vice President, NYCT Department of Buses, and Lucille Songhai, Assistant Director, Government and Community Affairs, NYCT, also attended the meeting.

MTA Chairman & CEO (“Chairman”) Patrick Foye called the meeting to order.

1. SAFETY PROCEDURES

MTA's pre-recorded safety public address announcement reviewed the emergency safety procedures.

2. PUBLIC SPEAKERS

Lucille Songhai, Assistant Director of Government and Community Affairs, NYCT, stated that there were thirty-two (32) public speakers registered to speak at the meeting. She reminded all public speakers about the two-minute time limit.

Eleven (11) public speakers spoke about matters relating to LIRR:

Lisa Daglian, Executive Director of the Permanent Citizens Advisory Committee ("PCAC"), extended her best wishes to Board Member Veronica Vanterpool and thanked Helene Fromm and Midori Valdivia for their years of good service. She commented that the actions taken on the Financial Plan will have far-reaching effects and urged the Board not to make budget cuts related to service. Ms. Daglian also commented that the costs for operating the system built into the Capital Plan should be included in the conversation and that she sees an important role for robust public input. She expressed her concern that there will be no discussion of the emergency debarment regulations and opportunity for public comment.

Rachael Fauss, Senior Research Analyst, Reinvent Albany, thanked Board Member Vanterpool for her service. She commented that she is opposed to the plan to expand the police force in the system; she is concerned about major service cuts in the future; and she opposes mandatory debarment.

H. P. Schroer, UMEWE, spoke about the need for half-price MTA fares for veterans.

Opposition to the plan to hire an additional 500 police officers was the subject of the public comments of: Colin Wright, Transit Center; Janos Martin; Miriam Fisher; Sara Walker; Christiana Gonzalez; Collin Asley; and Susanne Cinnamon.

Matthew Griese, Citizens United for Railroad Environmental Solutions (CURES) commented that his group hopes that the MTA will purchase the cleanest and most environmentally friendly locomotives available. He also commented that he is concerned about LIRR managers' failures which have led to two investigations, one by the Inspector General and one by the New York State Assembly

The details of the speakers' comments are contained in the video recording of the meeting, produced by the MTA and maintained in MTA records, and in the minutes of the other agencies of this date.

3. CHAIRMAN FOYE'S REMARKS

Chairman Foye welcomed everyone to the December Board meeting and thanked the public speakers for their candor on issues which are important to the Board, staff, and everyone at the MTA. He stated that our customers deserve reliable service, which we're in the process of consistently delivering at New York City Transit, Long Island Rail Road and Metro-North. He observed that the MTA is making a substantial investment in the system, including unprecedented investments in accessibility, which is a fundamental tenet of the 2020-2024 Capital Plan; and that our customers also deserve to feel safe and secure in the system. He noted that we need to balance our budget while funding these priorities.

Chairman Foye reported on a recent felony assault and hate crime that occurred on December 12, at 11:40 pm at the Wall Street Station; the victim was an Israeli Jewish woman. Chairman Foye commended the New York City Police Department Transit Bureau, which immediately responded and made an arrest.

Chairman Foye reported that we're seeing continued improvements in performance as we head into the end of the year and prepare to execute our historic 2020-2024 Capital Plan. He acknowledged the dedication and commitment of our hardworking frontline employees at every agency.

Chairman Foye reported that since the last Board meeting, we've reached a tentative agreement with TWU Local 100 which, along with the Capital Plan, will allow us to advance our core mission to keep this region moving. After the union's ratification process, the agreement will come before the Board for approval next year.

Chairman Foye reported that subway On-Time Performance ("OTP") reached 81.8% in November, the sixth straight month with OTP above 80%. Running times were faster on every line last month compared to the same time a year ago.

Chairman Foye reported that OTP is also trending upwards on the LIRR, which reached 90.7% in November; and on Metro-North, where 94% of trips arrived on time.

Regarding MTA Bus, Chairman Foye reported that this week we advanced our commitment to creating a cleaner, greener fleet by rolling out the first of our new all-electric articulated buses. He stated that we've implemented several strategies to improve bus performance that are already paying major dividends, including the opening of the 14th Street Busway and Automatic Bus Lane Enforcement.

Chairman Foye announced a major expansion of the OMNY contactless fare payment system into Penn Station last week. He stated that this design-build technology project remains on-time and on-budget. We also hit our four millionth tap, exceeding all usage projections. At Penn Station, 96 OMNY readers went live at 18 turnstile arrays serving the A, C, E and 1, 2, 3 subway lines, a huge milestone. Chairman Foye observed that Penn is one of the busiest transit

hubs in North America, with more than 160,000 people per day swiping in using MetroCards. Chairman Foye stated that the project remains on track for all subway stations and buses to have OMNY by the end of 2020; to enable OMNY for LIRR and Metro-North by 2021; and our goal is to phase out the MetroCard completely by 2023.

Chairman Foye welcomed Chief Transformation Officer (“CTO”) Anthony McCord to the Board meeting and announced the first major initiative of our Transformation Plan, which is migrating employees from all MTA Agencies who support Capital Projects and centralizing them under Chief Development Officer Janno Lieber.

Chairman Foye observed that the new Construction and Development Office is the first major step towards the Transformation Plan recommendation to establish a single organization responsible for the planning, development and delivery of all capital projects across the MTA. He stated that the consolidation also provides a single point of Capital Project accountability; makes it easier to bundle capital projects into larger packages to optimize value and schedule; and centralizes prioritizing and planning to ensure the new Capital Plan will address the greatest needs.

Chairman Foye then recognized three MTA staff members who are leaving, thanking each for all their contributions to the MTA family. He first acknowledged Helene Fromm, MTA Chief of Staff, noting her long career in public service as MTA Deputy General Counsel and Acting General Counsel, Chief of Staff of the New York City’s Mayor’s Office of Operations and as MTA Bus General Counsel. Chairman Foye said that Helene’s leadership, professionalism and kindness will be missed and congratulated her on her retirement.

Chairman Foye then recognized Don Spero, Deputy Chief Financial Officer, who started here in 1988 at TBTA, where he served in a variety of planning and financial positions and culminated his career there as President. Chairman Foye noted that Don oversaw the implementation of Open Road Tolling at the Henry Hudson Bridge and the Hugh L. Carey and Queens Midtown Tunnels and served in a key leadership role in the development of the MTA’s largest and historic 2020-24 Capital Program. Chairman Foye said that Don has served as a trusted adviser to many of us here at HQ and congratulated him on his retirement.

Chairman Foye then recognized his Chief of Staff, Midori Valdivia, who is leaving the MTA at the end of this year. He said that Midori previously served as Deputy Commissioner of Finance and Administration at the Taxi & Limousine Commission; before that, they worked together at the Port Authority. Chairman Foye said that since joining the MTA, Midori has led some of the most important agency priorities, including the successful passage of historic legislation last session enabling Central Business District Tolling, a first-in-the-nation program that will not only bring environmental improvements for the region but also deliver funding for unprecedented transit investments. He noted that Midori has also served in a key leadership role on Transformation and development of the proposed, historic 2020-2024 Capital Program. Chairman Foye said that Midori will be much missed by her MTA family but we’re all wishing her well in her next chapter.

Chairman Foye then recognized Board Member Vanterpool, whose last Board meeting is today. He said that she joined the MTA Board in 2016 and has long served as a thoughtful and

tireless advocate for sound transportation policy on behalf of customers and riders. Chairman Foye observed that as a Board Member, Veronica has consistently brought a clear vision and strong understanding of MTA's core mission and that she has always boldly and candidly shared her perspective. Chairman Foye stated that her leadership and insights will be much missed, both at the MTA and in the region, and that we wish her well in her new role in Delaware.

The details of the remarks by Chairman Foye are contained in the video recording of the meeting, produced by the MTA and maintained in MTA records.

4. APPROVAL OF MINUTES

Upon motion duly made and seconded, the minutes of the Regular Board Meeting of November 14, 2019 were approved with a correction in the LIRR Minutes regarding the spelling of the first name of Board Member Neal Zuckerman.

5. PRESENTATION: FORENSIC AUDIT

Chairman Foye introduced Bert Nuehring and Eric Nyland from Crowe LLP, the independent firm that performed a forensic audit which the MTA was tasked to complete by year-end by the Governor and the Legislature. Chairman Foye stated that the audit findings included that the MTA has met its obligations under the law; that MTA capital planning processes are consistent with industry leading practices; and that some changes are recommended to ensure we are meeting our internal responsibilities to make our processes more efficient.

Mr. Nuehring, a Crowe partner, gave the presentation based on a high-level draft report that he said would be finalized that week.

Chairman Foye thanked Mr. Nuehring and Mr. Nyland for their presentation and work on this matter and asked for Board comments and questions.

Responding to a question from Board Member Linn, Mr. Nuehring commented that the findings will add more transparency in the process, provide more input from the Board and the public and help find efficiencies and prioritize projects.

Board Member Vanterpool commended the recommendation of a 45-day period of public notice. Further information was provided in response to her question about a timeline for implementation of Enterprise Asset Management by Anthony McCord, Chief Transformation Officer and by Mildred M. Chua, Director and Program Executive, MTA Enterprise Information and Asset Management.

Responding to a question from Board Member Albert, MTA Chief Development Officer Lieber commented that the 20-year needs assessment could be reconfigured into a future-focused useful document as that assessment didn't have the benefit of the strategic thinking that went into numerous new MTA initiatives such as "Fast Forward" and "Way Ahead."

The details of the foregoing presentation and Board Members' comments and questions with respect thereto are included in the video recording of the meeting, produced by the MTA and maintained in MTA records.

6. MTA 2020 BUDGET AND 2020-2023 FINANCIAL PLAN

Chairman Foye reiterated that the agency's budget is designed to address the fiscal challenges the MTA faces while ensuring that our priorities to move this organization forward for our customers are met. The proposed budget includes a continuing commitment to our customers, no budget-driven service cuts and projected biennial fare and toll increases which will remain below the rate of inflation. Chairman Foye stated that the Financial Plan also reflects our commitment to transformation and reform and reinvesting in operations so that the increase in performance we've seen in ridership and OTP continues.

Chairman Foye noted that if our budget assumptions or forecasts need to change, there will be opportunities to adjust as part of the financial planning cycle in February, July and November, with the presentation of our financial plans. He stated that we are also taking concrete steps to manage issues such as overtime, including implementing the recommendations from the Morrison & Foerster report, and setting up an overtime management task force.

Chairman Foye then asked MTA CFO Robert Foran, to discuss the Budget and Financial Plan. CFO Foran cited changes in place since the November Plan, stated the highlights of the November Plan, and then cited the recommendations of staff to the Board, highlighting the annually recurring savings.

Upon motion duly made and seconded, the Board approved the adoption of the MTA 2020 Final Proposed Budget and the Four-Year Financial Plan for 2020-2023. Board Members Vanterpool, Linn and Jones opposed the motion.

The details of the foregoing presentation and motion and Board Members' comments and questions with respect thereto are included in the video recording of the meeting, produced by the MTA and maintained in MTA records.

7. JOINT METRO-NORTH AND LONG ISLAND RAIL ROAD COMMITTEE

Long Island Procurement:

The Board was presented with one (1) competitive Long Island Rail Road Committee procurement:

- **2020 – 2024 General Engineering Consultant Engagements** - Long Island Rail Road (LIRR) requests MTA Board approval to retain the consultants listed in the Attachment in the Staff Summary in the Board Book who propose to perform personal services for design, engineering,

construction supervision and inspection services, and miscellaneous construction-related professional services to support both the 2020 – 2024 Capital Program and the 2020 – 2024 needs of MTA Operating Divisions. The total not-to-exceed budget for the contract series is \$2,300,000,000.

Upon motion duly made and seconded, with recusals by Board Members Law and Zuckerman, the Board approved the foregoing procurement, the details of which are contained in the minutes of the MTA Board meeting held this day, the staff summary filed with those minutes and in the video recording of the meeting produced by the MTA and maintained in MTA records.

8. CORPORATE GOVERNANCE COMMITTEE

Chairman Foye presented the Committee's recommendation to approve two MTA policies under the Public Authorities Law, the MTA Drug and Alcohol Policy and the MTA Family Medical Leave Act Policy.

He then presented the Corporate Governance Committee's recommendation that the Board approve the name change of MTA Capital Construction to MTA Construction and Development Company and all actions that may be necessary to effectuate the name change.

Upon motion duly made and seconded, the Board approved the foregoing recommendations, the details of which are contained in the minutes of the MTA Board meeting held this day, the staff summaries filed with those minutes, and in the video recording of the meeting produced by the MTA and maintained in MTA records.

9. PRESENTATION: INSPECTOR GENERAL

MTA Inspector General Carolyn Pokorny made a report which focused on systemic issues, including homelessness, Superstorm Sandy recovery, overtime, and transformation.

Regarding the monitoring of the MTA-wide Overtime Task Force, Inspector General Pokorny reported that there has been progress in some areas and delays in other areas. Biometric clock usage doubled from October to December. Seventy-five (75) of the top overtime earners have been identified; they often work in the field in remote locations with varying levels of supervision or no supervision. Inspector General Pokorny stated that her report found that the absence of a system to properly identify these earners' time and attendance could create opportunities for workers to claim overtime that was not worked or even assigned to them, without detection. She said that a management problem is that many of these high overtime earners do not have access to biometric clocks. While it is a minority of workers who do not have access to biometric clocks, this is the most critical population. Inspector General Pokorny informed the board of nine (9) incidents of vandalism to biometric clocks, which is a crime; she observed that these devices are very expensive to repair or replace.

Inspector General Pokorny stated that she has found reporting on Transformation challenging without a leader in place, and that her office is slow to receive information about the Transformation process. She said that she is optimistic about being able to provide the Board with transparency about progress in this area after having had a very positive conversation with the new appointee, whom she has assured of her office's resources to assist him in his efforts.

Inspector General Pokorny briefly reviewed the reports that she has sent to the Board Members in the past few months, which have been positively received by the Chairman. These reports are on sound hiring practices, time and attendance practices, and safety practices. She said that there are additional reports on the horizon including on inventory security and procurement and escalator maintenance.

The details of the foregoing presentation and Board Members' comments and questions with respect thereto are included in the video recording of the meeting, produced by the MTA and maintained in MTA records.

10. PROPOSAL FOR ANTI-HATE SUBWAY CAMPAIGN

Board Member Lacewell requested that the Board take action by a committee or by other means, working with partner organizations, to create a "best in class" anti-hate campaign for the subway system.

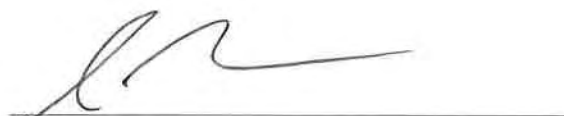
Chairman Foye stated that this request is appropriate and that we are all committed to zero-tolerance for hate.

11. ADJOURNMENT

Chairman Foye thanked Board Member Vanterpool for her three and a half years of service on the Board and she responded with thanks. Chairman Foye stated that the next Board meeting is Thursday, January 23rd.

Upon motion duly made and seconded, the Board voted to adjourn the meeting at 1:30 p.m..

Respectfully submitted,



Stephen N. Papandon,
Acting Secretary

TRIBOROUGH BRIDGE AND TUNNEL AUTHORITY

BOARD MINUTES

December 18, 2019

Minutes of the Regular Meeting
Triborough Bridge and Tunnel Authority
December 18, 2019

Meeting Held at
2 Broadway, 20th Floor
New York, New York 10004

10:00 a.m.

Hon. Patrick Foye, Chairman & CEO
Hon. Andrew Albert
Hon. Sarah E. Feinberg
Hon. Rhonda Herman
Hon. David Jones
Hon. Linda Lacewell
Hon. Kevin Law
Hon. Robert W. Linn
Hon. David Mack
Hon. Haeda B. Mihaltses
Hon. Robert F. Mujica
Hon. Vincent Tessitore, Jr.
Hon. Veronica Vanterpool
Hon. Neal Zuckerman

The following alternate non-voting members were also present:

Hon. Norman Brown
Hon. Randolph Glucksman

The following members were absent:

Hon. Susan Metzger
Hon. Lawrence Schwartz

Helene Fromm, Chief of Staff, Robert Foran, Chief Financial Officer, Thomas J. Quigley, General Counsel, Janno Lieber, MTA Chief Development Officer, Andy Byford, President, New York City Transit Authority, Phillip Eng, President, Long Island Rail Road, Catherine Rinaldi, President, Metro-North Railroad, Daniel F. DeCrescenzo, Jr., Acting President, Triborough Bridge and Tunnel Authority, Craig Cipriano, Acting President, MTA Bus Company and Senior Vice President, New York City Transit Department of Buses, and Lucille Songhai, Assistant Director, Government Affairs, also attended the meeting.

The Board of the Metropolitan Transportation Authority also met as the Board 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, the Metro-North Commuter Railroad Company, the MTA Capital Construction Company, the MTA Bus Company, and the First Mutual Transportation Assurance Company.

1. Public Speakers

There were thirty-two (32) public speakers. Bradley Brashears, of the Permanent Citizens Advisory Committee (PCAC), commented regarding congestion pricing and against toll rebates.

Refer to the video recording of the meeting produced by the Metropolitan Transportation Authority and maintained in MTA records, and to the other agencies' minutes of this date, for the content of the speakers' statements.

2. Chairman and Chief Executive Officer Foye's Opening Remarks

Chairman and CEO Foye opened his remarks by thanking the public speakers for their candor, noting that all of the issues raised are important to the Board and staff and everybody at the MTA. He stated that MTA customers deserve reliable service and MTA is in the process of consistently delivering the same at New York City Transit, Long Island Rail Road and Metro-North. Substantial investment in the system, including unprecedented investment in accessibility, which is a fundamental tenet of the 2020-2024 Capital Plan. Chairman and CEO Foye said that MTA customers also deserve to feel safe and secure in the system acknowledged a very troubling felony assault and anti-Semitic hate crime against an Israeli Jewish woman that occurred in December on the subway system that resulted in an arrest, as well as the murder of two Jewish Jersey City residents. Chairman and CEO Foye commented that work has been done across all MTA agencies this year that we are looking to continue and build on in 2020. As always, we owe a great deal to our hardworking frontline employees, who deliver operational excellence every day. Chairman and CEO Foye welcomed Chief Transformation Officer Anthony McCord. The first major initiative of our Transformation Plan is underway. MTA has commenced the process of migrating employees from across all agencies who support capital projects and centralizing them under Chief Development Officer Janno Lieber. This is the first major step towards the Transformation plan recommendation – to establish a single organization responsible for the planning, development and delivery of all capital projects across the MTA. The consolidation also provides a single point of capital project accountability and makes it easier to bundle capital projects into larger packages to optimize value and schedule. And most importantly, the new office centralizes prioritizing and planning to ensure the new Capital Plan will address the greatest needs. Chairman and CEO Foye stated that the budget and financial plan will be considered by the Board. Lastly, Chairman and CEO Foye recognized three retiring MTA staff and an outgoing MTA Board member: Helene Fromm – who has held various roles including Deputy General Counsel and Acting General Counsel at the MTA and currently as Chief of Staff; Donald Spero – who retires as MTA Deputy Chief Financial Officer and started with TBTA in 1988 in a variety of planning and financial position and culminated his career at TBTA as President; Midori Valdivia – who served as Chairman and CEO Foye's Chief of Staff; and Veronica Vanterpool – who joined the MTA Board in 2016. Chairman and CEO Foye wished her well in her new role and stated that she would do great things in bringing innovation and creativity to the citizens of Delaware.

The details of Chairman Foye's remarks are contained in the video recording of this meeting, produced by the MTA and maintained in MTA records, and the MTA's and other agencies' minutes of the meeting of this date.

3. Approval of Minutes of Regular Meeting November 14, 2019

Upon a motion duly made and seconded, the minutes of the Regular Board Meeting held on November 14, 2019 were approved.

4. Forensic Audit Presentation

Bert Nuehring and Erik Nylund of Crowe LLP presented the forensic audit, which MTA was tasked by the Governor and Legislature with completing by the end of the year. The audit found that MTA has met all its obligations under the law, and that MTA capital planning processes are consistent with industry leading practices, but does recommend some changes MTA can make to ensure MTA is meeting its internal responsibilities to make its processes more efficient.

Commissioner Linn noted that he spoke with Crowe last week and asked if the findings in the Forensic Audit had been known prior to the latest Capital Plan what would be the impact of that being in place. He noted that Crowe pointed to findings one and two regarding cost estimating and budgeted costs as well as recommendation four regarding managing expenditures with range of planning, contracting logistics, project management, communication improvements. Commissioner Linn also noted that Janno Lieber presented the idea of consolidating and bundling sequencing projects in order to gain more efficiencies. Bert Nuehring stated that the scope of Crowe's review was not to identify the impact from a financial standpoint but to provide more transparency and visibility around the process itself and input from the Board and the public into the particular assets and the projects going into that plan. Going forward, looking at the management of the plan can provide more impact since a plan is just that, a forward looking 5-year plan. By managing the plan annually, reviewing and refining the costs and gaining more efficiencies you might eliminate some duplication of efforts. Commissioner Vanterpool asked for an update on the Enterprise Asset Management (EAM) process timeline. Mr. McCord stated that many of the EAM components are being incorporated during the transformation. Mildred Chua, Director, Enterprise Information and Asset Management, stated that the EAM implementation schedule has been recast from a five-year timeline to a two year one to determine the foundation needed for the next capital planning process for 2025-2029. Commissioner Albert asked for information regarding the 20-year needs assesment. Mr. Lieber stated that the 20-year needs assessment data was utilized by Crowe in validating the condition assessments that underlay the capital planning process for the new proposed Capital Plan that the Board is adopting and, based on Crowe's recommendations, MTA will create a more strategic 20-year needs assessment that reflects a more sophisticated condition assessment. Commissioner Brown inquired whether there are federal strictures on EAM reporting and whether there is a federal model that MTA is trying to fit into. Mr. Nylund stated that there are asset management requirements in the Transit Asset Management (TAM) reporting that is done federally but it does not necessarily need an EAM system to comply with those requirements. Commissioner Mihaltses asked how would the MTA be following up in this process. Chairman and CEO Foye stated that Mr. Lieber would be responsible for implementation of the recommendations since they are largely part of the capital planning process and they will be part of transformation under Mr. McCord.

The details of the presentation and the discussions with regard to same are contained in the minutes of the meeting of the Board of the Metropolitan Transportation Authority.

5. Adoption of MTA 2020 Budget and 2020-2023 Financial Plan

Chairman and CEO Foye stated that the agency's budget is designed to address the fiscal challenges the MTA faces while ensuring that our priorities to move this organization forward for our customers are met. This budget includes continuing commitment to MTA customers – as the proposed budget includes no budget-driven service cuts, and projected biennial fare and toll increases will remain below the rate of inflation. The Financial Plan also reflects MTA's commitment to transformation and reform, and reinvesting in operations so that the increase in performance seen in ridership and On Time Performance continues. This Budget is also a financial forecast, to the best of our knowledge today. It does include assumptions, as every budget does. There will be opportunities to revise this budget as part of the financial planning cycle – in February, July and November, with the presentation of our financial plans. Chairman and CEO Foye addressed the hiring of 500 new MTA Police Officers that was discussed by many public speakers. Chairman and CEO Foye stated that there are 88 vacant MTA Police Department (MTAPD)

positions and 57 officers have resigned or retired during 2019. During 2020 it is expected that another 50-55 officers will retire. This represents approximately 200 positions and if they are not filled there would be a 26% decline in the number of sworn officers in the MTAPD.

MTA Chief Financial Officer Robert Foran distributed action item materials and discussed the MTA's 2020 Budget and Financial Plan 2020-2023 ("Budget and Plan"). A motion was made to adopt the Budget and Plan. Chairman and CEO Foye noted that total farebox revenue for 2020 is approximately \$6 billion and this represents a huge irreplaceable source of revenue for the MTA. Commissioner Feinberg stated that the number of crimes, including several assaults, robberies and sex crimes, is unacceptable, even with living in a large city. Commissioner Feinberg also stated that many of the public comments were directed toward the New York Police Department (NYPD), which the MTA is not in charge of, and any concerns related to the NYPD should be taken to the mayor. Regarding budgets, Commissioner Feinberg stated that it is hard to be fully in favor of or fully against any budget and this budget should be viewed as an investment in accessibility and improving safety, security, and service but also a vote for having a positive labor agreement. Commissioner Vanterpool stated that the hiring of 500 additional police officers does not present a binary discussion. Being opposed to hiring more police officers does not mean that one is against safety in the system. She is opposed to the \$249 million in the budget allocated for hiring police officers. Commissioner Vanterpool stated it would be helpful to know details regarding deployment of resources, strategy and methodology, review of current resources and training to encourage and support balanced and equitable police enforcement. Commissioner Vanterpool also said she has asked for information regarding the aggregate transformation budget and has not received it. Commissioner Linn stated that he is concerned with not having enough time to review the Budget and Financial Plan documents prior to the vote for approval and noted several issues with the budget that have not been discussed. The AlixPartners report called for 2,700 personnel reductions but we have not been advised on what that will look like. Mr. Foran commented that there are budget reduction programs that are in place in the Plan. MTA is always looking for additional savings. Commissioner Mack stated that when there is a shortage of personnel then there will be a problem with overtime and it is mindboggling that people do not want to be safe. Commissioner Brown and Commissioner Zuckerman also discussed safety and security on the subways and commuter rail. Regarding the plan, Commissioner Zuckerman noted that biennial increases are expensive for those who do not have high wages and take commuter rails and subways to get to work and that adding new capital projects also increases operating expenses. Commissioner Albert stated that he supports the addition of the new police officers and if crime can be stopped at the turnstile then more crime will be prevented in the system. He believes that fare evasion could lead to reductions in service if accurate counts are not made regarding ridership. He also asked whether the TBTA toll rebate programs would be voted on as part of the budget or separately. Chairman and CEO Foye stated that it would be voted on as part of the Finance Committee. Commissioner Jones stated that one of the motivations for fare evasion was affordability. It was routinely reported that over 90% of the stops and arrests were of black and brown people and that mainly poor neighborhoods were targeted for enforcement efforts. Commissioner Mujica stated that the budget is down \$800 million from the November Plan, that MTA has a responsibility to pass a budget by January 1 and this budget has no budget driven service reductions and funding to implement the \$52 billion Capital Plan as well as one-third of one percent of the budget for police to address the \$1.5 billion loss of revenue over the plan period for fare evasion. Commissioner Mihaltses stated that a budget is about choices and the right choice is to adopt the budget as there are no service cuts, there are no fare increases, a fair labor contract and new police officers that will provide security in the system. Commissioner Herman stated that she will be voting for the budget and she believes that she feels safe on the subways but the commuter railroads need safety as well. Commissioner Lacewell stated the Board should receive debriefings regarding the hiring of more law enforcement officers and we need more security in our system to keep customers safe. Upon a motion duly made and seconded, the Board voted to adopt the Budget and Plan. Commissioners Vanterpool, Jones and Linn voted against.

The details of Mr. Foran's presentation and the discussions with regard to same are contained in the minutes of the meeting of the Board of the Metropolitan Transportation Authority.

6. Committee on Finance

Upon a motion duly made and seconded, the Board approved the following recommended to it by the Committee on Finance that pertained to the Triborough Bridge and Tunnel Authority:

(a) Action Item:

- To adopt the resolution delegating authority to the MTA Chairman and Chief Executive Officer to take such actions as may be necessary or appropriate in connection with two proposed MTA Toll Rebate Programs for Bronx residents at the Henry Hudson Bridge and Queens residents at the Cross Bay Veterans Memorial Bridge.
- Authorization to issue New Money Transportation Revenue Bonds and Bond Anticipation Notes, Dedicated Tax Fund Bonds and Bond Anticipation Notes, and TBTA General Revenue and Subordinate Revenue Bonds and Bond Anticipation Notes.
- Authorization to Issue Transportation Revenue Refunding Bonds, Dedicated Tax Fund Refunding Bonds, TBTA General Revenue Refunding Bonds and Subordinate Revenue Refunding Bonds.
- Approval of TBTA CBDTP Second Subordinate Revenue Resolution authorizing CBTPD Second Subordinate Revenue Obligations (Central Business District Tolling Program) and Authorization to Issue TBTA CBDTP Second Subordinate Revenue Obligations.
- MTA and TBTA Reimbursement Resolutions for Federal Tax purposes.
Commissioner Vanterpool voted against the toll rebate programs.

**7. Committee on MTA Bridges and Tunnels Operations
Procurements**

Commissioner Lacewell stated that there are two (2) procurements totaling \$6.3 million.

Non-Competitive Procurements

Commissioner Lacewell stated that there are no non-competitive procurements.

Competitive Procurements

Commissioner Lacewell stated that there are two (2) competitive procurements totaling \$6.3 million.

Personal Service Contracts

Hardesty & Hanover, LLC	Contract No. PSC-19-3033 TBTA is seeking Board approval under the All Agency Service Contract Procurement Guidelines to award a competitively solicited personal service contract to develop preliminary designs and design-build technical requirements for Project TN-87C, Tower Fender Protection at the Throgs Neck Bridge.	\$2,859,096.00
HNTB New York Engineering and Architecture, P.C.	TBTA is seeking Board approval under the All Agency Service Contract Procurement Guidelines to award a competitively solicited personal service contract for scoping and preliminary design services for the suspended span lower level deck rehabilitation at the Verrazzano-Narrows Bridge.	\$3,454,081.00

Ratifications

Commissioner Lacewell stated that there are no ratifications.

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

8. MTA Inspector General Carolyn Pokorny Presentation

MTA Inspector General Carolyn Pokorny gave a presentation regarding the work her office is performing focusing on systemic issues including many MTA initiatives including homelessness, Superstorm Sandy Recovery and Resiliency, Overtime, and Transformation. With regard to overtime, Ms. Pokorny stated that her office has noted genuine efforts being made by MTA staff to implement the recommendations in the Morrison and Foerster report. Ms. Pokorny recommends developing a protocol to identify the high overtime earners. This recommendation had a November 30th deadline and it has not been implemented. The MTA has made significant strides in use of biometric timekeeping clocks. Many of the high overtime earning employees do not have access to biometric timekeeping clocks which makes it difficult to verify whether their overtime is accurate. Commissioner Lacewell thanked Ms. Pokorny for her report and the continued updates. Commissioner Law requested that the reports be supplied to the Board prior to being available to the media. Commissioner Tessitore stated that the overtime issue has been ongoing and is due to management not keeping track of the overtime of the employees. There is a perception that of a negative inference towards these employees. Commissioner Vanterpool also noted that as much advance discussion that Ms. Pokorny's team can have with the Board would foster more collaboration. Commissioner Lacewell formally requested that the Board take action through a committee, subcommittee or MTA management to engage with groups such as the Anti-Defamation League to put forth an anti-hate campaign. Chairman and CEO Foye stated that there is widespread interest on the Board and in MTA management and discussions off-line would be worthwhile as MTA and the Board are committed to zero tolerance for hate. Commissioner Vanterpool thanked MTA staff for their hard work, the press corps, the Chairman and fellow Commissioners as well as Mayor de Blasio and Governor Cuomo. She also noted that diversity is important and necessary for a Board that is reflective of the constituencies and riders.

The details of Ms. Pokorny's presentation and the discussions with regard to same are contained in the minutes of the meeting of the Board of the Metropolitan Transportation Authority.

9. Adjournment

Upon a motion duly made and seconded, the Board unanimously voted to adjourn the meeting at 1:30 p.m.

Respectfully submitted,


Adana Savery
Assistant Secretary

Regular Board Meeting
MTA Capital Construction Company
2 Broadway
New York, NY 10004
Wednesday December 18, 2019
10:00 AM

The following members were present:

Hon. Patrick Foye, Chairman & CEO
Hon. Andrew Albert
Hon. Sarah E. Feinberg
Hon. Rhonda Herman
Hon. David Jones
Hon. Linda Lacewell
Hon. Kevin Law
Hon. Robert W. Linn
Hon. David Mack
Hon. Haeda B. Mihaltses
Hon. Robert F. Mujica
Hon. Vincent Tessitore, Jr.
Hon. Veronica Vanterpool
Hon. Neal Zuckerman

The following alternate non-voting members were also present:

Hon. Norman Brown
Hon. Randolph Glucksman

The following members were absent:

Hon. Susan Metzger
Hon. Lawrence Schwartz

Janno Lieber, MTA Chief Development Officer, MTA/President, MTACC; Helene Fromm, Chief of Staff, MTA; Robert Foran, Chief Financial Officer, MTA; Thomas J. Quigley, General Counsel, MTA Anthony McCord, Chief Transformation Officer, MTA; Andrew Byford, President, NYCT; Phillip Eng, President, Long Island Rail Road; Catherine Rinaldi, President, Metro-North Railroad; Daniel DeCrescenzo; Acting President, TBTA; Craig Cipriano, Acting President, MTA Bus/Senior Vice President, NYCT Department of Buses; Evan Eisland, Executive Vice President, General Counsel and Secretary, MTACC; David K. Cannon, Vice President, Chief Procurement Officer and Assistant Secretary, MTACC; and Lucille Songhai, Assistant Director, Government Affairs, Associate Staff Analyst, Strategy & Customer Experience, also attended the meeting.

The Board of the Metropolitan Transportation Authority (the "MTA") met as the Board of the New York City Transit Authority ("NYCT") the Manhattan and Bronx Surface Transit Operating Authority, the Staten Island Rapid Transit Operating Authority, the Triborough Bridge and Tunnel Authority ("TBTA"), the Long Island Rail Road ("LIRR"), the Metro-North Commuter Railroad Company ("Metro-North Railroad"), the MTA Capital Construction Company ("MTACC"), the MTA Bus Company ("MTA Bus"), and the First Mutual Transportation Assurance Company (collectively, the "Agencies").

Unless otherwise indicated, these minutes reflect items concerning the business of MTACC. Refer to the other Agencies' minutes of this date for items on the agendas of the Boards of the other Agencies.

Chairman and Chief Executive Officer ("Chairman") Patrick Foye called the meeting to order.

Chairman and Chief Executive Officer's Remarks

Chairman Foye's remarks are contained in the minutes of the Regular Board Meeting of the MTA and in the minutes of the other Agencies of this date.

Public Comment Period

There were thirty-two public speakers, none of whom spoke on MTACC matters. The names of the public speakers and their remarks are contained in the minutes of the Regular Board Meeting of the MTA and in the minutes of the other Agencies of this date.

Chairman and Chief Executive Officer's Remarks

Chairman Foye acknowledged the MTA's new Chief Transformation Officer, Anthony McCord, and remarked that the MTA is making steady progress on transformation.

Chairman Foye went on to advise that the first major initiative of MTA's Transformation Plan has begun with the process of migrating employees across all of the MTA Agencies who support capital projects and centralizing them under Chief Development Officer Janno Lieber. Chairman Foye noted that this is the first major step towards the Transformation Plan recommendation, which is to establish a single organization responsible for the planning, development and delivery of all capital projects across the MTA. Chairman Foye further noted that the consolidation also provides a single point of capital project accountability and makes it easier to bundle capital projects into larger packages to optimize value and schedule. He also pointed out that, importantly, the new office centralizes prioritizing and planning to ensure that the new MTA capital plan will address the greatest needs and reminded the Board that the MTA has previewed the approach with great success on the L Train and LIRR Third Track projects.

Chairman Foye acknowledged and thanked Board Member Veronica Vanterpool for her work as a Board Member since 2016, noting that this she is attending her last meeting as an MTA Board Member. Chairman Foye remarked that Board Member Vanterpool consistently brought a clear vision and strong understanding of the core MTA mission and what makes sense for all of MTA riders, and that she has always boldly and candidly shared her perspective. Chairman Foye went on to state that Ms. Vanterpool's leadership and insights will be much missed and wished her well in her new endeavor.

The remainder of Chairman Foye's remarks are contained in the minutes of the Regular Board Meeting of the MTA and in the minutes of the other Agencies of this date.

Approval of Minutes

Upon motion duly made and seconded, the Board approved the minutes of the Regular Board Meeting of MTACC and the minutes of the Regular Board Meeting of the MTA held on October 23, 2019.

MTA's 2020 Final Proposed Budget and Financial Plan for 2020-2023

Chairman Foye remarked on the MTA's 2020 Final Proposed Budget and Financial Plan for 2020-2023. Robert Foran, the MTA's Chief Financial Officer ("CFO") then presented the MTA's 2020 Final Proposed Budget and Financial Plan for 2020 - 2023. A discussion among the Board Members and Mr. Foran followed. The remarks of Chairman Foye, the Board Members and Mr. Foran are contained in the minutes of the Regular Meeting of the Board of the MTA held on this date.

A copy of the of the 2020 Final Proposed Budget and the 2020 – 2023 Financial Plan are filed with the records of the Regular Meeting of the Board of the MTA held on this date.

Action Item

Upon motion duly made and seconded, with Board Member Lin opposing and Board Members Vanterpool and Weisbrod abstaining, the Board approved the following Action item:

Adoption of the MTA's (inclusive of each individual MTA Agency and the Office of the Inspector General) 2020 Budget and 2020 -2023 Financial Plan.

A copy of the Staff Summaries, the 2020 Final Proposed Budget and the 2020-2023 Financial Plan are filed with the records of the Regular Meeting of the Board of the Metropolitan Transportation Authority held on this date.

Committee on Finance

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

1. Award of nineteen competitively negotiated as-needed all agency contracts (Contract No. 0000102) for management consulting services for an aggregate \$25,000,000 and a duration of five years.
2. Award of a Master Agreement for the design, fabrication and installation of permanent artwork for the Times Square Shuttle Station and passageway to artist Nickey Cave for the amount of \$1,815,000 and a duration of sixty months.

A copy of the Resolution and the Staff Summaries for the above items are filed with the records of the Regular Board Meeting of the MTA of this date.

Committee on Metro-North Railroad and Long Island Rail Road

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

Approval to retain 105 consultants to perform personal services for design, engineering construction supervision, inspection services and miscellaneous construction – related professional services to support both the 20220-2024 Capital Program and the 2020 – 2024 needs of the MTA Operating Divisions.

A copy of the Resolution and the Staff Summary for the above item is filed with the records of the Regular Board Meeting of the MTA of this date.

Committee on Corporate Governance

Action Item

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

The following actions needed to change the name of MTA Capital Construction Company to MTA Construction and Development Company:

1. Filing of a Certificate of Amendment of the Certificate of Incorporation of MTACC;
2. Amendment of MTACC's By-Laws to reflect the organizational name change;
3. Authorization that the Chairman and the Managing Director, and their respective designees, may take such actions as may be necessary to effectuate the name change.

A copy of the Board Resolution and the Staff Summary for the above item is filed with the records of the Regular Board Meeting of the MTA of this date.

Inspector General of the MTA Presentation

The Inspector General of the MTA, Carolyn Pokorny (the "Inspector General"), gave a presentation on her first 100 days in office. Thereafter, a discussion among Board Members and the Inspector General ensued.

The details of the presentation, along with the Board Members' comments and discussion with the Inspector General, are filed with the records of the Regular Board Meeting of the MTA held on this date.

Adjournment

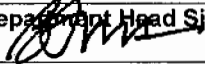
Upon motion duly made and seconded, the Board voted to adjourn the public meeting at 1:30 PM.

Respectfully submitted,



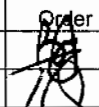
David K. Cannon
Assistant Secretary

Staff Summary

Subject Capital Markets-Based Reinsurance
Department Finance
Department Head Name Robert E. Foran
Department Head Signature 
Project Manager/Division Head Phyllis Rachmuth, Director of Risk and Insurance Management / Patrick J. McCoy, Director of Finance / Nora Ostrovskaya, Acting Sr. Director of Strategic Initiatives

Date January 21, 2019
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref #

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance	1/21	X		
2	Board	1/23	X		

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

Purpose:

To obtain Board approval to allow First Mutual Transportation Assurance Company ("FMTAC") to undertake a capital markets-based reinsurance program by expanding FMTAC's current traditional capital markets-based reinsurance program to include a catastrophe ("cat") bond-based reinsurance transaction. The purpose of the transaction is to reduce FMTAC's risk transfer rates through diversifying the reinsurer base from the traditional global reinsurance market to include capital markets. This will allow FMTAC to create additional savings by employing a strategy of maximizing tension/competition inside each market, as well as between the two markets.

Discussion and Background:

Background:

In the wake of Superstorm Sandy, FMTAC confronted reduced capacity offers from the traditional property reinsurance marketplace with higher pricing for annual renewals. Addressing the concern that MTA and its agencies might be exposed to reduced property risk coverage at higher cost, the Board authorized FMTAC to explore alternative means of obtaining reinsurance capacity through the capital markets, via insurance-linked securities ("ILS") or cat bond transactions. This effort to obtain capital markets-based reinsurance proved successful, culminating in FMTAC's entry into a \$200 million reinsurance agreement with MetroCat Re Ltd. ("MetroCat"), a Bermuda special purpose insurer, which fully collateralized the reinsurance policy through its issuance of cat bonds.

The reinsurance obtained from MetroCat through this inaugural ILS transaction augmented MTA's existing reinsurance program at a critical time; the inaugural transaction now also provides a model through which FMTAC can obtain future capital markets-financed property reinsurance coverage, in conjunction with coverage that may be obtained by FMTAC through traditional property reinsurance markets. In 2017, FMTAC successfully entered into another \$125 million capital markets-based reinsurance transaction that allowed MTA to further lower its property insurance costs.

With the assistance and guidance of a Board-approved ILS advisor, FMTAC and MTA anticipate exploring another capital markets-based reinsurance transaction in 2020. Prior to executing any such future capital markets-based reinsurance transaction in 2020, FMTAC and MTA seek Board action granting authority to finalize such transaction in the event capital market-financed property reinsurance coverage is in the best interest of FMTAC and MTA.

Discussion:

On January 29, 2014, the Board approved FMTAC's use of a capital markets-based alternative, specifically ILS, to enhance its overall reinsurance portfolio. The ability to obtain capital markets-based reinsurance has proven to be an economically successful alternative for FMTAC because it is no longer dependent solely on traditional reinsurance brokers for its reinsurance needs. The reinsurance obtained through the inaugural ILS transaction augmented MTA's existing reinsurance

program at a critical time; the inaugural transaction covered storm surge risk over a three-year period and expired in July 2016. The 2017 transaction covered storm surge and earthquake risks and will remain outstanding until May 2020.

FMTAC is now seeking authorization to enter into a third MetroCat transaction covering storm surge, earthquake and any additional catastrophic risk as FMTAC and its advisors may deem appropriate, the proposed third MetroCat transaction is expected to augment the coverage that may be gained by FMTAC through traditional property reinsurance markets and is also estimated to result in property reinsurance cost savings for the MTA.

Alternatives:

FMTAC and MTA could opt not to consider or pursue future capital markets-based insurance transactions sponsored by FMTAC. This alternative is undesirable, given FMTAC's prior experience in achieving cost effective catastrophe coverage and the additional leverage that a capital markets-based insurance transaction will provide to FMTAC's ability to structure its overall insurance portfolio construction on an annual basis.

Recommendation:

As part of the continuing effort to reduce FMTAC's reinsurance portfolio costs and seek competitive solutions for its reinsurance needs, it is recommended that the Board adopt the annexed resolution authorizing placement of part of FMTAC's property insurance program through a cat bond transaction.

RESOLUTION

WHEREAS, FMTAC's use of capital markets-based alternative for its reinsurance needs has enhanced its overall reinsurance portfolio by lowering the cost of its reinsurance and encouraging competition among traditional providers and capital markets-based providers; and

WHEREAS, FMTAC desires to once again explore the cost effectiveness, practicability and feasibility of incorporating capital markets-based reinsurance alternatives in FMTAC's property insurance program; and

WHEREAS, utilizing a variety of capital markets-based reinsurance options will enable FMTAC to better determine the extent to which an expansion of its capital markets-based reinsurance alternatives can yield further cost savings.

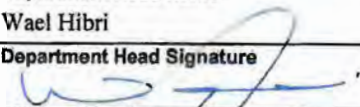
NOW THEREFORE, the Board resolves as follows:

1. In order to further allow FMTAC to seek cost effective, practical and feasible alternatives to traditional broker-based reinsurance and expand its capital markets-based reinsurance alternatives, the Chairman of FMTAC and FMTAC's authorized officers are hereby authorized, consistent with the terms of this Resolution, to execute and deliver reinsurance agreements and other necessary, desirable or appropriate agreements, contracts, documents, writings and other instruments with appropriate parties in connection with capital markets-based reinsurance transaction, and to take any other actions as may be deemed necessary, desirable or appropriate in connection therewith, provided, the Chairman of FMTAC, following consultation with the Chief Financial Officer and General Counsel, determines entry into such alternative capital markets based reinsurance transaction is in the best interests of FMTAC and the MTA.

PROCUREMENTS

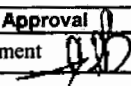

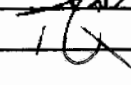
The Procurement Agenda this month includes 7 actions for a proposed expenditure of \$283.2 M.

Staff Summary

Subject	Request for Authorization to Award Various Procurements
Department	MTA Business Service Center
Department Head Name	Wael Hibri
Department Head Signature	
Division Head Name	David N. Ross

Date	January 9, 2020
Vendor Name	Various
Contract Number	Various
Contract Manager Name	Various
Table of Contents Ref #	

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance	01/21/2020	X		
2	Board	01/23/2020	X		

Internal Approvals					
Order	Approval	Order	Approval		
1	Procurement 	3	CFO 		
2	Legal 				

PURPOSE:

To obtain approval of the Board to award various contracts/contract modifications and purchase orders, as reviewed by the MTA Finance Committee.

DISCUSSION:

MTAHQ proposes to award Non-competitive procurements in the following categories:

Schedules Requiring Majority Vote:

Schedule F: Personal Service Contracts

	<u># of Actions</u>	<u>\$ Amount</u>
	1	\$ 93,385,062
SUBTOTAL	1	\$ 93,385,062

MTAHQ proposes to award Competitive procurements in the following categories:

Schedules Requiring Two-Thirds Vote:

Schedule C: Competitive Requests For Proposals (Award of Purchase and Public Work Contracts)

	1	\$ 149,160,000
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Schedules Requiring Majority Vote:

Schedule F: Personal Service Contracts

	3	\$ 12,500,000
SUBTOTAL	4	\$ 161,660,000

MTAHQ proposes to ratify procurements in the following categories:

Schedules Requiring Majority Vote:

Schedule K: Ratification of Completed Procurement Actions

	2	\$ 28,179,013
SUBTOTAL	2	\$ 28,179,013
TOTAL	7	\$ 283,224,075

BUDGET IMPACT: The purchases/contracts will result in obligating MTAHQ operating and capital funds in the amount listed. Funds are available in the current MTAHQ 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

METROPOLITAN TRANSPORTATION AUTHORITY

WHEREAS, in accordance with Section 1265-a and Section 120 of the Public Authorities Law and the All Agency Procurement Guidelines, the Board authorizes the award of certain non-competitive purchase and public work 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 Procurement Guidelines, the Board authorizes the award of certain non-competitive miscellaneous procurement contracts, and certain change orders to procurement, public work, and miscellaneous procurement contracts; and

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 the 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. The Board ratifies each action taken set forth in Schedule D 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 works 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.
7. The Board authorizes the budget adjustments to estimated quantity contracts set forth in Schedule L.

JANUARY 2020

LIST OF NON-COMPETITIVE PROCUREMENTS FOR BOARD APPROVAL

Procurements Requiring Majority Vote:

F. Personal Service Contracts

(Staff Summaries Required for items greater than: \$100K Sole Source; \$250K Other Non-Competitive, \$1M Competitive)

- | | | | |
|----|---|------------------------------------|--------------------------------------|
| 1. | New York State Industries
For the Disabled | \$93,385,062
(estimated) | <u>Staff Summary Attached</u> |
| | All-Agency Janitorial, Grounds Keeping & Lawn Maintenance Services | | |
| | Contract No. 0009000017 | | |
| | Non-competitively negotiated – 36 months with 2 one-year options | | |

Board approval is sought to award a non-competitive All-Agency contract for the provision of janitorial services, snow removal, grounds keeping, and lawn maintenance at various MTA facilities to New York State Industries for the Disabled, a New York State Preferred Source Vendor. The proposed term is three years with two one-year renewal options and the estimated contract amount is \$93,385,062 including yearly 3% prevailing wage increases and a 5% contingency to cover additional sites or services. The exercise of renewal options will be at MTA's sole discretion. The estimated costs are based on rates that were negotiated by MTA and are pending the New York State Office of General Services (OGS) approval. The proposed contract will not be awarded prior to OGS approval.

Staff Summary

Schedule F: Personal Service Contracts

Item Number: 1					
Dept & Dept Head Name: MTA Procurement; David N. Ross					
Division & Division Head Name: Business Service Center; Wael Hibri					
Board Reviews					
Order	To	Date	Approval	Info	Other
1	Finance	01/21/20	X		
2	Board	01/23/20	X		
Internal Approvals					
Order	Approval	Order	Approval		
1	Procurement	4	Legal		
2	DDCR				
3	CFO				

SUMMARY INFORMATION	
Vendor Name: New York State Industries for the Disabled	Contract Number: 0009000017
Description: All-Agency Janitorial, Grounds Keeping & Lawn Maintenance Services	
Total Amount: \$93,385,062	
Contract Term (including Options, if any): Three (3) years with two (2) one-year options	
Option(s) included in Total Amount? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
Renewal? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
Procurement Type: <input type="checkbox"/> Competitive <input checked="" type="checkbox"/> Non-competitive	
Solicitation Type: <input type="checkbox"/> RFP <input type="checkbox"/> Bid <input checked="" type="checkbox"/> Other: Preferred Source	
Funding Source: <input checked="" type="checkbox"/> Operating <input type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:	

Narrative

I. PURPOSE

Board approval is sought to award a non-competitive All-Agency contract for the provision of janitorial services, snow removal, grounds keeping, and lawn maintenance at various MTA facilities to New York State Industries for the Disabled, a New York State Preferred Source Vendor. The proposed term is three years with two one-year renewal options and the estimated contract amount is \$93,385,062 including yearly 3% prevailing wage increases and a 5% contingency to cover additional sites or services. The exercise of renewal options will be at MTA's sole discretion. The estimated costs are based on rates that were negotiated by MTA and are pending the New York State Office of General Services (OGS) approval. The proposed contract will not be awarded prior to OGS approval.

II. DISCUSSION

The proposed contract would be awarded on a non-competitive basis in accordance with Section 162 of the New York State Finance Law, which provides contracts awarded to Preferred Source providers are exempt from statutory competitive procurement requirements provided they are (i) capable of providing the service in the form, function and utility required and (ii) the price offered is as close to the prevailing market prices as is practicable. NYSID meets these requirements and has been providing the same or similar services for the MTA since 2013.

NYSID originally proposed a monthly rate of \$1.39 million or \$16.7 million per year covering over forty-three locations throughout the tri-state area. The services include a wide array of Custodial services that include cleaning floor maintenance, rug treatments, blind cleaning, vacuuming and trash removal. Overall, pricing is 15% more than under the predecessor contract which is attributed to: i) added locations, ii) increased staffing, iii) increases in prevailing wages/benefits over the past six years and iv) added weekend and holiday cleaning for some locations. Negotiations with NYSID resulted in a reduction of \$70k or about 0.41% per year.

NYSID conducted a market survey of non-preferred source vendors as required by the OGS Preferred Source Application for price approval pursuant to Section 162 (6) of the New York State Finance Law. The market survey is included in the application that is currently pending approval by OGS. The results of the market survey were also submitted to the MTA for review and we note that it shows one alternative cost proposal in the amount of \$1.35 million per month, which is about \$40k or 3% lower than the NYSID proposed price. Since NYSID's proposed price is less than 15% higher than those offered by a non-preferred source for the same or equivalent commodities or services, this case suggests that the proposed rates fall within guidelines.

Additionally, MTA Procurement reviewed labor rates from proposals received under a separate janitorial services contract being presented for MTA Board approval this month for locations managed by MTA's Property Management Company. The comparison indicated that NYSID's hourly rates for comparable positions were lower than any of the firms that offered services in response to the Property Management Company's procurement. Moreover, the remaining titles are covered under New York State Article 9, Section 230 of the Labor Law and are in accordance to the Prevailing Wage rates set by the Comptroller, therefore found fair and reasonable.

NYSID is the incumbent and their services have been acceptable throughout the term of their contract.

III. D/M/WBE INFORMATION

In accordance with the New York Finance Law, section 162, the MTA is offering New York State Industries for the Disabled (NYSID) this contract as a Preferred source to supply persons who qualify to perform Janitorial services in accordance with the MTA requirements and the New York State OGS Preferred Source Services Listing. As such, Preferred Source procurements are exempt from M/WBE and SDVOB goals consideration by MTA Department of Diversity and Civil Right.

IV. IMPACT ON FUNDING

The total cost for this contract is \$93,385,062.03; and will be funded by the various agencies' operating budgets.

V. ALTERNATIVES

Not approve award of this contract. This alternative is not recommended as janitorial services are required for the safe operation of the MTA facilities that are covered under this agreement. Additionally, MTA and its subsidiary agencies do not have the in-house resources needed to perform this work.

JANUARY 2020

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 requiring Board approval.)

- | | | | |
|----|--|-------------------------------------|--------------------------------------|
| 2. | Turtle & Hughes, Inc.
All Agency Procurement of
Maintenance, Repair and Operating Supplies & Related Products and Services
Contract No. 11751-0500-1
Competitively negotiated – 2 proposals – 60 months with 2 one-year options | \$149,160,000
(estimated) | <u>Staff Summary Attached</u> |
|----|--|-------------------------------------|--------------------------------------|

Board approval is sought to award the Electrical category of Maintenance, Repair and Operating Supplies and related products (“MRO”) pursuant to a competitively negotiated All-Agency request for proposals (RFP) to Turtle & Hughes, a NYS Certified Women Owned Business Entity, in the not-to-exceed amount of \$1149,160,000. The contract period is five years with two one-year options to be exercised at MTA’s sole discretion. The not to exceed amount is based on 7 years and includes a 10% contingency.

F. Personal Service Contracts

(Staff Summaries Required for items greater than: \$100K Sole Source; \$250K Other Non-Competitive, \$1M Competitive)

- | | | | |
|------|--|---|--------------------------------------|
| 3-5. | Various
Asbestos Consultant Services
Contract No. 41678
Competitively negotiated – 7 proposals – 36 months with 1 two-year option | \$12,500,000
(aggregate budget) | <u>Staff Summary Attached</u> |
|------|--|---|--------------------------------------|

- a. Environmental, Planning and Management Group
- b. LIRO Engineers
- c. ATC Group Services LLC

Board approval is sought to award indefinite quantity on-call asbestos consultant services contracts to Environmental Planning & Management Group (EPM), LIRO Engineers, and ATC Group Services LLC (ATC) for NYC Transit and Long Island Railroad. The period of performance is three years plus a unilateral MTA option to extend for an additional two years. The not to exceed award amounts are \$6.5 million for NYC Transit and \$6 million for Long Island Railroad, for a total aggregate budget of \$12.5 million. These contracts have no minimum guarantee of assignments.

Staff Summary

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

Item Number: 2					
Dept & Dept Head Name: MTAHQ Procurement - David Ross					
Division & Division Head Name: BSC – Wael Hibri					
Board Reviews					
Order	To	Date	Approval	Info	Other
1	Finance	01/21/20	X		
2	Board	01/23/20	X		
Internal Approvals					
Order	Approval	Order	Approval		
1	Procurement	4	CFO		
2	DDCR				
3	Legal				

SUMMARY INFORMATION	
Vendor Name: Turtle & Hughes	Contract Number: 11751-0500-1
Description: All-Agency Procurement of Maintenance, Repair and Operating (MRO) Supplies & Related Products and Services	
Total Amount: \$149,160,000	
Contract Term (including Options, if any): 60 months with two (2) 12-month options	
Option(s) included in Total Amount?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Renewal?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Procurement Type: <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Non-competitive	
Solicitation Type: <input checked="" type="checkbox"/> RFP <input type="checkbox"/> Bid <input type="checkbox"/> Other:	
Funding Source: <input checked="" type="checkbox"/> Operating <input type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:	

Narrative

I. PURPOSE/RECOMMENDATION

Board approval is sought to award the Electrical category of Maintenance, Repair and Operating Supplies and related products (“MRO”) pursuant to a competitively negotiated All-Agency request for proposals (RFP) to Turtle & Hughes, a NYS Certified Women Owned Business Entity, in the not-to-exceed amount of \$149,160,000. The contract period is five years with two one-year options to be exercised at MTA’s sole discretion. The not-to-exceed amount is based on 7 years and includes a 10% contingency.

II. DISCUSSION

The Board previously approved award of this category to Fastenal on July 24, 2019 but three high volume wire & cable items were subsequently discovered to have miscalculated unit prices by Fastenal in its Best and Final Offer. Specifically, the RFP requested unit pricing per 1,000 meters of wire but Fastenal provided unit pricing per single foot of wire instead. After correcting for the mathematical error, Fastenal’s total price over the 7year contract period increased to an amount higher than that of Turtle & Hughes. HQ Procurement has conducted a review of all line items on this category and all other MRO categories and confirms that no similar miscalculation exists. In light of the error and its price impact, MTA HQ Procurement has cancelled the award for the Electrical category to Fastenal and recommends award to Turtle & Hughes.

The MTA and its agencies have historically purchased MRO through a multitude of contracts. This all-agency RFP combined the volumes of the entire MTA and its agencies to achieve cost effective pricing, reduce administrative and overhead costs through the standardization of some commodities, and through the use of e-commerce best practices for cataloguing, ordering and delivery systems.

An RFP was publicly advertised and letters advising potential proposers of its availability were sent to 127 firms, including 23 M/WBEs. Firms were invited to submit proposals for any number of the following 11 categories: Electrical, Material Handling, Building Supplies, Industrial Supplies, Security & Safety, Hand/Power Tools (subcategories: Hilti Proprietary Items and Snap-On Proprietary Items), Fluid Power, Hardware and Fasteners. Proposers were required to provide all product requirements, either with the same or functionally equivalent items within each category. In all, twelve proposals were received for the 11 categories, with between two to seven proposals in each category.

A single Selection Committee (“Committee”) was used for all categories that included representatives from NYCT, LIRR, MTAHQ, MNR, and MTA Bus. The evaluation criteria included: capabilities, experience, cost, and diversity. With respect to the Electrical category, proposals were received from Schiffman Electrical Supply, Fastenal Company and Turtle & Hughes. The Committee deemed Schiffman Electrical Supply to be out of the competitive range. Pricing for Schiffman was significantly higher than that of other proposals, and lacked experience with similarly large and complex contracts.

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

Contract No. 11751-0500-1

The Committee ultimately deemed the proposals from Fastenal and Turtles & Hughes responsive and within the competitive range for the Electrical category.

The committee considered the offerings provided by the firms that remained in the competitive range to be largely similar and, hence, the Committee recommended that the category selection be based on the lowest overall prices.

This MRO category covers thousands of items. In order to obtain efficient and manageable price schedules for price comparisons, the price schedules were developed with two pricing models; i) line item market basket pricing for purchases with high dollars, high frequency, and market availability, and ii) non-market basket pricing whereby the MTA will receive discount percentages off catalog prices for items not identified as part of the market basket. The below estimates for pricing comparisons are based on market basket pricing.

The estimate for the Electrical category is \$135.6 million without the 10% contingency. Turtle & Hughes's best and final offer is \$114,853,537, which is 11.6% or about \$15.1 million less than Fastenal's corrected offer and 15.2% or about \$20.7 million less than MTA's estimate. The pricing proposal from Turtle and Hughes is firm for first 12 months, after which there will be annual adjustments based on the Producer Price Index for remainder of the contract period.

Based on the above, Turtle & Hughes' best and final offer is considered fair and reasonable. In connection with a previous contract awarded to Turtle and Hughes, it was found to be responsible notwithstanding significant adverse information pursuant to the All-Agency Responsibility Guidelines, and such responsibility finding was approved by the MTA Chairman/CEO on March 26, 2019. No new SAI has been found and Turtle and Hughes has been found to be responsible.

III. D/M/WBE INFORMATION

The Department of Diversity and Civil Rights (DDCR) has established goals of 15% MBE, 15% WBE participation. Turtle & Hughes is a NYS Certified WBE and therefore covers the requirement for the 15% WBE participation. Turtle & Hughes has submitted its MBE utilization plan which is currently under review. The contract will not be awarded without DDCR approval.

IV. IMPACT ON FUNDING

The total cost for this Electrical category is \$149,160,000 and will be funded by various agencies' operating budgets.

V. ALTERNATIVES

Procure MRO supplies and services on an as-needed basis. This alternative is not recommended as it would result in an opportunity lost for the MTA to improve purchasing efficiencies and identify potential cost savings.

Staff Summary

Schedule F: Personal Service Contracts

Item Number: 3-5					
Dept & Dept Head Name: MTA BSC Shared Services, Wael Hibri					
Division & Division Head Name: Office of System Safety, Carl Hamann					
Office of Corporate Safety, Loretta Ebbighausen					
Board Reviews					
Order	To	Date	Approval	Info	Other
1	Finance	01/21/20	X		
2	Board	01/23/20	X		
Internal Approvals					
Order	Approval	Order	Approval		
1	Procurement	4	CFO		
2	Legal	5	NYCT System Safety		
3	DDCR	6	LIRR System Safety		

SUMMARY INFORMATION	
Vendor Name: Environmental, Planning and Management Group (EPM); LIRO Engineers; ATC Group Services LLC (ATC)	Contract Number: 41678
Description: Asbestos Consultant Services	
Total Amount: \$12,500,000 (aggregate budget)	
Contract Term (including Options, if any): 3 years plus a 2-year option	
Option(s) included in Total Amount? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
Renewal? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
Procurement Type: <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Non-competitive	
Solicitation Type: <input checked="" type="checkbox"/> RFP <input type="checkbox"/> Bid <input type="checkbox"/> Other:	
Funding Source: <input checked="" type="checkbox"/> Operating <input checked="" type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:	

Narrative

I. PURPOSE/RECOMMENDATION

Board approval is sought to award indefinite quantity on-call asbestos consultant services contracts to the Environmental Planning & Management Group (EPM), LIRO Engineers, and ATC Group Services LLC (ATC) for NYC Transit and Long Island Railroad. The period of performance is three years plus a unilateral MTA option to extend for an additional two years. The not to exceed award amounts are \$6.5 million for NYC Transit and \$6 million for Long Island Railroad, for a total aggregate budget of \$12.5 million. These contracts have no minimum guarantee of assignments.

II. DISCUSSION

Work sites at MTA's NYCT & LIRR facilities may contain hazardous materials including asbestos, lead and biological agents that can pose a risk to the health and safety of MTA employees, customers, and the public if not remediated and disposed of safely. Pursuant to requirements administered by the NYS Department of Labor's Asbestos Control Bureau, a pool of pre-qualified consultants is needed to provide supervision, air-monitoring and support for asbestos removal work to ensure the availability of timely support services to meet the MTA's project schedule while ensuring regulatory compliance. These services are needed by both NYCT and LIRR.

The RFP was publicly advertised, and seven firms submitted proposals for NYC Transit and six for LIRR. The selection committee included representatives who manage hazardous material programs for NYC Transit's Office of System Safety, Department of Subways, Capital Program Management, and LIRR's Department of System Safety. Firms were evaluated based on their relevant experience, approach to the work, administrative responsibilities including compliance and quality control, oral presentations, pricing, and a firm's MWSBE status as a quantitative factor. Of the six firms that submitted proposals, two firms were selected for a award for LIRR (ATC and EPM) and three firms for NYC Transit (ATC, EPM, and LIRO). All of the firms demonstrated a clear understanding of the scope of work, offered detailed quality control plans, competitive rates, and qualified teams. Additionally, EPM is a certified WBE firm.

Pursuant to the RFP's requirements, initial proposals for these time sensitive projects provide: i) fully-loaded hourly rates for abatement oversight and testing, and ii) lump sum pricing for initial site assessment.

Work orders under the contract will be issued either on: i) a competitive basis or ii) at the discretion of the Project Manager when only a single firm is available or has the necessary technical expertise. The contracts will replace existing asbestos consultant contracts expiring in January 2020. Both agencies' in-house estimates accounted for the quantities anticipated for the duration of the contract. Rates and pricing were solicited as a mix of lump-sum fees and hourly rates, all of which were compared with in-house estimates.

For NYC Transit, the cost estimate for the fees ranged from \$1,816 to \$2,524 with an average of \$2,194 per site occurrence. Initial proposals came in at a range of \$985 - \$2,295, with an average cost of \$1,730 per occurrence. These fees were negotiated down to a range of \$985 to \$2,200 or on average a \$1,696 per site occurrence. The negotiated rates are 23% lower cost than the in-house estimates and 2% lower than the initial cost proposal. The in-house estimated hourly rates ranged from \$53 to \$152 per hour with an average estimated rate of \$95 per hour. Initial proposals contained rates of \$40 to \$156, with an average rate of \$87 per hour. These fees were negotiated down to an average of \$84 per hour or 11% less than the in-house estimate and a 3% lower than the initial proposal.

For LIRR, the in-house lump sum fees ranged from \$1,040 to \$2,183, with an average of \$1,941 per site occurrence. Initial proposals came in at a range of \$1,200 to \$2,625, with an average fee of \$1,675 per occurrence. These fees were negotiated down to a range of \$1,200 to \$2,525 or, on average, a \$1,631 per site occurrence, or 3% lower than the initial proposed rates and 16% lower than the in-house estimate. In-house estimated hourly rates for multiple disciplines ranged from \$45 to \$141 per hour, with an average estimated rate of \$91 per hour. Initial proposal rates ranged from \$41 to \$156 with an average rate of \$88 per hour. Following negotiations, the average hourly rate of \$88 was reduced to \$87 per hour which is 1% lower than the initial proposed costs and is 4% lower than the in-house estimate.

The negotiated lump sum rates and the average hourly rates for various job categories are the same or lower than current contract rates. Based on the foregoing, the BAFOs submitted by ATC, EPM, and LIRO are deemed fair and reasonable. All proposed contract rates will remain in effect for the initial three-year duration and through the option years if exercised.

Responsibility reviews of EPM, LIRO and ATC conducted pursuant to the All-Agency Responsibility Guidelines revealed no significant adverse information and EPM, LIRO and ATC have been found to be responsible.

III. D/M/WBE INFORMATION

The Department of Diversity and Civil Rights (DDCR) establish 0% MWBE and SDVOB goals on this contract due to the lack of subcontracting opportunities. Environmental Planning and Management Group (WBE), LIRO Engineers and ATC Group Services LLC have achieved their MWBE goals on previous MTA contracts.

IV. IMPACT ON FUNDING

Funding for these contracts are available from NYC Transit's operating budget and LIRR's operating and capital budgets.

V. ALTERNATIVES

Perform the services with in-house personnel. This alternative is not feasible because the MTA currently lacks the available in-house personnel able to perform this type of work.

JANUARY 2020

LIST OF RATIFICATIONS FOR BOARD APPROVAL

Procurements Requiring Majority Vote:

K. Ratification of Completed Procurement Actions (Involving Schedule E-J)
(Staff Summaries required for items requiring Board approval.)

6. **Guardian Services Industries, Inc. \$27,089,915** *Staff Summary Attached*
Custodial Services for 2 Broadway, (estimated)
525 North White Plains, Jamaica Control Center, 420 Lexington Ave,
50th Street Commons, and 6 MTA PD Locations
Contract No. 19000
Competitively negotiated – 9 proposals - 36 months

Board approval is sought to ratify the award of a competitively negotiated, miscellaneous services contract to Guardian Services Industries Inc. to provide custodial services for MTA facilities located at 2 Broadway, 420 Lexington Avenue, 525 North White Plains, 144- 41 94th Avenue Jamaica, 48 East 50th Street Pocket Park Commons, 33-01 Northern Blvd, 14 Perlin Lane, 24 South MacQuesten Parkway, 10 West Suffolk Avenue, 70 Southside Place, and 7-11 Beekman Street. The period of performance is three-years commencing on December 1, 2019 in the amount of \$27,089,915.05.

7. **Guidehouse LLP \$1,089,098** *Staff Summary Attached*
Timekeeping Modernization (not-to exceed)
Contract No. 15489-0100
Competitively negotiated ride – 1 proposal - 8 months

Board approval is requested to ratify an amendment to a competitively negotiated, personal service contract to Guidehouse LLP (“Guidehouse”) to provide timekeeping modernization services. This contract rides a competitively awarded contract with New York State Division of Budget. The timekeeping modernization initiative is consistent with Legislation that directed the MTA to develop a personnel and reorganization plan (under Section 1279-e of the New York Public Authorities Law, the “Transformation Plan”). Timekeeping modernization will transition and integrate all agencies and departments into a single, biometric, digital time and attendance system. The objective of this timekeeping initiative is to reduce paperwork, modernize the MTA’s recordkeeping, and increase transparency in the use of public funds, as well as improve efficiency and security.

Staff Summary

Schedule K: Ratification of Completed Procurement Actions (Involving Schedules E-J)

Item Number: **6**

Vendor Name (& Location): Guardian Services Industries, Inc.	Contract Number: 19000	Renewal? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Description: Custodial Services for 2 Broadway, 525 North White Plains, Jamaica Control Center, 420 Lexington Ave, 50 th St Commons, and 6 MTA PD Locations	Total Amount: \$27,089,915	
Contract Term (including Options, if any): December 1, 2019 – November 30, 2022	Funding Source: <input checked="" type="checkbox"/> Operating <input type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:	
Option(s) included in Total Amount? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Requesting Dept/Div & Dept/Div Head Name: MTA C&D/Real Estate; David Florio	
Procurement Type: <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Non-competitive	Contract Manager: Scott Mayclim	
Solicitation Type: <input checked="" type="checkbox"/> RFP <input type="checkbox"/> Bid <input type="checkbox"/> Other:		

PURPOSE:

Board approval is sought to ratify the award of a competitively negotiated, miscellaneous services contract to Guardian Services Industries Inc. to provide custodial services for MTA facilities located at 2 Broadway, 420 Lexington Avenue, 525 North White Plains, 144- 41 94th Avenue Jamaica, 48 East 50th Street Pocket Park Commons, 33-01 Northern Blvd, 14 Perlin Lane, 24 South MacQuesten Parkway, 10 West Suffolk Avenue, 70 Southside Place, and 7-11 Beekman Street. The period of performance is three-years commencing on December 1, 2019 in the amount of \$27,089,915.05.

DISCUSSION:

Pursuant to CBRE’s contract with the MTA, CBRE manages all facets of property management at specified properties including maintenance, cleaning, security and safety, maintenance and operation of building systems, landscaping and capital project implementation-using a combination of personnel on its own payroll (CBRE Personnel), subcontractors procured by CBRE (“CBRE-procured Subcontractor’s”) and contractors procured directly by MTA Procurement (MTA-Procured Contractors). As prescribed by the applicable Staff Summary and contract, CBRE is required to follow MTA approved procurement processes and guidelines and is subject to oversight by MTA Real Estate and MTA Procurement. The proposed contract is required to maintain a high level of quality custodial and janitorial services at the MTA facilities mentioned above and was procured in accordance with the aforementioned guidelines. While CBRE conducted the procurement, the selection committee consisted of representatives from the following MTA departments: Real Estate, New York City Transit, Bridges and Tunnels, and Construction and Development.

The RFP was publicly advertised and proposals were received from Atalia, Able, ABM, Alliance, Empire, Guardian, Triangle, and United Building Solutions. Proposals were evaluated based on: i) responsiveness to the RFP, ii) experience and qualifications of supervisory and back office personnel, iii) prior experience providing similar services, iv) cost and v) MWSBE status as a quantitative factor. After initial/technical reviews and oral presentations, the committee determined that Guardian and Able the strongest proposals and invited for negotiations based on their demonstrated understanding of the scope of work, detailed staffing plans, highly qualified staff and competitive rates. .

Initial cost proposals ranged from \$20.6 million to \$40.5 million with Guardian and Able at \$24.6 million and \$28.4 million respectively. Three proposals were priced lower than those of Guardian and Able but none of them were considered technically qualified. One lacked similar building experience and failed to provide a detailed work plan, the second firm submitted work plans for just two of the eleven properties and the third proposed staffing levels that were deemed insufficient and lacking in relevant (domestic) experience.

Four of out the nine proposers were shortlisted and invited for oral presentations. Two of the short-listed firms, were eliminated from further consideration after oral presentations. One proposer suggested innovative methods and technologies that were untested and inconsistent with those that were presented in the written response to the RFP as well as a staffing plan that did not meet the current RFP's expanded specifications. The second was eliminated as discussed above. The remaining proposers Guardian and Able were selected for negotiations and Guardians Best and Final is lower than Able.

Negotiations focused on the staffing levels for each work site and culminated with the following best and final offers: Guardian: \$27,089,915 and Able: \$29,119,986. Viewing the proposals to be largely similar on non-cost factors, the Selection Committee recommended Guardian. Based on the above, Guardian's negotiated price in the amount of \$27,089,915 is fair and reasonable.

MBE/WBE INFORMATION:

DDCR established 15% MBE and 15% WBE goals based on the original CBRE contract 15326-0100, to which Guardian will become a subcontractor. Guardian will be submitting an MWBE utilization plan to meet the 30% MWBE goal. CBRE/Guardian will work with DDCR to achieve MWBE goals through the duration of the contract.

Staff Summary

Schedule K: Ratification of Completed Procurement Actions (Involving Schedules E-J)

Item Number: 7

Vendor Name (& Location): Guidehouse LLP	Contract Number: 0000015486-0100	Renewal? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Description: Timekeeping Modernization	Total Amount: \$1,089,098	
Contract Term (including Options, if any): 7/1/2019 – 2/7/2020	Funding Source: <input checked="" type="checkbox"/> Operating <input type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:	
Option(s) included in Total Amount? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Requesting Dept/Div & Dept/Div Head Name: Patrick Warren, Chief Safety Officer	
Procurement Type: <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Non-competitive	Contract Manager: Ryan Gardrvits	
Solicitation Type: <input type="checkbox"/> RFP <input type="checkbox"/> Bid <input checked="" type="checkbox"/> Other: Contract Ride		

I. PURPOSE/RECOMMENDATION

Board approval is requested to amend a competitively negotiated contract with Guidehouse LLP (“Guidehouse”) for personal services in support of timekeeping modernization, increasing the total contract value to \$1,089,098. The required services are consistent with Legislation that directed the MTA to develop a personnel and reorganization plan under Section 1279-e of the New York Public Authorities Law (the “Transformation Plan”).

II. DISCUSSION

The timekeeping modernization initiative will transition and integrate all agencies and departments into a single, biometric, digital time and attendance system, thus reducing paperwork and increasing transparency in the use of public funds.

Guidehouse was initially engaged on July 1, 2019 to assist with the transition and integration of four disparate timekeeping systems into one for \$461,595. The contract was awarded as a ride of a competitively issued New York State Division of Budget contract. The State’s contract provides that, as the highest composite scorer, Guidehouse is given the first opportunity to accept assignments. Guidehouse was considered fully capable of performing on this assignment because of their knowledge and expertise with respect to leading practices research and advice on the implementation of biometric timekeeping systems for comparable organizations.

While Guidehouse’s services for the Initial Phase were underway, a third party (Morrison & Foerster LLP) was tasked with examining MTA policies and procedures relating to time and attendance and the authorization and solicitation of overtime by management. As part of this engagement, Morrison & Foerster provided the MTA with a written report of findings and recommendations in August 2019 with recommendations that had implementation dates that ranged from one to 12 months from the date of the Report. The MTA is implementing all recommendations from the Report in accordance with the timelines established to better manage the costs associated with overtime as required by the Transformation Plan. One of the key recommendations was that the MTA establish a Centralized Repository for Overtime Policies within a three-month timeframe and the Guidehouse engagement was expanded hit this milestone on-time. The cost for this second phase was \$256,915, thus increasing the total contract amount to \$718,510. Guidehouse completed both phases of deliverables satisfactorily and on time, and the remaining recommendations from the Morrison and Foerster report were assigned to various working groups that were established, reporting to a centralized task force.

The task force subsequently determined that Guidehouse’s services were required in order to achieve a second Morrison & Foerster milestone on time. That recommendation called for documenting collective bargaining agreements, work rules and practices throughout each of the agencies that drive overtime costs and to identify gaps and inconsistencies in current policies. This additional work includes will cost \$370,588, increasing the contract total contract amount to \$1,089,098. MTA’s internal resources do not have the necessary bandwidth to meet the timelines established.

Through this change order, Guidehouse will develop a list of current work rules that are relevant to time and attendance and overtime issues, and their interpretations for represented employees across the MTA. Guidehouse was selected based on satisfactory performance on the previous timekeeping modernization assignments and this work is seen as continuation of the earlier phases. Due to the urgency of this critical work, Guidehouse has already started. In support of the implementation of Kronos biometric clocks as the primary timekeeping tool, the MTA has established an aggressive timeframe for integrating Kronos with the agency payroll systems. Recognizing that the rollout of new policies and infrastructure to support it may require additional efforts from Guidehouse as a strategic partner, we note that there may be subsequent increases requiring Board approval.

The fully-loaded hourly rates used by Guidehouse range from \$141 for Management Analyst to \$429 for Engagement Partner levels. In compliance with the 10% Cost Reduction Initiative implemented earlier in 2019, a 10% rate reduction was negotiated, resulting in reduced rates ranging from \$127 for an Analyst to \$375 for Engagement Partner. These reduced rates are consistent with rates previously used by Guidehouse within the past 12 months. The total savings realized as a result of these reduced rates is \$118,144, therefore the \$1,089,098 fee is determined to be fair and reasonable.

A responsibility review of Guidehouse, conducted pursuant to the All-Agency Responsibility Guidelines, revealed no significant adverse information and Guidehouse has been found to be responsible.

III. D/M/WBE INFORMATION

The MTA Department of Diversity and Civil Rights (DDCR) has established 0% MBE, 0% WBE and 0% SDVOB goals on this contract because of the urgency and high priority nature of this project. Guidehouse has not achieved its MWDBE goals in past contracts; however, it has demonstrated good faith efforts towards meeting these goals.

IV. IMPACT ON FUNDING

The total cost for this contract is for \$1,089,098 and will be funded by the MTAHQ's operating budget.

V. ALTERNATIVES

1. Perform services in-house – This alternative is not practical, since the MTA does not have the specialized expertise or bandwidth in the existing workforce with the time for completion on this urgent project. Hiring full and part time employees, including associated overhead costs would not be cost effective or timely due to the aggressive deadlines and multiple workstreams. This project is provided and managed best by an independent outside firm with subject matter expertise (SME) capable of providing the deliverables, which are unbiased and supported by best practices SME.
2. Do not approve award – This would result in delays with deliverables that don't meet the objectives of the Transformation Plan requirements. This alternative is not advisable.

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JANUARY 2020
MTA REAL ESTATE ACTION ITEMS
FOR
BOARD APPROVAL

MTA HEADQUARTERS

License with Hotel Chocolat for retail space in 2 Broadway, New York, NY

MTA LONG ISLAND RAIL ROAD

Amendment of pipeline license with LGA Fuel along Right Of Way in Queens, NY

Acquisition of easements from the City of New York to facilitate the new Penn Station entrance, New York, NY

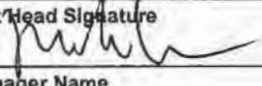
Agreement with Vornado Realty to terminate retail subleases in Penn Station to facilitate concourse improvements, New York, NY

MTA NEW YORK CITY TRANSIT

License agreement with Khaja Shujaiddin for the operation of a travel convenience store at Woodlawn subway station, Bronx, NY

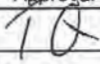


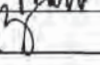
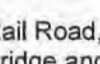
METROPOLITAN TRANSPORTATION AUTHORITY

Staff Summary

Subject LICENSE AGREEMENT WITH HOTEL CHOCOLAT AT 2 BROADWAY
Department REAL ESTATE
Department Head Name JOHN N. LIEBER
Department Head Signature 
Project Manager Name ALICIA BIGGS

Date JANUARY 21, 2020
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref. #

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance Committee	1/21/20	X		
2	Board	1/23/20	X		

Internal Approvals			
Order	Approval	Order	Approval
1	Legal		
2	Chief Development Officer		
3	Deputy General Counsel		
4	Chief Financial Officer		

AGENCY: Metropolitan Transportation Authority ("MTA"), as agent for MTA Long Island Rail Road, MTA Metro-North Railroad, New York City Transit Authority, and Tri-borough Bridge and Tunnel Authority (collectively, the "MTA Parties")

LICENSEE: Hotel Chocolat (or an entity to be formed)

LOCATION: Ground floor retail space in 2 Broadway, New York, NY

ACTIVITY: License for the retail sale of chocolate, confectionery and other associated products

ACTION REQUESTED: Authorization to enter into a license agreement

TERM: 2 years, terminable at will by MTA upon 60 days' prior written notice with no cost

SPACE: 1,480 square feet consisting of 1,145 sq. feet of retail space and 335 sq. feet of storage space at the Location

COMPENSATION: \$132,000 per year / \$11,000 per month

COMMENTS:

Hotel Chocolat approached MTA Real Estate requesting a 2-year license agreement to occupy vacant ground floor retail space at 2 Broadway for the retail sale of chocolate, confectionery and other associated products. Hotel Chocolat operates 130 locations across the United Kingdom and has undertaken efforts to expand across the United States and Japan. They currently have 4 locations within the United States, including Turnstyle Underground Market at Columbus Circle.

Hotel Chocolat, at its sole cost and expense, will be responsible for initial improvements including cleaning, painting and installing removable shelves and fixtures. Hotel Chocolat will provide a 3 month security deposit and, if determined necessary by MTA RED, will provide a personal guaranty by a credit-worthy principal to secure Licensee's obligations under the license agreement. MTA Real Estate's retail consultant views the proposed compensation as reasonable given the temporary use.

MTA Real Estate has been unsuccessfully marketing this space by RFP and is continuing to pursue efforts to locate a long-term tenant for this space. Pursuant to MTA RED's Policies and Procedures for the Licensing of Real Property where the location has been unsuccessfully marketed for the past 24 months, subject to MTA Board approval, MTA RED may enter into licenses for the location on a negotiated basis without seeking requests for proposals.

Staff Summary

FINANCE COMMITTEE MEETING



Metropolitan Transportation Authority

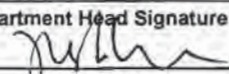
LICENSE AGREEMENT WITH HOTEL CHOCOLAT AT 2 BROADWAY (Cont'd.)

Page 2 of 2

Based on the foregoing, MTA Real Estate requests authorization for MTA, as agent for the MTA Parties, to enter into a license agreement with Hotel Chocolat on the above-described terms and conditions.

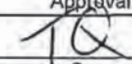
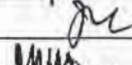
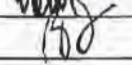

MTA LONG ISLAND RAIL ROAD

Staff Summary

Subject AMENDMENT OF PIPELINE LICENSE WITH LGA FUEL ALONG LIRR RIGHT OF WAY
Department REAL ESTATE
Department Head Name JOHN N. LIEBER
Department Head Signature 
Project Manager Name MARLON HOLFORD

Date JANUARY 21, 2020
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref. #

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance Committee	1/21/20	X		
2	Board	1/23/20	X		

Internal Approvals			
Order	Approval	Order	Approval
1	Legal		
2	Chief Development Officer		
3	Deputy General Counsel		
4	Chief Financial Officer		

AGENCY: MTA Long Island Rail Road ("LIRR")

LICENSEE: LGA Fuel INC. ("LGA Fuel")

LOCATION: Right of Way ("ROW") through the Blissville and Sunnyside Yards

ACTIVITY: Occupancy of LIRR ROW for the purpose of operating and maintaining a jet-fuel pipeline from Blissville Yard and Sunnyside Yard to LaGuardia Airport

ACTION REQUESTED: Authorization to enter into a new license agreement with a licensee that has been in possession since the early 1970's

TERM: 20 years, with 1 option for a 10-year renewal term. The agreement will be subject to termination by LIRR for a transportation purpose on 365 days' notice

SPACE: Two longitudinal occupancies (i) a 1,342 linear foot parcel along LIRR's ROW through the Blissville Yard ("Parcel 1") and (ii) a 2,885 linear foot parcel along LIRR's ROW north of Barnett Avenue in the County of Queens, State of New York in Sunnyside Yards ("Parcel 2")

COMPENSATION: \$59,150 per annum with annual CPI increases

COMMENTS:

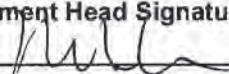
Currently, LGA Fuel owns, operates, and maintains a jet-fuel pipeline that occupies Parcel 1 and Parcel 2 along LIRR's ROW.

The installation exists under a license agreement dated September 1, 1973, as amended. The term of the license agreement expired on July 31, 2005. LGA Fuel is still in possession of the Location on a month to month basis. LGA Fuel has requested a new license agreement for the continued occupancy of the ROW.

The proposed compensation for the first license year is \$59,150 with annual CPI adjustments. The compensation was derived from an independent market appraisal that was conducted by Goodman-Marks Associates, Inc. in September 2019.

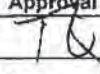


Based on the foregoing, MTA Real Estate requests authorization for LIRR to enter into a new license agreement with LGA Fuel on the above-mentioned terms and conditions.

Staff Summary

Subject ACQUISITION OF EASEMENTS FOR A NEW PENN STATION ENTRANCE
Department REAL ESTATE
Department Head Name JOHN N. LIEBER
Department Head Signature 
Project Manager Name ROBERT PALEY

Date January 21, 2020
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref. #

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance Committee	1/21/20	X		
2	Board	1/23/20	X		

Internal Approvals			
Order	Approval	Order	Approval
1	Legal		
2	Chief Development Officer		
3	Deputy General Counsel		
4	Chief Financial Officer		

AGENCY: MTA Construction & Development ("MTA C&D")
 MTA Bridges and Tunnels ("B&T")
 Metropolitan Transportation Authority ("MTA")
 MTA Long Island Rail Road (the "LIRR")

GRANTOR: The City of New York (the "City")

LOCATION: Area on the South side of West 33rd Street between Seventh and Eighth Avenues

ACTIVITY: Acquisition of permanent easements ("Easements") by the LIRR from the City at street level to build the new West 33rd Street entrance (the "New Entrance"), to the LIRR's Level A Concourse in Penn Station

ACTION REQUESTED: Authorization to acquire the Easements

COMPENSATION: N/A

COMMENTS:

In February, March and May, MTAC&D and the LIRR brought matters to the Board regarding the capital improvements at Penn Station including the New Entrance which will include stairs and 3 escalators from street level to the LIRR's Level A Concourse.

To build the New Entrance, the LIRR requires certain Easements from the City; namely, 1) permanent, exclusive easements for (i) operating, maintaining, repairing and replacing the New Entrance at street level and (ii) maintaining, repairing and replacing certain fixtures such as trench drains and non-City standard inlets for the New Entrance and 2) a non-exclusive access easement for the purpose of public access to and from the New Entrance. The City will also agree to a restrictive covenant whereby the City will refrain from placing utilities or any other equipment or installations in an area within and around the New Entrance. The City will agree that the exact dimensions of the Easements will be determined after the New Entrance is built.

The City will transfer these Easements to B&T which in turn will assign the Easements to the LIRR pursuant to Public Authorities Law Sections 553 (9)(r) and 553-e which provide a mechanism for MTA to request B&T to acquire from the

Staff Summary

FINANCE COMMITTEE MEETING



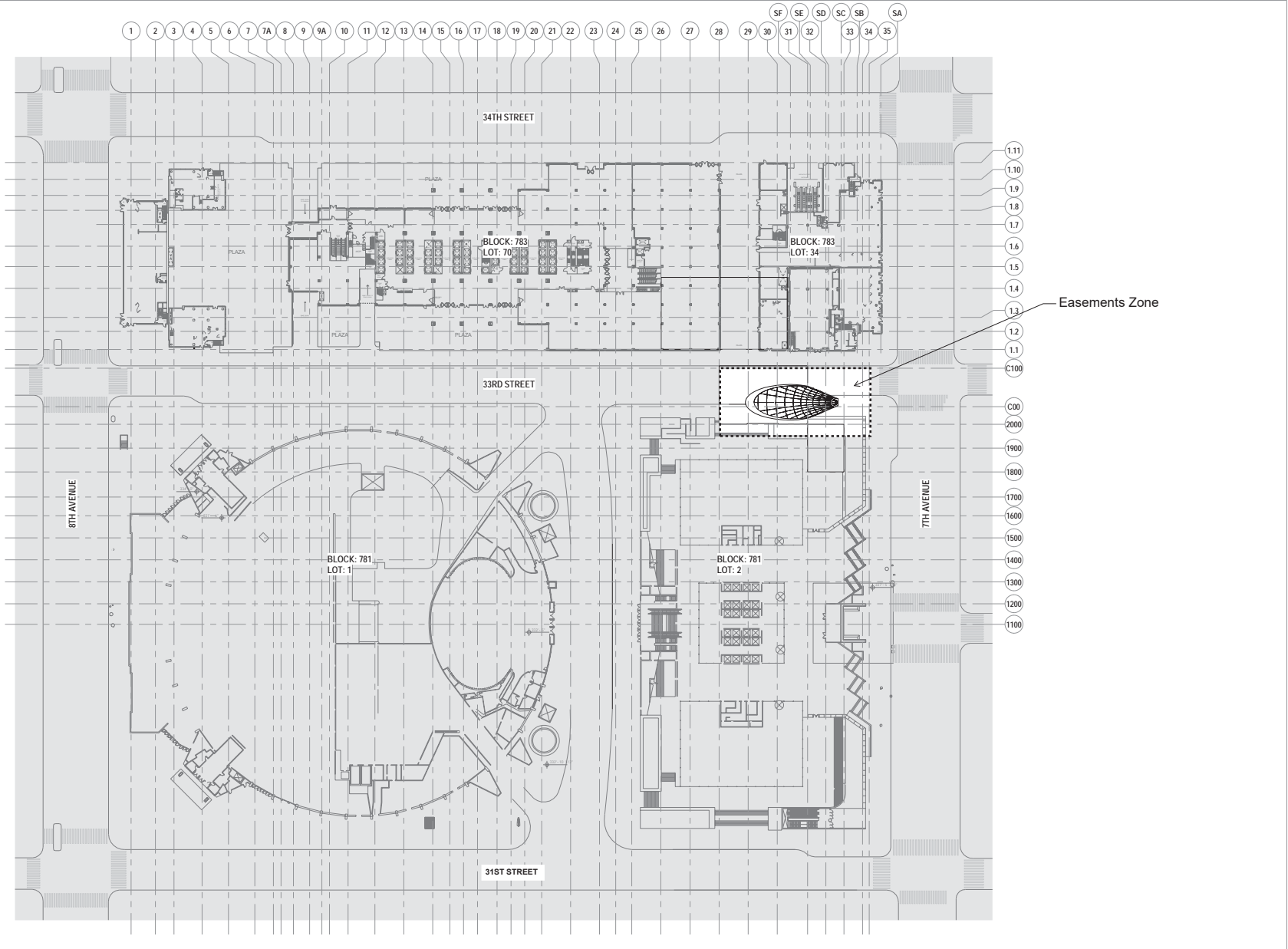
Metropolitan Transportation Authority

ACQUISITION OF EASEMENTS FOR A NEW PENN STATION ENTRANCE (Cont'd.)



Page 2 of 2

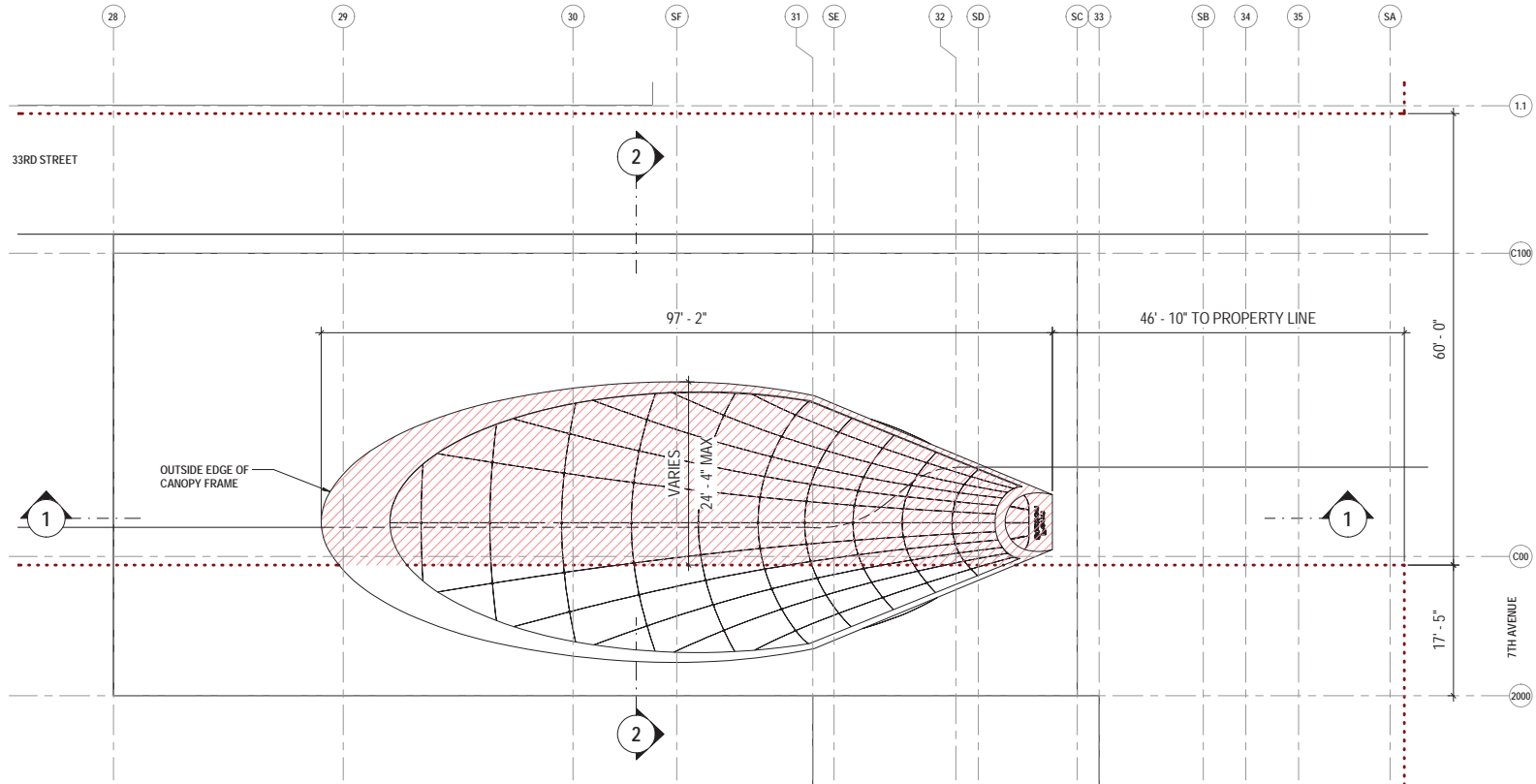
City any capital asset including real property or an interest therein which is used or is useful for a transit or transportation purpose of the MTA or a designated subsidiary, such as the LIRR.

Based on the foregoing, MTA Real Estate requests authorization for B&T to acquire for the benefit of the LIRR and for the LIRR to acquire the Easements for the New Entrance on the above terms and conditions.





Easements Location Plan

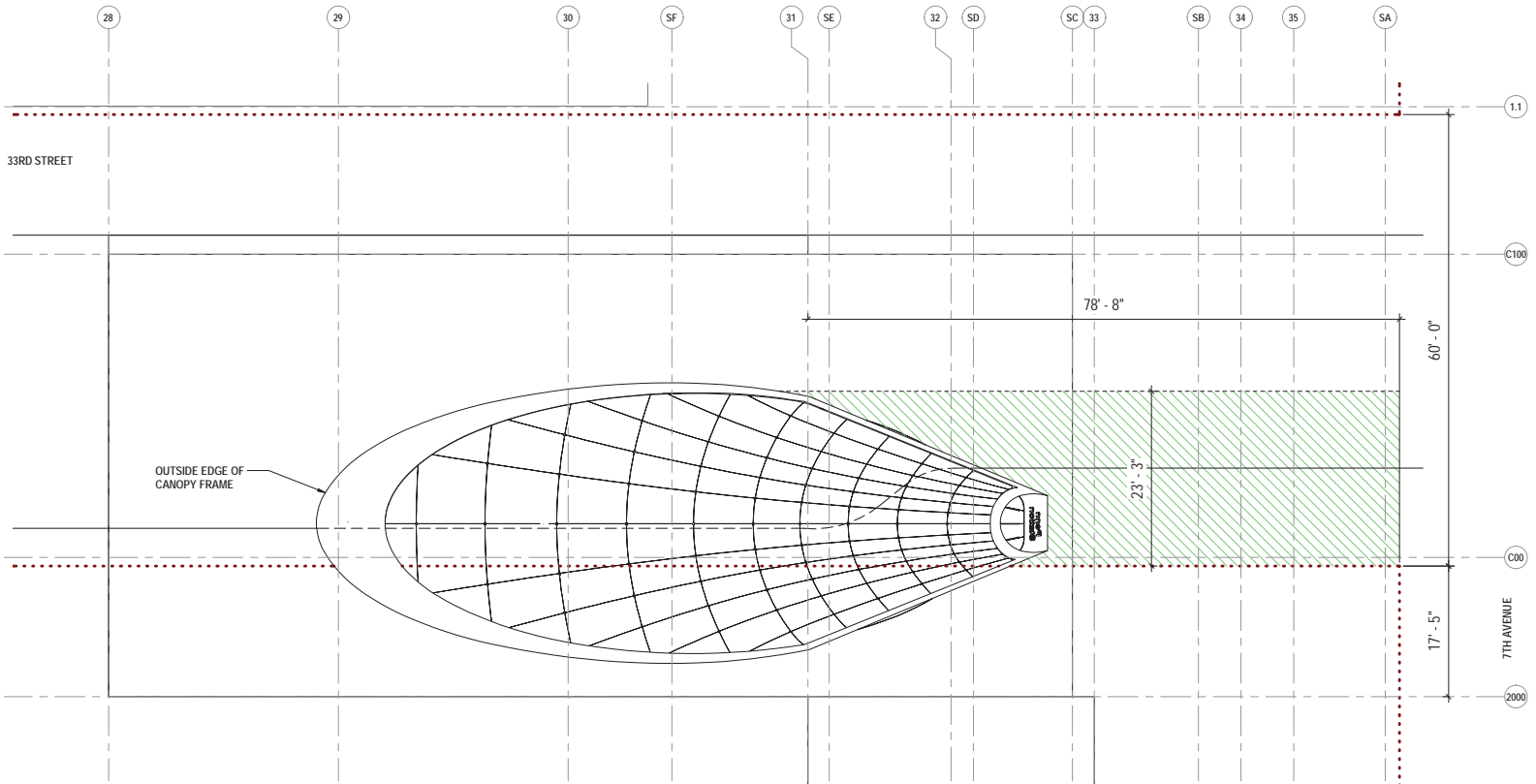
LEGEND	
	EXTENT OF MTA PERMANENT ENTRANCE EASEMENT IN 33RD STREET ROW
	PROPERTY LINE





Exclusive Entrance Easement - Plan

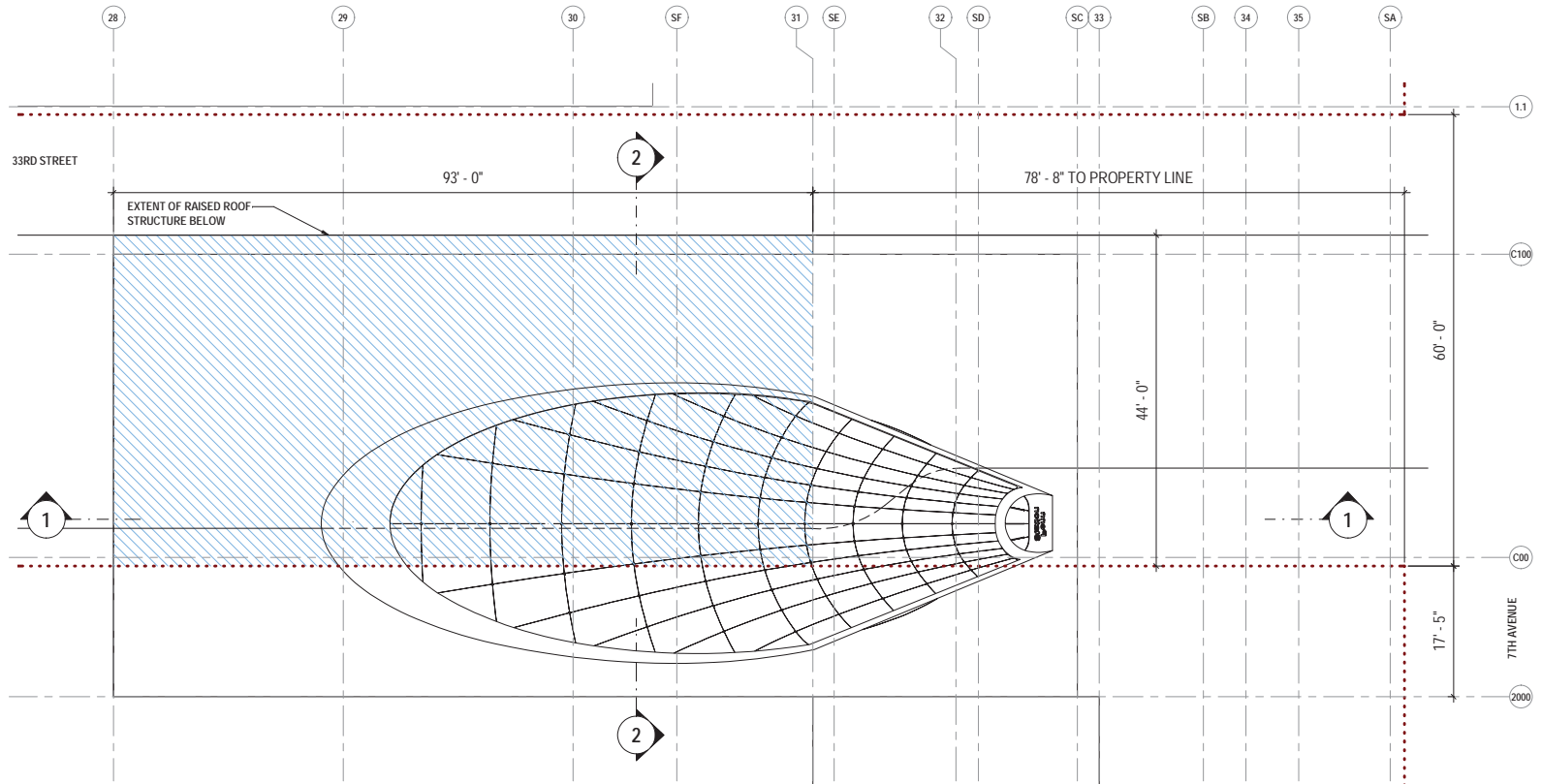


LEGEND	
	MTA NON-EXCLUSIVE PERMANENT ACCESS EASEMENT IN 33RD STREET ROW
	PROPERTY LINE






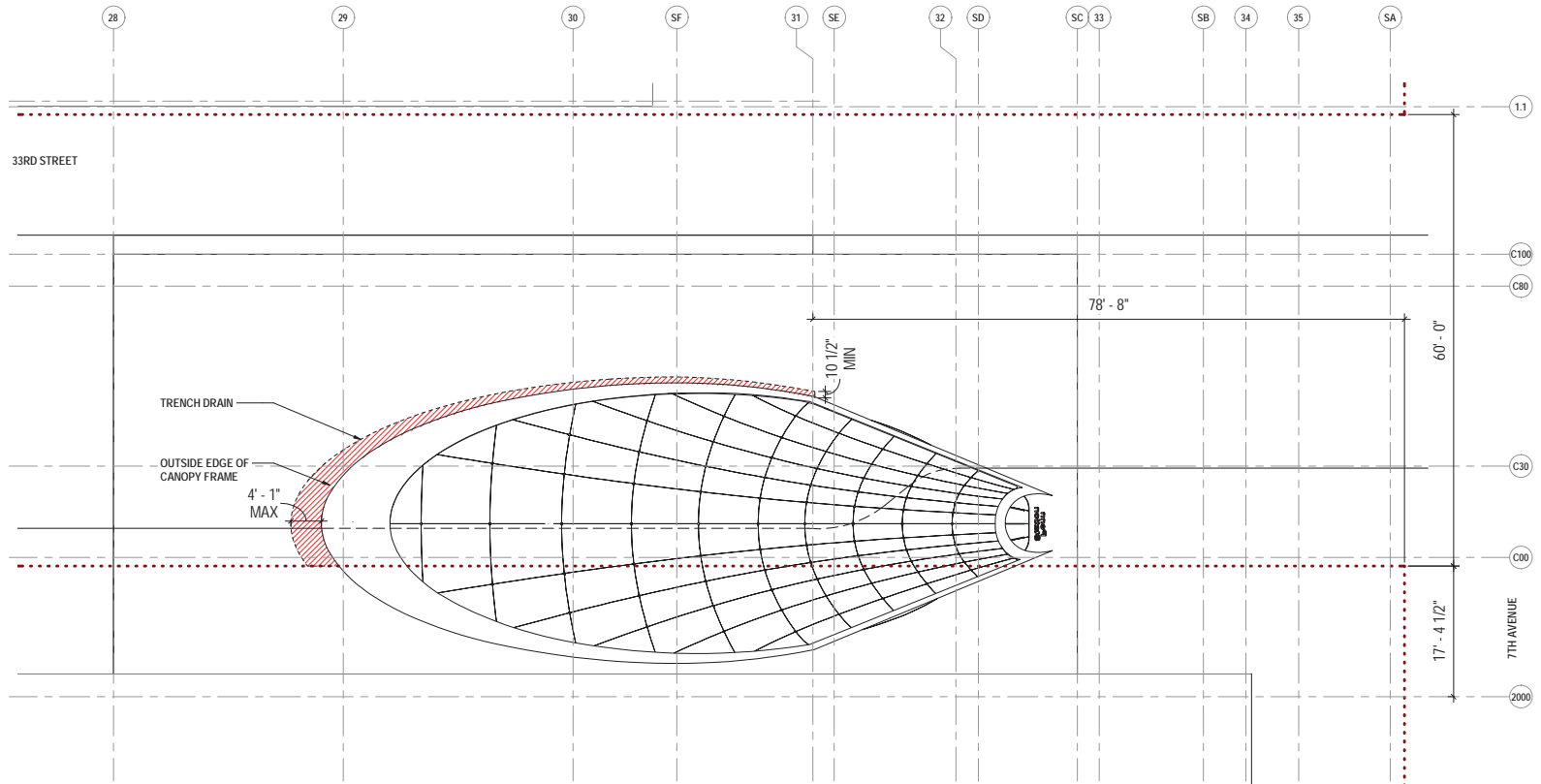
Non-Exclusive Access Easement - Plan

LEGEND	
	EXTENT OF BURIED UTILITY EXCLUSION ZONE IN 33RD STREET ROW
	PROPERTY LINE



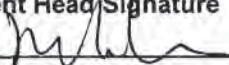
Buried Utility Exclusion Easement - Plan

LEGEND	
	MTA TRENCH DRAIN EASEMENT IN 33RD STREET ROW
	PROPERTY LINE
	PENN STATION COLUMN GRID




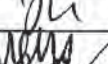


Non-Exclusive Entrance Fixtures Easement - Plan

Staff Summary

Subject AGREEMENT TO TERMINATE RETAIL SUBLEASES THE PENN STATION CONCOURSE
Department REAL ESTATE
Department Head Name JOHN N. LIEBER
Department Head Signature 
Project Manager Name ROBERT PALEY

Date January 21, 2020
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref. #

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance Committee	1/21/20	X		
2	Board	1/23/20	X		

Internal Approvals			
Order	Approval	Order	Approval
1	Legal		
2	Chief Development Officer		
3	Deputy General Counsel		
4	Chief Financial Officer		

AGENCY: MTA Construction & Development ("MTAC&D")
Metropolitan Transportation Authority ("MTA")
MTA Long Island Rail Road ("LIRR")

LOCATION: Portions of space along the North Side of the LIRR Level A Concourse at Penn Station (the "Concourse") currently leased to One Penn Plaza, LLC ("Vornado") and in turn subleased to retail subtenants

ACTION REQUESTED: Authorization to enter into agreement with Vornado to require Vornado to terminate certain retail subleases and amend another.

COMMENTS:

In February, March and May 2019, MTAC&D and the LIRR brought matters to the Board regarding capital improvements at Penn Station, which matters included authorizing MTA to enter into a Memorandum of Understanding (the "MOU") with Vornado to provide for, among other things, the widening of and improvements to the Concourse and a new street level entrance into the Concourse from 33rd Street. The goals of these capital improvements are to improve emergency egress from and address pedestrian overcrowding in the Concourse, and generally improve the passenger experience at Penn Station.

To build improvements to and widen the Concourse, MTA/LIRR will need to recapture space along the north side of the Concourse that the LIRR leases to Vornado and which Vornado in turn subleases to retail tenants (namely Starbucks, Shake Shack and Wasabi Sushi). Each of Vornado's subleases with these retail subtenants permit Vornado to terminate the sublease prior to its originally scheduled expiration date upon notice periods and other conditions more specifically set forth in the respective subleases.

In order to maintain MTAC&D's project schedule and to avoid blackout periods when Vornado is not permitted to terminate subleases, MTA/LIRR and Vornado desire to enter into an agreement wherein Vornado will (i) amend its sublease with Shake Shack to, among other things, permit Vornado to terminate the sublease on a shorter notice period than originally provided for and (ii) terminate the Starbucks and Wasabi Sushi subleases. As contemplated in the MOU, the agreement will provide (A) that compensation to Vornado for Vornado's early termination of retail subleases and surrender of portions of the Concourse to MTA/LIRR will be addressed in definitive documents at a later date (which

Staff Summary

FINANCE COMMITTEE MEETING

 Metropolitan Transportation Authority

PENN STATION CONCOURSE – AGMT TO TERMINATE SUBLEASES (Cont'd.)


Page 2 of 2

documents will be brought to the board for approval at that time) and (B) that if the Concourse widening and other capital improvement projects do not go forward, then MTA/LIRR will be responsible for making Vornado whole for any costs incurred in terminating the retail sub tenancies at MTA/LIRR's request including costs for remarketing and re-tenanting the Starbucks and Wasabi Sushi retail sublease spaces and for lost revenue from these terminated subleases through the end of December 2022.

Based on the foregoing, MTA Real Estate requests approval for MTA and the LIRR to enter into an agreement with Vornado on the above terms and conditions.


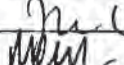
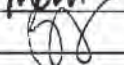

MTA NEW YORK CITY TRANSIT

Staff Summary

Subject LICENSE AGREEMENT WITH KHAJA SHUJAUDDIN AT WOODLAWN STATION
Department REAL ESTATE
Department Head Name JOHN N. LIEBER
Department Head Signature 
Project Manager Name ARTURO ESPINOZA

Date JANUARY 21, 2020
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref. #

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance Committee	1/21/20	X		
2	Board	1/23/20	X		

Internal Approvals			
Order	Approval	Order	Approval
1	Legal		
2	Chief Development Officer		
3	Deputy General Counsel		
4	Chief Financial Officer		

AGENCY: MTA New York City Transit ("NYCT")

LICENSEE: Khaja Shujauddin

LOCATION: One in-line unit in the free zone mezzanine level of the Woodlawn subway station, Jerome Avenue Line, Bronx

ACTIVITY: Operation of a travel/convenience store

ACTION REQUESTED: Authorization to enter into a license agreement

TERM: Ten years, terminable at will by NYCT on 60 days' notice

SPACE: Approximately 77 square feet

COMPENSATION: \$2,400 for the first License Year escalating each License Year thereafter as described below

COMMENTS:

The Location was publicly offered pursuant to a Request for Proposals ("RFP") in September 2019, seeking an operator for a 10-year revocable license term. The RFP called for demolition and renovation of the space. One proposal was received which is summarized below:

Proposer Name	Present Value at 7%
Khaja Shujauddin	\$25,171

At a 7% discount, the net present value of the compensation proposed by Mr. Shujauddin is \$25,171. In addition, Mr. Shujauddin proposes to make capital improvements to the Location costing at least \$20,000. Although Mr. Shujauddin's offer is below the independent valuation received by MTA Real Estate, MTA Real Estate believes that the proposed transaction will yield to NYCT the fair market value, taking into account: (i) the immediate and continuing value of permanent improvements that the Licensee will pay for, and (ii) that the Location was competitively bid with at least one motivated potential licensee, who currently operates the Location, proposing which serves as reliable evidence of the true fair market value.

The compensation schedule is summarized in the table below:

Staff Summary

FINANCE COMMITTEE MEETING

LICENSE AGREEMENT WITH KHAJA SHUJAUDDIN AT WOODLAWN STATION (Cont'd.)

License Year	Annual Compensation	PSF
1	\$2,400.00	\$31.17
2	\$2,700.00	\$35.06
3	\$3,000.00	\$38.96
4	\$3,300.00	\$42.86
5	\$3,600.00	\$46.75
6	\$3,900.00	\$50.65
7	\$4,200.00	\$54.55
8	\$4,500.00	\$58.44
9	\$4,800.00	\$62.34
10	\$5,100.00	\$66.23

Background and credit investigations were performed on Mr. Shujaiddin. He has good credit and sufficient financial resources to pay the compensation offered.

Based on the foregoing, MTA Real Estate requests authorization for NYCT to enter into a license agreement, prepared in a form approved by MTA Legal, on the above-described terms and conditions.

LONG ISLAND RAIL ROAD

PROCUREMENTS

FOR

BOARD ACTION

January 23, 2020

Staff Summary

Subject: Request for Authorization to Award Various Procurements						Date January 23, 2020			
Department Procurement and Logistics									
Department Head Name Dennis L. Mahon, Chief Procurement and Logistics Officer									
Department Head Signature									
Board Action						Internal Approvals			
Order	To	Date	Approval	Info	Other	Order	Approval	Order	Approval
1	LI Committee	1.21.20				X	President		
2	MTA Board	1.23.20							

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 Non-Competitive Procurements in the following	<u># of Actions</u>	<u>\$ Amount</u>
	None	

LIRR proposes to award Competitive Procurements in the following	<u># of Actions</u>	<u>\$ Amount</u>
---	---------------------	------------------

Schedules Requiring Two-Thirds Vote

Schedule C: Competitive RFPs (Award of Purchase and Public Work Contracts)	1	\$65,077,338.80
SUBTOTAL:	1	\$65,077,338.80

LIRR proposes to award Ratifications in the following categories:	<u># of Actions</u>	<u>\$ Amount</u>
	None	

TOTAL:	<u>1</u>	<u>\$65,077,338.80</u>
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BUDGET IMPACT:

The purchases/contracts will result in obligating LIRR operating and capital funds in the amounts listed. Funds are available in the current operating budget 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.)

METROPOLITAN TRANSPORTATION AUTHORITY

WHEREAS, in accordance with Section 1265-a and Section 1209 of the Public Authorities law and the All Agency Procurement Guidelines, the Board authorizes the award of certain non-competitive purchase and public work 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 Procurement Guidelines, the Board authorizes the award of certain non-competitive miscellaneous procurement contracts, and certain change orders to procurement, public work, and miscellaneous procurement contracts; and

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 the 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 it is deemed in the public interest to obtain authorization to solicit competitive proposals through a publicly advertised RFP for the reasons specified therein the Board declares it to be impractical or inappropriate to utilize a procurement process inviting sealed bids with award to the lowest responsive/responsible bidder.
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. The Board ratifies each action taken set forth in Schedule D 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.

JANUARY 2020

MTA LONG ISLAND RAIL ROAD

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 \$1,000,000.)

- 1. Judlau Contracting, Inc. \$65,077,338.80 Staff Summary Attached**
Competitive RFP
Contract No. 6353

LIRR requests MTA Board approval to award a contract to Judlau Contracting Inc. for the design and construction of a new Elmont Station including the installation of North and South side 12 car platforms with a pedestrian overpass including the following station elements: canopies, lighting, entrance ways, stair/ramps, automatic snow melt system, CCTV/security equipment, audio/visual display boards/signage, elevators and associated machine, electrical, and communications rooms.

The Base Work includes the design and construction of a new, 8-car South Platform at Elmont. The Option Work includes the addition of capacity to the new South Platform for 4 additional cars, building a 12-car North Platform, and building a pedestrian overpass connecting the South and North Platforms.

Staff Summary



Item Number: 1					
Dept. & Dept. Head Name: Procurement & Logistics; Dennis Mahon					
Department Head Signature & Date: <i>[Signature]</i>					
Division & Division Head Name: Department of Program Management, Paul Dietlin					
Division Head Signature & Date: <i>[Signature]</i>					
Board Reviews					
Order	To	Date	Approval	Info	Other
1	LI Committee	1.21.20			
2	MTA Board	1.23.20			
Internal Approvals					
Order	Approval	Order	Approval		
4	President <i>[Signature]</i>	1	SVP Operations <i>[Signature]</i>		
3	VP, General Counsel & Sec'y <i>[Signature]</i>				
2	VP & CFO <i>[Signature]</i>				

SUMMARY INFORMATION	
Vendor Name Judlau Contracting Inc.	Contract Number 6353
Description Design/Build Services for Belmont Park Redevelopment Elmont Station	
Total Amount \$65,077,338.80 (\$23,085,000 Base Work, \$41,753,000 Option Work, and \$239,338.80 Environmental Allowance)	
Contract Term (including Options, if any) 34 months	
Options(s) included in Total Amount:	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Renewal?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Procurement Type <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Non-Competitive	
Solicitation Type <input checked="" type="checkbox"/> RFP <input type="checkbox"/> Bid <input type="checkbox"/> Other:	
Funding Source <input type="checkbox"/> Operating <input checked="" type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:	

I. PURPOSE/RECOMMENDATION:

LIRR requests MTA Board approval to award a contract to Judlau Contracting Inc. for the design and construction of a new Elmont Station including the installation of North and South side 12 car platforms with a pedestrian overpass including the following station elements: canopies, lighting, entrance ways, stair/ramps, automatic snow melt system, CCTV/security equipment, audio/visual display boards/signage, elevators and associated machine, electrical, and communications rooms.

The Base Work includes the design and construction of a new, 8-car South Platform at Elmont. The Option Work includes the addition of capacity to the new South Platform for 4 additional cars, building a 12-car North Platform, and building a pedestrian overpass connecting the South and North Platforms.

II. DISCUSSION:

In 2017, Empire State Development (ESD) outlined the Belmont Park Redevelopment Project which would provide for entertainment, retail shopping, and hotel accommodations in Belmont Park bringing approximately 3,100 jobs, 225 events, and retail shoppers to the area. The anchor for this redevelopment project is a new 18,000 seat arena where the NY Islanders will reside.

ESD is the lead agency for the SEQRA Environmental Impact Statement (EIS). The EIS includes a full-time LIRR station as part of the Redevelopment Project's traffic mitigations. The community and public officials voiced strong support for a full-time LIRR station during the EIS process. It was determined that the most feasible way to provide full-time LIRR service to the development area and community was to build a new station on the Main Line between the Queens Village and Bellerose Stations. The station will be located on the northern edge of the Belmont Park development site proximate to the LIRR Main Line and will be named "Elmont Station" reflecting its connection with the local community, which does not have a train station.

Staff Summary



On August 15, 2019, the Request For Proposals (RFP) was advertised in the New York State Contract Reporter, New York Post and on MTA's website. In addition, a copy of the advertisement was sent directly to firms known to have experience with the type of work required for the project.

On November 26, 2019, LIRR received five proposals in response to the RFP from the following firms: CRT, A Tri Venture; Halmar International, LLC; Judlau Contracting Inc. (Judlau); L.K. Comstock and Co., Inc.; and MLJ Contracting Corp./TC Electric LLC JV.

A Technical Evaluation Committee (TEC) assessed each firm's technical proposal against the technical evaluation criteria set forth in the RFP, which consisted of planning & scheduling; technical approach; corporate/key personnel experience. Subsequent to the TEC's final technical scoring, cost and diversity scores (two additional evaluation criteria) were incorporated into the firms' overall scores. Based upon those evaluations, Judlau was identified as the top ranked proposer as its technical proposal met, and in a number of cases, exceeded the RFP requirements. In addition, Judlau's price was significantly less than the prices identified by the other four proposers in their cost proposals.

Following evaluations, the TEC met with Judlau to discuss minor technical clarifications and to confirm Judlau's overall understanding of the project. During that discussion, Judlau demonstrated a thorough and comprehensive understanding of the project and adequately responded to all of LIRR's questions.

LIRR then held a meeting with Judlau to negotiate its cost proposal (which was higher than LIRR's estimate) so that LIRR could gain a better understanding of the elements associated with Judlau's costs and to negotiate its price to one that LIRR could deem fair and reasonable for the overall project. During that discussion, Judlau identified its approach to estimating major scope items such as the platform canopy, platform lighting, station amenities, visual barriers, design engineering and mobilization/demobilization. In addition, LIRR answered Judlau's questions, clarified scope and confirmed reasonable assumptions that would give Judlau the ability to progress day-to-day operations more continuously such as collaborative design reviews and efficiently working around live tracks. As a result of that discussion, Judlau offered an overall price reduction by factoring in subcontractor concessions and lowering the proposed profit margin, and LIRR was able to deem Judlau's final price fair and reasonable.

LIRR also conducted a responsibility review of Judlau in December 2019 and the firm was found to be a responsible contractor based upon (a) no findings of new adverse information or significant adverse information (SAI) and (b) prior waivers by MTA of old SAI that deemed Judlau responsible notwithstanding such information. Accordingly, Judlau is considered a responsive and responsible vendor for the proposed contract.

III. D/M/WBE INFORMATION:

The MTA Department of Diversity and Civil Rights (DDCR) have established 15% MBE, 15% WBE and 6% SDVOB goals for this project. The contract will not be awarded until Judlau's M/WBE/SDVOB Plan has been approved by the MTA Department of Diversity and Civil Rights. Although Judlau Contracting Inc. has not achieved MWDBE goals on other MTA projects; it has demonstrated a good faith effort towards meeting those goals.

IV. IMPACT ON FUNDING:

Funding for this contract is subject to finalization of a NYS/ESDC guarantee of full contract amount and subject to C&D review and approval of project schedule.

V. ALTERNATIVES:

There are no alternatives, since LIRR does not have the ability to undertake the design and construction of this entire project with in-house forces.

PROCUREMENT PACKAGE
January 2020

PROCUREMENTS

The Procurement Agenda this month includes one action for a proposed expenditure of \$9.5M

Staff Summary

Subject	Request for Authorization to Award Various Procurements				
Department	Contracts				
Department Head Name David K. Cannon					
Department Head Signature 					
Board Action					
Order	To	Date	Approval	Info	Other
1	Joint LIRR and Metro-North Committee	1/21/20	X		
2	Board	1/23/20	X		

Date: January 10, 2020			
Vendor Name FXCollaborative/WSP Joint Venture			
Contract Number PS875			
Contract Manager Name Everett McIndoe			
Internal Approvals			
	Approval		Approval
2	Vice President & Chief Financial Officer 	4	President 
1	Vice President, Program Controls 	3	Executive Vice President & General Counsel 

PURPOSE

To obtain the approval of the Board to award one contract and, to inform the Joint Long Island Rail Road and Metro-North Committee of these procurement actions.

DISCUSSION

MTA Capital Construction proposes to award one Competitive Procurement in the following category:

	<u># of Actions</u>	<u>\$ Amount</u>
<u>Schedules Requiring Majority Vote</u>		
Schedule I Modifications to Purchase and Public Work Contracts	1	\$9,487,651
TOTAL	1	\$9,487,651

Budget Impact:

The approval of these modifications will obligate MTA Capital Construction capital funds in the amounts listed. Funds are available in the capital budget for this purpose.

Recommendation:

That the contract be approved as proposed. (The item is included in the resolution of approval at the beginning of the Procurement Section.)

MTA Construction And Development Company

BOARD RESOLUTION

WHEREAS, in accordance with Section 1265-a and 1209 of the Public Authorities Law and the All Agency 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 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.

January 2020

LIST OF COMPETITIVE PROCUREMENTS FOR BOARD APPROVAL

Procurements Requiring Majority Vote:

**Schedule I. Modification To Purchase and Public Work Contracts
(Staff Summaries required for all items greater than \$1M)**

- | | | | |
|-----------|---|--------------------|--------------------------------------|
| 1. | FXCollaborative/WSP Joint Venture
Contract No. PS875 | \$9,487,651 | <u>Staff Summary Attached</u> |
|-----------|---|--------------------|--------------------------------------|

Pursuant to Article X of the MTA All-Agency Service Contract Procurement Guidelines, MTA Construction & Development ("MTA C&D") seeks Board approval to award a competitively solicited personal service contract for the development of a master plan for Penn Station.

Staff Summary

Item No. 1					
Dept. & Dept. Head Name: Penn Station Projects Peter Matusewitch 					
Division & Division Head Name:					
Board Reviews					
Order	To	Date	Approval	Info	Other
1	Joint MNR and LIRR Committee	1/21/20	X		
2	Board	1/23/20	X		
Internal Approvals					
Order	Approval	Order	Approval		
3	Vice President, Program Controls	5	President		
2	VP & Chief Financial Officer	4	Executive Vice President & General Counsel		
1	VP & Chief Procurement Officer				

SUMMARY INFORMATION	
Vendor Name	Contract Number
FXCollaborative/WSP Joint Venture	PS875
Description	
Development of a Master Plan for Penn Station	
Total Amount	
Not-To-Exceed \$9,487,651	
Contract Term	
6 Months w/ additional 6 Months option	
Option(s) included in Total Amount?	
<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	
Renewal?	
<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
Procurement Type	
<input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Non-competitive	
Solicitation Type⁸	
<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:	

I. PURPOSE/RECOMMENDATION:

Pursuant to Article X of the MTA All-Agency Service Contract Procurement Guidelines, MTA Construction & Development (“MTA C&D”) seeks Board approval to award a competitively solicited personal service contract (the “Contract”) to FXCollaborative/WSP Joint Venture (the “Consultant”), a joint venture consisting of FXCollaborative Architects LLP and WSP USA, Inc., for the development of a master plan for Penn Station. As described in greater detail below, the Contract consists of a Base Scope of Services (the “Base Scope”), with a term of six months and a not-to exceed amount of \$5,028,908, and an Option Scope of Services (the “Option Scope”), which, if exercised by the MTA in its sole discretion, would extend the contract for an additional six months for the additional not-to exceed amount of \$4,458,742. The total combined not to exceed amount for the Base Scope and Option Scope is \$9,487,651.

II. DISCUSSION:

Penn Station, owned by Amtrak and utilized by Amtrak, Long Island Railroad (“LIRR”), New Jersey Transit (“NJT”) and, in the near future, Metro-North Railroad (“MNR”), and with multiple connections to New York City Transit (“NYCT”) subway lines, is the busiest transit hub in North America. While significant planning efforts and improvement projects have been carried out, or are currently under way, a master plan is required to avoid the duplication of effort,

conflicts, inconsistencies and inefficiencies associated with segmented and uncoordinated redevelopment. Current projects underway or in planning include the conversion on the Farley Post Office Building into the Moynihan Train Hall, a new LIRR entrance at 33rd Street and the transformation of the LIRR Concourse, and planning is underway for the proposed addition of eight new tracks under a new Penn Station South terminal to be built to the south of the existing station. With these projects under way or in planning, the development of a master plan at this time is critical to transforming Penn Station into a world-class facility for all of its users.

This Contract will be managed by MTA C&D, but substantive decisions will be made by a steering committee comprised of one representative each from MTA, Amtrak and NJT. In addition, Empire State Development Corporation and representatives of the New York State Executive Chamber and the City of New York will be partners in this effort providing review and input. The cost of the Contract will be shared equally by MTA, Amtrak and NJT subject to a cost sharing agreement that the parties are in the process of finalizing.

The Base Scope of the Contract provides for the investigation and study required for an in-depth functional and operational assessment of the existing Penn Station and analysis of possible future improvements for Penn Station, in order to establish a framework for a Master Plan. The Option Scope, to be exercised at the steering committee's sole discretion, consists of the development of a Master Plan through a transparent planning process, building on the information and concepts developed under the Base Scope of the Contract.

The Request for Proposal ("RFP") for the Contract was advertised on May 17, 2019 and the advertisement appeared in the New York State Contract Reporter, the New York Post, Engineering News-Record, Minority Commerce Weekly and on the MTA Website. Twenty-one (21) firms requested the RFP document and proposals were submitted by the following entities:

- AECOM USA, Inc. ("AECOM")
- FXCollaborative Architects LLP/WSP USA, Inc. Joint Venture ("FXC/WSP")
- Gensler Architecture, Design & Planning, P.C. ("Gensler")
- Grimshaw Architects ("Grimshaw")
- Skidmore, Owings & Merrill LLP ("SOM")
- STV Incorporated ("STV")

The Selection Committee for this Contract consisted of representatives from MTA HQ, MTA C&D, LIRR, NJT and AMTRAK. The Selection Committee evaluated the technical proposals and the Proposer's oral presentations in accordance with the following established criteria:

- Qualifications and experience of proposed Key Personnel;
- Quality and success of three (3) representative projects;
- Project understanding and proposed technical approach;
- Proposed management approach;
- Capability to meet the Project schedule;
- Diversity practices;
- Past performance on MTA or other contracts;
- Other relevant matters

After the technical evaluation, the Selection Committee deemed the following firms to be in a competitive range and they were invited to provide Oral Presentations to supplement their technical proposals:

- Grimshaw
- Gensler

- SOM
- FXC/WSP

After the Oral Interviews were held, the Cost Proposals of all four of the shortlisted firms were opened and the cost proposals were scored. The scores of the Technical and Cost Proposal were combined. Based on the results and as determined by the Selection Committee, FXC/WSP's proposal was selected as the one that provided the strongest team and the best value to the MTA and recommended that MTA C&D enter into negotiations with FXC/WSP.

Negotiations were held and FXC/WSP submitted a Best and Final Offer in the not-to-exceed amount of \$5,028,908 for the Base Scope and \$4,458,742 for the Option Scope, for a total not-to-exceed amount of \$9,487,650 for the combined Base Scope and Option Scope of the Contract, which is deemed to be fair and reasonable.

In connection with a previous contract, The Louis Berger Group, Inc. (LBG), which was acquired by WSP in 2018, was found to be responsible notwithstanding SAI, pursuant to the All-Agency Responsibility Guidelines and such responsibility finding was approved by MTA Chairman and Chief Executive Officer in consultation with the MTA General Counsel in November 2015. No new SAI has been found relating to LBG. WSP has no SAI except that stemming from its acquisition of LBG. WSP has been found to be responsible.

III. DBE/MBE/WBE/SDVOB INFORMATION:

The MTA's Department of Diversity and Civil Rights ("DDCR") reviewed the requirements of the Contract and, after undertaking a thorough analysis, established goals of 15% MBE, 15% WBE and 6% SDVOB based on the nature of the work and the availability of MBEs, WBEs and SDVOBs capable of performing the work. FXC/WSP has committed to meeting these goals and has submitted a utilization plan that is under review by DDCR.

In connection with past experience meeting D/M/WBE/SDVOB goals, FXCollaborative Architects LLP has not had a previous contract with the MTA. WSP USA, Inc have met their D/M/WBE/SDVOB goals on prior contracts.

V. IMPACT ON FUNDING

Funding for MTA's share of this project's cost is available in the 2015 - 2019 Capital Program.

VI. ALTERNATIVES

The alternative would be for MTA C&D to self-perform the services to be provided under this contract. However, MTAC&D does not have the in-house resources to provide the required services.

Procurement & Supply Chain

Louis Montanti, Vice President



Pictured above on the left is a mid-1980s rendering of an R62 subway car. The R62 and R62A cars were delivered between 1984 and 1987 and are near the end of their 40-year useful life. Therefore, they are scheduled for replacement. On the right is a rendering of what the new A Division R262 replacement subway cars might look like. The request to begin that procurement is part of this month's Board package. The purchase of up to 1,364 cars will be funded, in part, by the 2020–2024 Capital Plan.

PROCUREMENTS

The Procurement Agenda this month includes 1 action for a proposed expenditure of \$286.9M.

Subject	Request for Authorization to Award Various Procurements				
Department	Procurement & Supply Chain – NYCT				
Department Head Name	Louis Montanti				
Department Head Signature					
Project Manager Name	Rose Davis				
Board Action					
Order	To	Date	Approval	Info	Other
1	Committee	1/21/20			
2	Board	1/23/20			

January 21, 2020			
Department Law and Procurement			
Department Head Name			
Department Head Signature			
Internal Approvals			
	Approval		Approval
	President NYCT		
	SVP Operations Support	X	Pres. MTA Bus/SVP DOB
X	Capital Prog. Management	X	Subways
	Law	X	Diversity/Civil Rights

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

PURPOSE

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

DISCUSSION

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

MTA Capital Construction proposes to award Noncompetitive procurements in the following categories: NONE

MTA Bus Company proposes to award Noncompetitive procurements in the following categories: NONE

NYC Transit proposes to award Ratifications in the following categories: NONE			
MTA Capital Construction proposes to award Ratifications in the following categories: NONE			
MTA Bus Company proposes to award Ratifications in the following categories: NONE			
MTA Capital Construction proposes to award Competitive procurements in the following categories:			
MTA Bus Company proposes to award Competitive procurements in the following categories: NONE			
NYC Transit proposes to award Competitive procurements in the following categories:			
<u>Schedules Requiring Majority Vote:</u>			
Schedule G: Miscellaneous Service Contracts		1	\$ 286.9 M
	SUBTOTAL	1	\$ 286.9 M
	TOTAL	1	\$ 286.9 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 in regard to 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 certain budget adjustments to estimated quantity 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.

JANUARY 2020

LIST OF COMPETITIVE PROCUREMENTS FOR BOARD APPROVAL

Procurements Requiring Majority Vote:

G. Miscellaneous Service Contracts

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

- 1. Global Contact Services, LLC \$286,985,491 (Est.)**
Five years with a two-year option
Contract# SSE 254942
Operation of the Paratransit Call Center.

Staff Summary Attached

Schedule G: Miscellaneous Service Contracts



Item Number: 2

Vendor Name (Location) Global Contact Services, LLC (Salisbury, North Carolina)	Contract Number SSE 254942	Renewal? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Description Operation of the Paratransit Call Center	Total Amount \$286,985,491(Est.) Base Amt: \$202,251,225 Option Amt: \$84,734,266	
Contract Term (including Options, if any) Five years (with an option for up to an additional two years)	Funding Source <input checked="" type="checkbox"/> Operating <input type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:	
Option(s) included in Total Amount? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> n/a	Requesting Dept./Div., Dept./Div. Head Name: Department of Buses, Craig Cipriano	
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:		

Discussion:

NYC Transit is seeking Board approval to award a five-year, estimated quantity, miscellaneous service contract with an option to extend the term for up to an additional two years, for the Operation of the Paratransit Call Center, to Global Contact Services, LLC (“GCS”) in the estimated total amount of \$286,985,491 (\$202,251,225 for the base award and \$84,734,266 for the option years). The Board is also requested to authorize the Assistant Chief Procurement Officer to approve the exercise of these option years if enacted.

Paratransit’s Command Center Headquarters, located in Long Island City, New York, includes its Call Center operation. Since the first Paratransit Call Center contract in 1997, the Call Center has become an integral part of Paratransit’s overall operation and is responsible for providing customer service to Access-A-Ride (“AAR”) customers by scheduling trips, responding to customer inquiries, and performing other customer service–related functions on behalf of NYC Transit. The Call Center operates on a 24-hour, 7 day a week basis in compliance with the Americans with Disabilities Act (“ADA”). To facilitate the AAR program, which consists of over 160,000 AAR registrants and performs approximately 30,000 trips per day, the Call Center contractor employs nearly eight-hundred employees who presently service up to 25,000 customer calls per day. NYC Transit sets stringent requirements on the contractor regarding customer wait times and hold times, to which the contractor must continuously ensure that the number of agents scheduled at a given time is reflective of the call volume. Call Center agents are specially trained to communicate with customers with disabilities, including the use of specialized equipment utilized by vision and/or hearing-impaired individuals. Agents also receive detailed training on the topics of AAR software systems, ADA compliance, NYC maps, AAR eligibility, modes of transportation, and providing language translation assistance.

In May 2019, Request for Proposal (“RFP”) No. SSE 254942 was competitively solicited for the continued service of the Paratransit Call Center. An extensive industry outreach performed by NYC Transit Procurement to identify industry leaders and cultivate new competition resulted in a total of twenty-three firms requesting the RFP package and eight proposal submissions, including the incumbent, GCS and the previous contractor, First Transit Inc. (“FT”), who held the contract from April 2004 through December 2012. After the initial review and subsequent Oral Presentations, the Selection Committee (“SC”) unanimously determined that of the eight proposers, only three firms, GCS, FT, and Datamark Inc., possessed the required qualifications and experience to perform the work. The Evaluation Criteria for the RFP included: Overall Experience and Qualifications, Approach to the Work, Overall Price, and Other Relevant Matters. The SC focused on proposers’ experience with successfully operating high-volume call centers, the quality of the proposed project management team(s), support for languages other than English, start-up plan(s), capabilities and experience in hiring, training and retaining employees and familiarity with ADA requirements. The three proposers were deemed qualified and were invited to participate in negotiations.

The RFP was updated to take advantage of industry best practices, capture further efficiencies, and to align contractual requirements with the recent and rapid changes in Paratransit transportation services. The RFP includes mandatory pre-employment background checks and drug and alcohol testing for all Call Center employees.

Negotiations centered on fixed costs, the all-in Agent hourly rate, and the all-in Agent in training hourly rate. After multiple rounds of negotiations, the SC determined that only GCS and FT would be invited to submit Best and Final Offers (“BAFOs”). Datamark was not invited to submit a BAFO due to its high pricing through each round of negotiations and its inability to conclude negotiations on final contract terms and conditions. The following BAFO pricing was submitted from GCS and FT:

Pricing for Proposals:

Proposer	Base Term (5 Years)	Option Years (2 Years)	Total (Base + Option)
Global Contact Services, LLC	\$202,251,225	\$84,734,266	\$286,985,491
First Transit, Inc.	\$214,559,538	\$93,221,480	\$307,781,017

While both proposers were technically strong, the SC determined that GCS’s lower pricing outweighed FT’s moderately higher technical ranking. The SC unanimously recommended that an award be made to GCS because of its strong technical proposal, extensive knowledge in the industry and lower pricing, all of which provide the best value for NYC Transit. GCS has consistently performed well on its current NYC Transit contract.

Through multiple rounds of negotiations and the competitive nature of this RFP, Procurement was able to achieve a 24.5 percent savings when comparing GCS’s original price proposal to its BAFO price proposal. GCS offered the lowest proposed price for the base term as well as the option years and its total price proposal is approximately \$20.8 million or 6.8 percent lower than FT’s total price proposal. GCS’s total price proposal has been deemed fair and reasonable and is 18.3 percent lower than the in-house estimate.

Due to the insufficient availability of M/WBE firms in the marketplace, zero goals were recommended.

The Office of the State Comptroller has exercised its right to review and approve this contract, which will take place after Board approval and prior to an award being made.