



Metropolitan Transportation Authority

January 2019

MTA Board Action Items



MTA Board Meeting
2 Broadway, 20th floor Board Room
New York, N.Y. 10004
Thursday, 1/24/2019
9:00 AM - 12:00 PM ET

1. PUBLIC COMMENT PERIOD

2. APPROVAL OF MINUTES

MTA Regular Board Minutes - December 12, 2018

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NYCT/MaBSTOA/SIRTOA/MTA Bus Company Regular Board Minutes - December 12, 2018

NYCT/MaBSTOA/SIRTOA/MTA Bus Company Regular Minutes - December 12, 2018 - Page 12

MTA Metro-North Railroad Regular Board Minutes - December 12, 2018

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MTA Long Island Rail Road Regular Board Minutes - December 12, 2018

MTA LIRR Regular Minutes - December 12, 2018 - Page 22

MTA Bridges & Tunnels Regular Board Minutes - December 12, 2018

MTA B&T Regular Minutes - December 12, 2018 - Page 37

MTA Capital Construction Regular Board Minutes - December 12, 2018

MTACC Regular Minutes - December 12, 2018 - Page 42

3. COMMITTEE ON FINANCE

MTAHQ Procurements Report

MTAHQ Procurement Report - Page 45

i. Non-Competitive

MTAHQ Non-Competitive Procurements - Page 48

ii. Competitive

MTAHQ Competitive Procurements - Page 52

iii. Ratifications (no items)

Real Estate Items

i. Real Estate Agenda and Staff Summaries

Real Estate Agenda and Staff Summaries - Page 53

4. COMMITTEE ON NYCT & BUS

NYCT Procurements

Procurement Cover, Staff Summary, and Resolution - Page 59

i. Non-Competitive

ii. Competitive

NYCT Competitive Actions - Page 70

iii. Ratifications

NYCT Ratifications - Page 78

5. COMMITTEE ON METRO-NORTH RAILROAD

Metro-North Action Item

i. MOU between MNR and City of Newburgh

Newburgh MOU for Ferry-Parking Lease - Page 81

Metro-North Procurements (no items)

Metro-North MTACC Procurements

MTA CC Procurements - Page 86

i. Non-Competitive (no items)

ii. Competitive

MTA CC Competitive - Page 89

iii. Ratifications (no items)

6. COMMITTEE ON LONG ISLAND RAIL ROAD

LIRR Procurements

LIRR Procurements - Page 93

i. Non-Competitive

Non-Competitive - Page 97

ii. Competitive

Competitive - Page 105

iii. Ratifications (no items)

LIRR MTACC Procurements

MTA CC Procurements - Page 106

i. Non-Competitive (no items)

ii. Competitive

MTA CC Competitive - Page 110

iii. Ratifications (no items)

7. COMMITTEE ON MTA BRIDGES & TUNNELS OPERATIONS

B&T Procurements (no items)

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

9. FARES (material distributed separately)

Date of Next Meeting: Wednesday, February 27, 2019

**Metropolitan Transportation Authority
Minutes of
Regular Board Meeting
2 Broadway
New York, NY 10004
Wednesday, December 12, 2018
10:00 a.m.**

The following members were present:

**Hon. Fernando Ferrer, Acting Chairman
Hon. Andrew Albert
Hon. Norman E. Brown
Hon. David Jones
Hon. Susan Metzger
Hon. Charles G. Moerdler
Hon. Mitchell H. Pally
Hon. Scott Rechler
Hon. Andrew Saul
Hon. Lawrence Schwartz
Hon. Polly Trottenberg
Hon. Veronica Vanterpool
Hon. Peter Ward
Hon. Carl Weisbrod
Hon. Neal Zuckerman**

The following alternate non-voting members were also present:

**Hon. Randolph Glucksman
Hon. Ira Greenberg
Hon. Vincent Tessitore, Jr.**

Patrick Foye, MTA President, Veronique Hakim, Managing Director, Helene Fromm, Chief of Staff, Janno Lieber, MTA Chief Development Officer, Robert Foran, Chief Financial Officer, Thomas J. Quigley, General Counsel, Andrew Byford, President, NYCT, Phillip Eng, President, Long Island Rail Road, Catherine Rinaldi, President, Metro-North Railroad, Cedrick Fulton, President, TBTA, Darryl Irick, President, MTA Bus Operations, and Timothy Ellis, Acting Chief Government and Community Relations also attended the meeting.

The Board of the Metropolitan Transportation Authority also met as the Boards of the New York City Transit Authority, the Manhattan and Bronx Surface Transit Operating Authority, the Staten Island Rapid Transit Operating Authority, the Metropolitan Suburban Bus Authority, the Triborough Bridge and Tunnel Authority, the Long Island Rail Road, 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.

Timothy Ellis, Acting Chief, Government and Community Relations reminded everyone of the safety procedures protocol in the event of an emergency. Mr. Ellis called speakers' attention to the countdown clock and asked that each speaker observe the two minute limit and, he stated that each speaker would be notified thirty seconds before their two-minutes expired.

The following fourteen (14) 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.

H.P. Schroer, private citizen /Veteran Advocacy
Nancy Reynoso, Green Taxi Advocate
Mr. X, private citizen
Tammie Williams, Belmont Park Committee Coalition
Janice Bartley, private citizen
Michael Howard, private citizen
Valerie Joseph, Brooklyn CID
Murray Bodin, private citizen
Miriam Fischer, private citizen
Mary Parisen-Lavell, CURES
Jason Pinerio, private citizen
Lisa Daglian, Executive Director, PCAC
Johanna Climenko, CIDNY
Joe Rappaport, Brooklyn CID

2. ACTING CHAIRMAN FERRER'S REMARKS.

Acting Chairman Ferrer welcomed everyone to the December Board meeting, and he thanked the public speakers for their comments.

Acting Chairman Ferrer acknowledged the extraordinary contributions made by four Board members who recently resigned, Carl Wortendyke, John Molloy, James Vitiello, and Ira Greenberg. Acting Chairman Ferrer noted that these Board members served with distinction, and he expressed the Board's gratitude for their service.

Acting Chairman Ferrer announced the hiring, by NYCT President Andrew Byford, of internationally renowned signaling expert, Peter Tomlin, who will lead the comprehensive modernization of the subway signal system. The hiring is an important step for New York City Transit and a necessary exception to the current hiring freeze.

Acting Chairman Ferrer announced that later today the Board will be asked to approve the MTA 2019 Final Proposed Budget and November Financial Plan 2019-2022, and he noted that the MTA is required by law to produce a balanced budget. Acting Chairman Ferrer stated that the MTA faces serious financial challenges ahead. Mr. Ferrer stated that the MTA is reducing and cutting costs and has instituted a hiring freeze for all non-essential employees. The MTA will continue to streamline operations and look for efficiencies and effectiveness across the agencies. Acting Chairman Ferrer noted that the MTA will be implementing additional savings measures in the future. He stated that to avoid service reductions or additional fare and toll increases the Board must work with the MTA's partners in government to secure additional revenue sources for the operating and capital budgets.

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

3. **MINUTES.** Upon motion duly made and seconded, the Board approved the minutes of the Regular Board Meeting held on November 15, 2018.

4. **COMMITTEE ON FINANCE.**

- A. **Action Items.** Upon motion duly made and seconded, the Board approved the following action items. The specifics are set forth in the staff summaries and documentation filed with the meeting materials. Board Member Vanterpool recused herself from the vote on item # 5 below.

1. Authorization to Issue New Money Transportation Revenue Bonds and Bond Anticipation Notes, Dedicated Tax Fund Bond Anticipation Notes, Dedicated Tax Fund Bonds, and Triborough Bridge and Tunnel Authority General Revenue and Subordinate Revenue Bonds and Bond Anticipation Notes. 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. The authorization to issue the bonds and bond anticipation notes and take other related actions hereunder shall continue in effect without any further action by the MTA and TBTA Boards until the adoption by the MTA and TBTA Boards of subsequent bond supplemental resolutions relating to 2020 note and bond issues (except that bonds may still be issued to refinance 2019 BANSs outstanding at any time) unless (a) the MTA and TBTA Board shall confirmed the effectiveness of this authorization for an additional period, or (b) the MTA and TBTA Board shall have modified or repealed this authorization.
 2. 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 the 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. The authorization to issue the refunding bonds and take other

related actions hereunder shall continue in effect without any further action by the MTA or TBTA boards, until the adoption by the MTA and TBTA Boards of subsequent refunding bond supplemental resolutions relating to 2020 refundings unless (a) the MTA and TBTA Boards shall have confirmed the effectiveness of this authorization for an additional period, or (b) the MTA and TBTA Boards shall have modified or repealed this authorization.

3. Updated MTA and TBTA Bond Refunding Policy. Approved the updated Refunding Policy. The updated Refunding Policy will apply to 2019 refundings authorized by the Multiple Series Refunding Bond Supplemental Resolutions for which approval is sought concurrently herewith, and shall continue in effect without any further action by the MTA or TBTA Boards, until the MTA and TBTA Boards shall have modified or repealed the Refunding Policy.
4. MTA Advertising Policy. Approved and adopted conforming administrative changes to the MTA Advertising Policy.
5. Extension of Energy Services Program Agreement with the New York Power Authority ("NYPA") and the MTA. Approved the extension of the Energy Services Program Agreement between NYPA and the MTA.

B. Procurement Items. Upon motion duly made and seconded, the Board approved the following procurement items. The specifics are set forth in the staff summaries and documentation filed with the meeting materials.

1. CBRE, Inc. – Property Management Services – No. 15326-0100, Modification No. 4. Approved the modification to a competitively negotiated, personal services contract with CBRE, Inc. for property management services, adding MTA locations that were not included with the original authorization.
2. Hilti, Inc. – All-Agency Procurement of Maintenance, Repair and Operating Supplies & Related Products and Services – No. 11751-0100. Approved the award of the Proprietary Tools category of a competitively negotiated all-agency procurement of maintenance, repair and operating supplies and related products and services (collectively, MRO) to Hilti, Inc. for a three-year period commencing January 1, 2019 with two one-year options to be exercised at MTA's sole discretion.
3. Guidehouse LLP – Contact Center Assessment – No. 0009000010. Approved the award of a competitively negotiated personal service contract to Guidehouse LLP ("Guidehouse" formerly known as Pricewaterhouse Coopers Public Section LLP) for a Contact Center Assessment for New York City Transit, MTA Bridge & Tunnel, Long Island Rail Road and Metro-North Railroad agencies. The consultant will assess the potential opportunity for external customer facing contact center service improvements and cost savings.
4. Seibold Security Inc. – Maintenance of Security System at Ridgewood and Maspeth – No. 600000000022555. Approved the award of a competitively negotiated

personal services contract to Seibold Security Inc. for preventive and remedial maintenance of security systems at the Consolidated Revenue Center (CRF) located in Ridgewood, N.Y. and the Disaster Recovery (DR) site in Maspeth, N.Y.

- 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 Rail Road

1. Acquisition of property from HPH Fleetwood LLC for commuter parking at Fleetwood Station, MacQuesten Parkway, Mount Vernon, N.Y.

New York City Transportation Authority

2. Authorization to negotiate and enter into protective lease agreements for voluntarily vacated commercial properties for purposes of securing vacant commercial parking spaces in support of the Canarsie Tunnel Rehabilitation Project.
3. License agreement with Municipal Credit Union (“MCU”) for the operation of automated teller machines (“ATMs”) at twelve New York City Transit (“NYCT”) employee facilities throughout New York City.
4. License agreement with JOMAT LLC, Successor in interest to It’s A Middle, LLC, for parking spaces to support adjacent 34/7 training facility located at West 13th Street, near former P.S. 248, Brooklyn, N.Y.

5. **COMMITTEE ON CORPORATE GOVERNANCE.**

- A. **Action Items.** Upon motion duly made and seconded, the Board approved the following action item. 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 (“PAL 2824”).

6. **MTA 2019 BUDGET ADOPTION.**

Acting Chairman Ferrer introduced MTA Chief Financial Officer Robert Foran, who presented the action items for the MTA 2019 Proposed Final Budget and the Proposed MTA Final 2019-2022 Financial Plan for Board 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.

Acting Chairman Ferrer proposed a motion to adopt the Proposed MTA 2019 Final Budget and the Proposed Final Financial Plan for 2019-2022 and opened the floor for discussion.

Regular Board Meeting
December 12, 2018

Details of the Board Members' discussion relating to the MTA 2019 Budget and Financial Plan 2019-2022 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 2019 Final Proposed Budget and 2019-2022 Financial Plan. The specifics are set forth in the staff summaries and documentation filed with the meeting materials. Board Members Vanterpool and Weisbrod abstained from the vote.

7. MTA WORKING GROUPS UPDATES.

Acting Chairman Ferrer invited Board Members Vanterpool, Greenberg and Zuckerman to provide an update on their working groups.

Working Group on Paratransit.

Board Member Vanterpool thanked the Paratransit team, leadership and paratransit customers for their contribution and feedback, and she thanked fellow Working Group Member Ira Greenberg. Board Member Vanterpool proceeded by highlighting key accomplishments made by the working group and providing paratransit statistics.

Working Group on Station Accessibility.

Board Member Greenberg thanked fellow Working Group Members Vanterpool and Jones. Mr. Greenberg stated that the group is moving forward on evaluating station to determine accessibility and he provided example of the progress made by the group.

Working Group on Positive Train Control.

Board Member Zuckerman thanked former Chairman Lhota for selecting him to lead the Working Group. Board Member Zuckerman proceeded by providing facts relating to Positive Train Control ("PTC") and he reminded the Board of what PTC will not prevent. Board Member Zuckerman continued by provided a status update on the progress, implementation and next stages of PTC.

Acting Chairman Ferrer thanked Board Members Vanterpool, Greenberg and Zuckerman for their presentations.

The details of the presentations, Board Members' comments and discussions are contained in the video recording of the meeting, produced by the MTA and maintained in the MTA records.

Acting Chairman Ferrer announced that the next scheduled Board meeting will be held on January 24, 2019, and he wished everyone a happy holiday.

8. **ADJOURNMENT.** Upon motion duly made and seconded, the Board voted to adjourn the meeting at 12:20 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 12, 2018
9:00 a.m.**

The following members were present:

**Hon. Fernando Ferrer, Acting Chairman
Hon. Andrew Albert
Hon. Norman E. Brown
Hon. David Jones
Hon. Susan Metzger
Hon. Charles G. Moerdler
Hon. Mitchell H. Pally
Hon. Scott Rechler
Hon. Andrew Saul
Hon. Lawrence Schwartz
Hon. Polly Trottenberg
Hon. Veronica Vanterpool
Hon. Peter Ward
Hon. Carl Weisbrod
Hon. Neal Zuckerman**

The following alternate non-voting members were also present:

**Hon. Randolph Glucksman
Hon. Ira Greenberg
Hon. Vincent Tessitore, Jr.**

Patrick Foye, MTA President, Veronique Hakim, Managing Director, Helene Fromm, Chief of Staff, Janno Lieber, MTA Chief Development Officer, Robert Foran, Chief Financial Officer, Thomas J. Quigley, General Counsel, Andrew Byford, President, NYCT, Phillip Eng, President, Long Island Rail Road, Catherine Rinaldi, President, Metro-North Railroad, Cedrick Fulton, President, TBTA, Darryl Irick, President, MTA Bus Operations, and Timothy Ellis, Acting Chief Government and Community Relations also attended the meeting.

1. ACTING CHAIRMAN FERRER CALLED THE MEETING TO ORDER

2. PUBLIC COMMENT PERIOD

There were fourteen (14) public speakers. The following speakers spoke on MTA NYC Transit/Staten Island Rapid Transit Operating Authority /MTA Bus Company matters during the public speakers session.

H.P. Schroer, private citizen
Nancy Reynoso, Green Taxi Advocate
Mr. X, private citizen
Tammie Williams, Belmont Park Committee Coalition
Janice Bartley, private citizen
Michael Howard, private citizen
Valerie Joseph, Brooklyn CIDNY
Murray Bodin, private citizen
Miriam Fischer, private citizen
Jason Pineiro, private citizen
Lisa Daglian, Executive Director, PCAC
Johanna Climenko, CIDNY
Joe Rappaport, Brooklyn CIDNY

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. ACTING CHAIRMAN FERRER'S REMARKS

Acting Chairman Ferrer welcomed everyone to the December Board meeting, and he thanked the public speakers for their comments.

Acting Chairman Ferrer acknowledged the extraordinary contributions made by four outgoing Board members, who recently resigned, Carl Wortendyke, John Molloy, James Vitiello, and Ira Greenberg. Acting Chairman Ferrer noted that these Board members served with distinction, and he expressed the Board's gratitude for their service.

Acting Chairman Ferrer announced the hiring, by NYCT President Andrew Byford, of internationally renowned signaling expert, Peter Tomlin, who will lead the comprehensive modernization of the subway signal system. The hiring is an important step for New York City Transit and a necessary exception to the current hiring freeze.

Acting Chairman Ferrer announced that later today the Board will be asked to approve the proposed MTA 2019 Final Proposed Budget and November Financial Plan 2019-2022, and he noted that the MTA is required by law to produce a balanced budget. Acting Chairman Ferrer stated that the MTA faces serious financial challenges ahead, and that the MTA is reducing and cutting costs, including instituting a hiring freeze for all non-essential employees. The MTA will continue to streamline operations and look for efficiencies and cost-effectiveness across the agencies. Acting Chairman Ferrer noted that the MTA will be implementing additional savings measures in the future. He stated that to avoid service reductions or additional fare and toll

increases, the Board must work with the MTA's partners in government to secure additional revenue sources for the operating and capital budgets.

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

4. MINUTES

Upon motion duly made and seconded, the Board unanimously approved the minutes of the meeting held on November 15, 2018, of the Board of MTA NYC Transit /Staten Island Rapid Transit Operating Authority /MTA Bus Company.

5. COMMITTEE ON FINANCE

Real Estate Action Items: Upon motion duly made and seconded, the Board approved: (i) authorization to negotiate and enter into protective lease agreements for voluntarily vacated commercial properties for purposes of securing vacant commercial parking spaces in support of the Canarsie Tunnel Rehabilitation Project; (ii) a license agreement with Municipal Credit Union for the operation of automated teller machines at twelve New York City Transit employee facilities throughout New York City; and (iii) a license agreement with JOMAT LLC, successor in interest to It's A Middle, LLC, for parking spaces to support adjacent 24/7 training facility located at West 13th Street, near former P.S. 248, Brooklyn, N.Y.

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

Procurements:

Ratification: Upon motion duly made and seconded, the Board approved the ratification requiring a two-thirds vote (Schedule K in the Agenda). Board member Weisbrod abstained from the vote.

Details of the above item 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.

Acting Chairman Ferrer stated that the Transit and Bus Committee considered and voted to recommend the adoption of the 2019 Final Proposed Budget and Financial Plan for 2019-2022 for MTA NYC Transit /Staten Island Rapid Transit Operating Authority /MTA Bus Company, and that Board action on the agency budget would be presented at the adoption of the Final Proposed 2019 Budget and four-year Financial Plan for 2019-2022 following other Committee reports.

7. COMMITTEE ON CORPORATE GOVERNANCE.

Public Authorities Law Required Policies: Upon motion duly made and seconded, the Board approved revisions to certain existing policies of the MTA and its Agencies, in order to comply with Public Authorities Law Section 2824.

8. 2019 BUDGET ADOPTION

Acting Chairman Ferrer introduced MTA Chief Financial Officer Robert Foran, who presented the action items for the MTA 2019 Proposed Final Budget and the Proposed MTA Final 2019-2022 Financial Plan, including the individual agency budgets and financial plans, for Board 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.

Acting Chairman Ferrer proposed a motion to adopt the Proposed MTA 2019 Final Budget and the Proposed Final Financial Plan for 2019-2022 and opened the floor for discussion.

Details of the Board Members' discussion relating to the MTA 2019 Budget and Financial Plan 2019-2022 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 2019 Final Proposed Budget and 2019-2022 Financial Plan, including the individual agency budgets and financial plans, for Board consideration and approval. The specifics are set forth in the staff summaries and documentation filed with the meeting materials. Board Members Vanterpool and Weisbrod abstained from the vote.

9. MTA WORKING GROUPS UPDATES.

Acting Chairman Ferrer invited Board Members Vanterpool, Greenberg and Zuckerman to provide an update on their working groups.

Working Group on Paratransit.

Board member Vanterpool thanked the Paratransit team, leadership and paratransit customers for their contribution and feedback, and she thanked fellow Working Group Member Ira Greenberg. Board Member Vanterpool proceeded by highlighting key accomplishments made by the working group and providing paratransit statistics.

Working Group on Station Accessibility.

Board Member Greenberg thanked fellow Working Group Members Vanterpool and Jones. Mr. Greenberg stated that the group is moving forward on evaluating stations to determine accessibility, and he provided example of the progress made by the group.

Working Group on Positive Train Control.

Board Member Zuckerman thanked former Chairman Lhota for selecting him to lead the Working Group. Board Member Zuckerman proceeded by providing facts relating to Positive Train Control ("PCT") and he reminded the Board of what PCT will not prevent. Board Member Zuckerman continued by providing a status update on the progress, implementation and next stages of PTC.

Acting Chairman Ferrer thanked Board Members Vanterpool, Greenberg and Zuckerman for their presentations.

The details of the presentations, Board Members' comments and discussions are contained in the video recording of the meeting, produced by the MTA and maintained in the MTA records.

10. ADJOURNMENT.

Upon motion duly made and seconded, the Board voted to adjourn the meeting at 12:20 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 12, 2018
10:00 a.m.

The following members were present:

Hon. Fernando Ferrer, Acting Chairman
Hon. Andrew Albert
Hon. Norman E. Brown
Hon. David Jones
Hon. Susan Metzger
Hon. Charles G. Moerdler
Hon. Mitchell H. Pally
Hon. Scott Rechler
Hon. Andrew Saul
Hon. Lawrence Schwartz
Hon. Polly Trottenberg
Hon. Veronica Vanterpool
Hon. Peter Ward
Hon. Carl Weisbrod
Hon. Neal Zuckerman

The following alternate non-voting members were also present:

Hon. Randolph Glucksman
Hon. Ira Greenberg
Hon. Vincent Tessitore, Jr.

Patrick Foye, MTA President, Veronique Hakim, Managing Director, Helene Fromm, Chief of Staff, Janno Lieber, MTA Chief Development Officer, Robert Foran, Chief Financial Officer, Thomas J. Quigley, General Counsel, Andrew Byford, President, NYCT, Phillip Eng, President, Long Island Rail Road, Catherine Rinaldi, President, Metro-North Railroad, Cedrick Fulton, President, TBTA, Darryl Irick, President, MTA Bus Operations, and Timothy Ellis, Acting Chief Government and Community Relations also attended the meeting.

Acting Chairman Ferrer called the meeting to order.

1. Public Speakers:

There were 14 registered public speakers. The following speaker spoke on matters referencing Metro-North:

Lisa Daglian, Executive Director of the Permanent Citizens Advisory Committee (“PCAC”) discussed the December 10, 2018 Finance Committee meeting. She stated that the proposed budget was forwarded to the Board without a recommendation from the Finance Committee. She noted concerns that the vote on the budget will come before a vote on fare

hikes, even though the proposed budget includes anticipated revenue from such fare hikes. She also noted that the budget vote comes before the public hearing in Rockland County.

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

2. Acting Chairman Ferrer's Remarks:

Acting Chairman Ferrer welcomed everyone to the December Board meeting, and thanked the public speakers for their comments.

Acting Chairman Ferrer acknowledged the extraordinary contributions made by four Board members who have recently resigned, Carl Wortendyke, John Molloy, James Vitiello, and Ira Greenberg. Acting Chairman Ferrer noted that these Board members served with distinction, and he expressed the Board's gratitude for their service.

Acting Chairman Ferrer announced the hiring, by NYCT President Andrew Byford, of internationally renowned signaling expert, Peter Tomlin, who will lead the comprehensive modernization of the subway system. The hiring is an important step for New York City Transit and a necessary exception to the current hiring freeze.

Acting Chairman Ferrer announced that later today the Board will be asked to approve the MTA 2019 Final Proposed Budget and November Financial Plan 2019-2022, and he noted that the MTA is required by law to produce a balanced budget. Acting Chairman Ferrer stated that the MTA faces serious financial challenges ahead. Mr. Ferrer stated that the MTA is reducing and cutting costs and has instituted a hiring freeze for all non-essential employees. The MTA will continue to streamline operations and look for efficiencies and effectiveness across the agencies. Acting Chairman Ferrer noted that the MTA will be implementing additional savings measures in the future. He stated that to avoid service reductions or additional fare and toll increases the Board must work with the MTA's partners in government to secure additional revenue sources for the operating and capital budgets.

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

3. Approval of Minutes:

Upon motion duly made and seconded, the minutes of the Regular Board Meeting held on November 15, 2018 were unanimously approved.

4. Committee on Finance:

Action Item:

The Board was presented with the following action items recommended to it by the Committee on Finance that relate to Metro-North.

- Board authorization and approval of the necessary documentation to issue new money bond anticipation notes (BANs) and bonds to finance up to \$3.0 billion of capital projects set forth in approved transit and commuter capital programs, and to

issue up to \$350 million of new money bonds and BANs to finance capital projects set forth in approved MTA Bridges & Tunnels capital programs.

- Board adoption of reimbursement resolutions, which are required by Federal tax law to preserve the ability to finance certain capital projects on a tax-exempt basis.
- Board approval of administrative changes to the MTA's Advertising Policy.
- Board approval for an extension of the Energy Services Program Agreement between the New York Power Authority (NYPA) and the MTA.

Upon motion duly made and seconded, the Board approved the foregoing action items. Board Member Vanterpool recused herself from the vote on item four above. The details of the approved items are contained in staff summaries and documentation filed with the minutes of the MTA Board meeting held this day and in the video recording of the meeting produced by the MTA and maintained in the MTA records.

MTAHQ Procurements:

The Board was presented with the following competitive procurements recommended to it by the Committee on Finance that relate to Metro-North.

- Approval to award the Proprietary Tools category of a competitively negotiated All-Agency Procurement of Maintenance, Repair and Operating Supplies & Related Products and Services (collectively, MRO) to Hilti, Inc. (Hilti) in the not-to-exceed amount of \$63,816,683, which includes a 10% contingency. The contract period is three years commencing January 1, 2019 with two one-year options to be exercised at MTA's sole discretion.
- Approval to award a competitively negotiated personal service contract to Guidehouse, LLP (formerly known as "Pricewaterhouse Coopers Public Sector, LLP") for a Contact Center Assessment for New York City Transit, Bridges & Tunnels, Long Island Rail Road and Metro-North Railroad. The consultant will assess the potential opportunity for external customer facing contact center service improvements and cost savings. The proposed contract term is six months for a fixed fee of \$758,551.

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

Real Estate:

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

- Acquisition of property from HPH Fleetwood LLC for commuter parking at the Fleetwood Station, MacQuesten Parkway, Mount Vernon, New York.

Upon motion duly made and seconded, the Board approved the foregoing real estate item. The details of the approved real estate item are contained in the staff summary and documentation filed with the minutes of the MTA Board meeting held this day and in the video recording of the meeting produced by the MTA and maintained in the MTA records.

5. Committee on Metro-North:

Procurements:

The Board was presented with the following competitive procurement recommended to it by the Committee on MTA Metro-North Railroad.

- Board adoption of a resolution declaring that competitive, sealed bidding is impractical or inappropriate and that it is therefore in the public interest to use the competitive Request for Proposal process, pursuant to Public Authorities Law Section 1265-a, to solicit proposals for the design, demolition and construction for the replacement of the superstructure and rehabilitation of the substructure of the 3rd Avenue Bridge (NH 13.66) for Metro-North Railroad.

Upon motion duly made and seconded, the Board approved the foregoing procurement. The details of the above procurement are contained in staff summary filed with the records of this meeting and in the video recording of the meeting produced by the MTA and maintained in the MTA records.

6. Committee on Corporate Governance:

Action Item:

The Board was presented with the following action item recommended to it by the Committee on Corporate Governance that relates to Metro-North.

- Board approval of revisions to certain existing policies of the MTA and its Agencies, in order to comply with Public Authorities Law Section 2824 ("PAL 2824").

Upon motion duly made and seconded, the Board approved the foregoing item. The details of the above item are contained in a staff summary filed with the records of the Committee on Corporate Governance and in the video recording of the meeting produced by the MTA and maintained in the MTA records.

7. MTA 2019 Budget and 2019-2022 Financial Plan:

Acting Chairman Ferrer introduced MTA Chief Financial Officer Robert Foran, who presented the action items for the MTA 2019 Proposed Final Budget and the Proposed MTA Final 2019-2022 Financial Plan for Board 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.

Acting Chairman Ferrer proposed a motion to adopt the Proposed MTA 2019 Final Budget and the Proposed Final Financial Plan for 2019-2022 and opened the floor for discussion.

Details of the Board Members' discussion relating to the MTA 2019 Budget and Financial Plan 2019-2022 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 2019 Final Proposed Budget and 2019-2022 Financial Plan. The specifics are set forth in the staff summaries and documentation filed with the meeting materials. Board Members Vanterpool and Weisbrod abstained from the vote.

8. MTA Working Group Updates:

Acting Chairman Ferrer invited Board Members Vanterpool, Greenberg and Zuckerman to provide an update on their working groups.

Working Group on Paratransit:

Board member Vanterpool thanked the Paratransit team, leadership and paratransit customers for their contribution and feedback, and she thanked fellow Working Group Member Ira Greenberg. Board Member Vanterpool proceeded by highlighting key accomplishments made by the working group and providing paratransit statistics.

Working Group on Station Accessibility:

Board Member Greenberg thanked fellow Working Group Members Vanterpool and Jones. Mr. Greenberg stated that the group is moving forward on evaluating station to determine accessibility and he provided example of the progress made by the group.

Working Group on Positive Train Control:

Board Member Zuckerman thanked former Chairman Lhota for selecting him to lead the Working Group. Board Member Zuckerman proceeded by providing facts relating to Positive Train Control ("PTC") and he reminded the Board of what PTC will not prevent. Board Member Zuckerman continued by provided a status update on the progress, implementation and next stages of PTC.

Acting Chairman Ferrer thanked Board Members Vanterpool, Greenberg and Zuckerman for their presentations.

The details of the presentations, Board Members' comments and discussions are contained in the video recording of the meeting, produced by the MTA and maintained in the MTA records.

9. Adjournment:

Upon motion duly made and seconded, the Board voted to adjourn the meeting at 12:20 p.m.

Respectfully submitted,



Linda Montanino
Assistant Secretary

**Minutes of the Regular Board Meeting
Long Island Rail Road Company
2 Broadway
New York, NY 10004
Wednesday, December 12, 2018
9:00 a.m.**

The following members were present:

Hon. Fernando Ferrer, Acting Chairman
Hon. Andrew Albert
Hon. Norman E. Brown
Hon. David Jones
Hon. Susan Metzger
Hon. Charles G. Moerdler
Hon. Mitchell H. Pally
Hon. Scott Rechler
Hon. Andrew Saul
Hon. Lawrence Schwartz
Hon. Polly Trottenberg
Hon. Veronica Vanterpool
Hon. Peter Ward
Hon. Carl Weisbrod
Hon. Neal Zuckerman

The following alternate non-voting members were also present:

Hon. Randolph Glucksman
Hon. Ira Greenberg
Hon. Vincent Tessitore, Jr.

Patrick Foye, MTA President, Veronique Hakim, Managing Director, Helene Fromm, Chief of Staff, Janno Lieber, MTA Chief Development Officer, Robert Foran, Chief Financial Officer, Thomas J. Quigley, General Counsel, Andrew Byford, President, NYCT, Phillip Eng, President, Long Island Rail Road, Catherine Rinaldi, President, Metro-North Railroad, Cedrick Fulton, President, TBTA, Daryl Irick, President, MTA Bus Operations, and Timothy Ellis, Acting Chief, Government and Community Relations, also attended the meeting.

Acting Chairman Fernando Ferrer called the meeting to order.

1. Public Speakers

Timothy Ellis, Acting Chief, Government and Community Relations indicated that fourteen (14) public speakers had signed up to speak. After reviewing safety procedures for everyone attending the meeting, Mr. Ellis asked all speakers to observe the two (2) minute limit in fairness to others and noted the clock up front and the fact that a warning light will come on with 30 seconds to go.

Two (2) of the speakers commented on matters relating to the Long Island Rail Road ("LIRR"):

Tammie Williams, Board Member of the Belmont Park Community Coalition, commented on the proposed Belmont development project. She stated that her organization had been asking for plans of use of the LIRR Belmont Park Station to service the development. She further stated that no one was ensuring that adequate public transportation was being planned to serve the development, and that the Belmont Park Station can barely handle the service to it today. She added that she had learned that two extra trains were being planned for events at the new arena, and she stated that this was not enough. Any real solution to provide adequate public transportation to the development would cost millions of dollars. She stated that the MTA has limited resources and many priorities and that the residents of Belmont, Elmont, Floral Park and Southeast Queens should not and will not pay for this development and that these residents are afraid that this will not be the case.

Mary Parisen-Lavelle, Chair of Civics United for Railroad Environmental Solutions ("CURES"), wished everyone the joys of the holiday season. She stated that the MTA Board mandates open competition and off-the-shelf purchasing in procurements. She further stated that before the Board votes on the 2019 budget, it should examine the lack of competition reflected on pages 2 through 7 of the handout she distributed to the Board. She asked the Board to keep its promise to provide the cleanest locomotives for the Fresh Pond community and to rework LIRR's existing request for proposals ("RFP") for freight and work locomotives to ensure open competition. She stated that CURES has no preferred vendor, and that the MTA and the Governor promised the cleanest locomotives in 2016. She further stated that the cleanest locomotives are United States Environmental Protection Agency ("USEPA") certified Tier 4 switch duty cycle locomotives, and that one of the cleanest locomotives, a unit leased by New York & Atlantic Railway from Waste Management, was operating at Fresh Pond today. She asked if LIRR's consultant, Network Rail Consulting, Inc., had spoken with Waste Management about this unit. She stated that this is low-hanging fruit. She urged the Board to rework the RFP to reduce pollution by 95%.

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.

2. Acting Chairman's Remarks.

Acting Chairman Ferrer thanked all of the public speakers for appearing. He then acknowledged the contributions of several Board members who were leaving the Board after years of service: James Vitiello (2 years); Carol Wortendyke (13 years); John Molloy (5 years); and Ira Greenberg (9 years). Acting Chairman Ferrer noted that these individuals served with distinction, and he expressed the Board's sincere gratitude for their service.

Acting Chairman Ferrer stated that New York City Transit ("NYCT") President Andrew Byford had recently hired Pete Tomlin, an international signals expert, who will be heading the re-signaling efforts at NYCT in January, which will be an important step forward for NYCT. He also stated that MTA's financial situation is serious, and that MTA needs sustainable and reliable revenue sources. This requires a united Board, to support safe and reliable service to 9 million people.

Acting Chairman Ferrer noted that the Board will later be asked to approve the 2019 budget and the Four-Year Financial Plan. He stated that MTA is facing serious financial challenges, but is getting its house in order and cutting costs. The recently announced hiring freeze of non-essential employees is a key first step. He added that to avoid further fare and toll increases, and service cuts, MTA needed to work to secure additional funding.

3. Approval of Minutes

Acting Chairman Ferrer asked for a motion to approve the minutes of the Regular Board Meeting of November 15, 2018. Upon motion duly made and seconded, the minutes of the Regular Board Meeting of November 15, 2018 were approved.

4. Committee on Finance

Action Items

The Board was presented with six (6) action items recommended to it by the Committee on Finance:

- **Authorization to Issue New Money Transportation Revenue Bonds and Bond Anticipation Notes, Dedicated Tax Fund Bond Anticipation Notes, Dedicated Tax Fund Bonds, and Triborough Bridge and Tunnel Authority General Revenue and Subordinated Revenue Bonds and Bond Anticipation Notes** – The MTA Finance Department is seeking MTA and TBTA Board authorization and approval of the necessary documentation to issue new money bond anticipation notes (BANs) and bonds to finance up to \$3.0 billion of capital projects set forth in approved transit and commuter capital programs, and to issue up to \$350 million of new money bonds and BANs to finance capital projects set forth in approved MTA Bridges & Tunnels capital programs. The MTA Finance Department will report to the Board on the status of the proposed debt issuance schedule, the results of each note and bond issue and planned note and bond issues.

- **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** – The MTA Finance Department is seeking MTA and TBTA Board authorization and approval of the necessary documentation to issue refunding bonds, from time to time, subject, if applicable, to the Refunding Policy adopted by the Board in May, 2010, 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 such bonds or other obligations will be beneficial to the obligors thereof and/or their affiliates and subsidiaries.
- **Updated MTA and TBTA Bond Refunding Policy** – The MTA Finance Department is seeking MTA and TBTA Board approval of an updated Bond and Other Debt Obligations Refunding Policy, amending the Policy as originally adopted by the MTA Board in May 2010. This updated policy incorporates changes necessary as a result of the 2017 Tax Cuts and Jobs Act which eliminated the ability for tax-exempt advance refundings. Current federal tax law permits current refundings of bonds that are within 90 days of an optional call or maturity. Additional clarifying statements on the use of variable rate bonds were also made to the policy. Staff believes that these modified requirements will provide continued flexibility in the pursuit of MTA's and TBTA's capital markets objectives in funding the capital program at the lowest possible cost.
- **MTA and TBTA Reimbursement for Federal Tax Purposes** – To obtain MTA and TBTA adoption of the annexed reimbursement resolutions, which are required by federal tax law to preserve the ability to finance certain capital projects on a tax-exempt basis.
- **MTA Advertising Policy** – To obtain Board approval of confirming administrative changes to the MTA's Advertising Policy.
- **NYPA – Energy Services Program Agreement** – To obtain Board approval for an extension of the Energy Services Program Agreement between the New York Power Authority (NYPA) and the MTA.

Upon motion duly made and seconded, the Board approved the foregoing action items, 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.

Procurement Items

The Board was presented with four (4) procurement items recommended to it by the Committee on Finance, three (3) of which related to Long Island Rail Road:

Non-Competitive Procurement:

- **CBRE, Inc. – Property Management Services – Contract No. 15326-0100, Modification No. 4 – Base Amount = \$28,213,442 – Current Contract Value = \$39,569,338 – Proposed New Contract Value = \$43,941,898** – Board approval is sought to modify a competitively negotiated, personal services contract with CBRE, Inc. (CBRE) for property management services, adding MTA locations that were not included with the original authorization. Additionally, Board approval is sought to add locations in subsequent contract years subject to MTA Board approval of the MTA Financial Plans for such years.

Competitive Procurements:

- **Hilti, Inc. – All-Agency Procurement of Maintenance, Repair and Operating Supplies & Related Products and Services – Contract No. 11751-0100 – Not to Exceed: \$63,816,683** – Board approval is sought to award the Proprietary Tools category of a competitively negotiated All-Agency Procurement of Maintenance, Repair and Operating Supplies & Related Products and Services (collectively, MRO) to Hilti, Inc. (Hilti) in the not-to-exceed amount of \$63,816,683, which includes a 10% contingency. The contract period is three years commencing January 1, 2019 with two one-year options to be exercised at MTA's sole discretion.
- **Guidehouse, LLP – Contact Center Assessment – Contract No. 0009000010 – Competitively Negotiated – 10 Proposals – 6 months – Not to Exceed: \$758,551** – Board approval is sought to award a competitively negotiated personal service contract to Guidehouse LLP ("Guidehouse", formerly known as "Pricewaterhouse Coopers Public Sector LLP") for a Contact Center Assessment for New York City Transit ("NYCT"), Bridges & Tunnels ("B&T"), Long Island Rail Road ("LIRR") and Metro North Railroad ("MNR") agencies. The consultant will assess the potential opportunity for external customer facing contact center service improvements and cost savings. The proposed contract term is six months for a fixed fee of \$758,551.

Upon motion duly made and seconded, the Board approved the foregoing procurement items, 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.

Real Estate Items

There were no real estate items related to Long Island Rail Road.

5. LIRR Committee

Procurement Items

The Board was presented with four (4) procurement items recommended to it by the LIRR Committee, one (1) of which related to Long Island Rail Road and three (3) of which related to MTA Capital Construction Company ("MTACC"):

Procurement by Long Island Rail Road:

Competitive Procurement:

- **Ansaldo STS USA, Inc. – Competitive RFP – Contract No. 6288 - \$5,152,854 + \$297,000 (option) = \$5,449,854** – Long Island Rail Road (LIRR) requests MTA Board approval to award a Public Works contract to Ansaldo STS USA, Inc. in the amount of \$5,152,854 to design, furnish and deliver manufactured signal equipment for the LIRR's new Beaver Interlocking and Johnson Avenue Yard, associated with Phase I of the Jamaica Capacity Improvements (JCI) project. This contract also contains an option for hardware warranty in the additional amount of \$297,000, to be exercised at LIRR's sole discretion.

Procurements by MTACC:

Competitive Procurements:

- **Tutor Perini Corporation**
 1. **Contract No. CS179 Modification No. 158 - \$952,717**
 2. **Contract No. CS179 Modification No. 159 - \$975,000**

In accordance with Article VIII of the All-Agency General Contract Procurement Guidelines, MTACC requests that the Board approve changes to the design of the Tunnel Ventilation Control system (TVCS).

- **Tutor Perini Corporation**
Contract No. CQ033 Modification No. 29 - \$1,550,000

In accordance with Article VIII of the All-Agency General Contract Procurement Guidelines, MTACC requests that the Board approve a Modification which will allow for access to the Arch Street Yard and Shop while the Work of this contract proceeds, by accelerating and resequencing select portions of track work and by installing new traction power jumpers and duct banks.

Upon motion duly made and seconded, the Board approved the foregoing procurement items, 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.

Railroad Final Budgets

Metro North Committee Chair Susan Metzger stated that at the Joint Meeting of the Long Island and Metro North Committees, a recommendation was made by the Committees for the Board to adopt the 2019 Final Budget and 4-Year Financial Plan for both railroads, with action to be taken after the completion of all committee reports.

6. MTA 2019 Final Proposed Budget and November Financial Plan 2019-2022

Acting Chairman Ferrer stated that MTA Chief Financial Officer Robert Foran briefed the Board on these matters at the last Board meeting and at the Special Finance Committee Meeting.

MTA Chief Financial Officer Robert Foran stated that the Board was legally obligated to adopt a balanced budget. He explained elements of the November Plan, and the six (6) recommendations of staff to the Board, contained in Part I (Executive Summary) of the Plan. The approval of this plan will supersede prior board plan approvals for this period. He stated that the projected 2019 and 2021 fare and toll increase proposals would require separate authorization from the Board in advance of those dates. He recommended that the Board authorize staff under the guidance and direction of the Chairman, Managing Director, Chief Financial Officer and their designees to take action to implement the policy actions set forth in the Plan; authorize staff to draw down the unexpended 2018 General Reserve, \$160 Million; authorize staff to reduce the amount of the fuel hedge collateral by the amount in excess of the required levels of \$40 million, which will help balance the 2019 budget; authorize technical adjustments to the MTA budgets and forecast of a nonmaterial nature in the February Plan; authorize adjustments of MTA budgets and forecasts to reflect labor settlements approved from time to time by the Board; and authorize staff under the guidance and direction of the Chairman, Managing Director, Chief Financial Officer or their designees, including the MTA Treasurer, to take additional budget and cash management actions as has been done in prior and past budgets to draw on the general reserve and/or make budget adjustments to respond to unexpected expenses or revenue subsidy shortfalls and other actions, including the advance of the Bridges and Tunnels operating surplus, the use of MTA MRT-2 Corporate account monies, use of the payroll mobility tax and replacement funds and the MTA aid, to enter into interagency loan agreements among the MTA and its affiliates and subsidiaries, to use the stabilization reserve to meet any cash flow requirements of MTA New York City Transit and the MTA Commuter Railroads and the Treasurer shall also use such funds as from time to time may be necessary or convenient to make timely debt service payments on MTA bonds.

Acting Chairman Ferrer moved the adoption of the MTA 2019 Final Proposed Budget and Financial Plan 2019-2022.

Board Member Andrew Albert asked if there was any language that would allow the Board to allocate additional monies to provide additional service if ridership goes up. MTA Chief Financial Officer Foran responded in the affirmative, stating that we can always do that.

Board Member Neal Zuckerman asked what the Board was approving vis a vis the years 2020-2022. MTA Chief Financial Officer Foran responded, stating that it is a forecast or a preview of those years. The Board is not locking in anything for those years, and the Board will vote separately on a budget for those years.

Board Member Zuckerman stated he was very worried about 2020-2022, and the \$1 billion structural deficit in 2022. He stated that East Side Access (“ESA”) accounted for 25% of such deficit. He further stated that the deficit cannot be solved even with MTA Chief Financial Officer Foran and his team working brilliantly on one-shots and cost cutting.

Board Member Andrew Saul thanked MTA Chief Financial Officer Foran for working with the facts that he has. He stated that while we talk about restructuring and cost-cutting, we have an operation that cannot last. Board Member Saul further stated that we will shortly face the need to dramatically restructure the MTA. We have a highly bloated operation that is very bureaucratic. But we will always find reasons why it cannot be fixed.

Board Member Saul stated that he will vote for the budget, but the reality is that we need to look seriously at restructuring. He questioned why MTA has two bureaucracies at the commuter railroads when they are both the same operation. He stated that he felt badly about what riders are being asked to pay for, and further stated that we are not being responsible fiduciaries.

Board Member Veronica Vanterpool stated that MTA has an irrational budget process. She further stated that she has largely supported biennial fare and toll increases, which is a step that has been necessary to support transit systems across the country. However, she added that she did not support putting riders first to carry MTA’s operating deficit. She further added that the Board is being asked to vote based on certain assumptions and projections, and it is important not to forget that.

Board Member Vanterpool stated that the Board needs to move more aggressively on reforms, including dealing with fare evasion, cost containment, and procurement reform. She further stated that we still put the riders first in dealing with the deficit, and we let money flow out irrationally such as \$15.9 million per year in toll rebates. We need a full funding scope from the City and State.

Acting Chairman Ferrer stated that he wished to reiterate that he ordered an absolute hiring freeze, with a Vacancy Control Committee composed of three members. Any appeal would have to come to that Committee and to him. He further stated that department by department, agency by agency, we will look at each for cost reductions and greater efficiencies.

Board Member Carl Weisbrod stated that he was very mindful of the legal requirements and practical importance of a balanced budget. He was also mindful of the Board’s fiduciary

responsibilities. He stated that while he wants to see a balanced budget, he disagreed with Board Member Zuckerman and did not see this budget as balanced. He further stated that we have \$270 million of revenue from an assumed fare increase which some Board members do not support. He therefore felt it was appropriate to put such \$270 million below the line. He stated that we have not shown an equivalent below the line entry of \$270 million in additional, unidentified expense reductions. There have been many suggestions by Board Members for additional expense reductions, which could be everything from consolidation to reductions in a variety of different areas. He added that he felt it was critical, to show a truly balanced and transparent budget, to show an additional \$270 million in unidentified potential savings or cuts below the line just as we show \$270 million in potential additional revenues from a fare increase that may not be realized.

Acting Chairman Ferrer stated that the effect of the hiring freeze is unknown today and is therefore not reflected in the budget.

Board Member David Jones stated that he echoed Board Member Weisbrod's comments. He added that he had heard about planning for different levels of service cutbacks, and he expressed concern about a lack of understanding by the Board and by the public of the implications of loss of service. He stated that this should have been laid out in detail.

MTA Chief Financial Officer Foran stated that we asked NYCT to develop three tiers of service cuts: moderate, significant, and severe; a total of \$191 million a year. So these terrible things that nobody wants to do, do not offset the \$270 million. We have now asked the commuter railroads to engage in the same exercise. Mr. Foran further stated that when MTA implemented service cuts in 2010, it amounted to \$100 million per year, but it affected people dramatically.

Board Member Susan Metzger stated that we are standing on a precipice with our budget. She further stated that while she knew the Board understood the depth of the problem, she felt that the public and our elected officials do not. Board Member Metzger stated that we need to move forward with a budget and that she was in favor of aligning the budget with the process for fare and toll increases. Otherwise, it was difficult for people West of Hudson to understand what is going on.

Board Member Metzger stated that the MTA reform working groups were doing well, but this subject was too complex for the Board to deal with in a few meetings.

Board Member Polly Trottenberg thanked MTA Chief Financial Officer Foran for his work on the budget. She stated that she attended a public hearing and that public is strongly opposed to the proposed fare and toll increases. She further stated that she felt it is important for the public to know what it means if we do not get the \$90 million from the fare and toll increase and if we do not get the \$270 million and that the budget should have details on what the stakes are and what it means for the agencies.

Board Member Scott Recher also thanked MTA Chief Financial Officer Foran for his work. He then made the following points: First, he stated that he agreed with Board member

Zuckerman: the real issue is beyond 2019. MTA is structurally unbalanced and if we do not take strong action this year, next year will be a precipice. He further stated that the Board had set up working groups to implement reforms, and that the organization must buy into reform or we will fail. Second, Board Member Rechler stated that MTA needs a new source of revenue through congestion pricing, so that we can get customers to come back and use the system. Third, we need to see management put forward some cost containment plans. The hiring freeze is a good first step, but not enough. We need action this year, before we go into next year.

Board Member Mitchell Pally stated that he would support the proposed budget because we do not have an alternative today. He further stated that the proposed budget is based on assumptions and projections, some of which are incorrect and need change. He added that from his perspective, it was necessary to get past today's "hump." He further added that he still believed we should delay any other votes until April. \$90 million can be found, and we should not have to cut service to make up the difference.

Board Member Norman Brown stated that he admired the way MTA Chief Financial Officer Foran manages the budget process. He thought the Board was missing the concept of "turn taking", which structures the discussion. He added that over time, we have to step forward with a fare increase without necessarily knowing what other parties will do. This dates back a long time, to the days of the Transit Authority and the nickel fare. Mr. Brown stated that all last spring, we went over service cuts which drove ridership down. Here, we are talking about tweaking the system again. Mr. Brown further stated that all the cuts we made over the past ten years will not solve the problem. MTA has needs that are not being addressed by the present financial system chiefly because it is providing benefits to property owners throughout New York City and New York State that are unaccounted for in the financial system. He stated that it is time for the MTA system to be funded by the value it creates.

Board Member Vincent Tessitore, Jr. stated that the Board should recognize the efforts of the represented workforce in delivering critical projects and their impacts on the system. He further stated that he would appreciate the Board recognizing the contributions of labor and that labor is in the forefront and hears the public's concerns. He added that there should be no confusion about the dedication of our work force.

Board Member Charles Moerdler stated that he wanted to address one factor: Board Member Lawrence Schwartz stated several months ago that we need to think outside of the box. We need to identify new revenue that is not tax-generated or fare-generated. Mr. Moerdler suggested the formation of a working group on new revenue sources.

Board Member Peter Ward stated that he would vote for the budget, although he was not happy about it. He expressed concerns about the proposed fare increase, stating that it was offensive to increase fares for Access-A-Ride and that we shouldn't put greater burdens on Access-A-Ride users. He also expressed concerns about increases in the Staten Island toll rebate. Mr. Ward further stated that we may be able to get through next year, but we have a need for massive investment with no new revenue. He pointed to the need to harden the MTA system, which will cost hundreds of millions, but which needs to be done soon.

Board Member Ward stated that his union created a new health care center on Queens Boulevard that is across from a station, and that as a result of re-zoning, the union now has air rights that are highly valuable. Mr. Ward further stated that there is no indication of the union being taxed on this additional value. He added that the developer community should pay their fair share of the value they enjoy as a result of our system.

Board Member Lawrence Schwartz asked the Board for a courtesy: he needed to leave for a medical procedure and asked for a vote on the budget so that he could participate. He stated that as Chairman of the Finance Committee, he believed the budget was balanced. He further stated that if he continued to serve as Chairman, he would be aggressive in 2019 in seeking a restructuring of the MTA. He asked the Board to be proactive with him. He added that we will deal with the fare increase in January, that the two options presented by staff are not the only options, and that he was working on his own plan. He further added that the Board has his commitment that if we have to implement service cuts, we will take them up and deal with it. MTA riders should not have to be the first in line in shouldering the burden.

Acting Chairman Ferrer called for a vote on the budget.

Upon motion duly made and seconded, and with Board Members Vanterpool and Weisbrod abstaining, the Board approved the MTA 2019 Final Proposed Budget and November Financial Plan 2019-2022, the details of which are contained in the budget materials submitted to the Board at its November meeting, and in the video recording of this meeting, produced by the MTA and maintained in MTA records.

Board Member Ira Greenberg stated that something had been left out of the conversation: MTA borrows a lot of money for its capital program, and has done so since the 1980s. This fact needs to be part of the conversation. Mr. Greenberg further stated that one way to address this problem is value capture. He agreed with Board Member Ward that the City of New York had re-jiggered this to benefit the developer community. MTA faces a great challenge ahead. The Governor and the legislature and the Mayor and the City Council all need to be engaged.

Board Member Albert stated that there were several possibilities for fare and toll increases: Mr. Schwartz has some ideas and he has some ideas as well. He further stated that there is a possibility of the Legislature giving us congestion pricing, and he asked if the Board could look at the budget again before July. MTA Chief Financial Officer Foran, responded in the affirmative, stating that we always have that ability.

Board Member Vanterpool suggested forming a working group on revenue options. She further stated that the Governor had created a working group to look at what the Legislature could do, but we can look at this as well to see what we can do. Ms. Vanterpool added that she had abstained on the budget because a "yes" vote would have meant a sanctioning of a process plus accepting assumptions we know are incorrect. A "no" vote would have meant accepting an \$850 million deficit, affecting MTA's bond ratings, and this would run counter to our fiduciary responsibilities as Board Members to this agency. She further added that she does not abstain often and wanted to explain her vote.

Board Member Weisbrod stated that he also wished to explain his abstention on the budget. The budget needs to be balanced on both on the expense side and on the revenue side. He pointed to the precariousness of assuming \$270 million from the fare and toll increase but not reflecting the uncertainty of making \$270 million in cuts if the fare increase doesn't come through. He stated that we have not reflected on the expense side the uncertainty of having to make whatever kinds of cuts, changes or efficiencies are necessary if a fare increase in its entirety does not come through. Mr. Weisbrod further stated, in response to Board Member Ward's comments on air rights, that he had a role in the City's re-zoning efforts, and also had a role in getting developers to pay for improvements at Grand Central Terminal. All of this was generated by an increase in air rights. He added that the City of New York had done a lot on value capture, and that we cannot expect the MTA or the State to just take a piece of the City's real estate tax revenue. The City faces many challenges such as increasing affordable housing.

Board Member Polly Trottenberg stated, with respect to re-zoning, that the City faces its own need for tremendous infrastructure investment when it rezones, including affordable housing, schools, parks, and transportation.

Board Member Brown stated, in clarification of his earlier remarks, that value capture was not simply an issue of claiming a portion of Tax Incremental Financings ("TIFs") or Payments in Lieu of Taxes ("PILOTs") associated with rezoning. A built-out City is where he placed value capture, especially south of 60th Street in Manhattan. He further stated that when you add a train stop or additional bus lines, it increases the value of the area. That is what he is suggesting in terms of value capture. He added that properties should be assessed like the water supply system.

7. Updates on MTA Board Working Groups.

(a) Access-A-Ride.

Board Member Vanterpool reported on the work of the Access-A-Ride working group. She thanked NYCT leadership and thanked the Access-A-Ride customer base for their advocacy. She also thanked Board Member Greenberg who was a wonderful partner and attended many meetings.

Ms. Vanterpool highlighted several accomplishments. She noted that the working group had heard customer complaints about no-shows and late shows, and communicated this problem to our brokers. No-shows and late shows have been reduced by 60%. The working group also heard concerns about lengthy trips, and as a result, shared trips have now been reduced by 6%. She added that the group had heard concerns about on-time pick-ups and, as a result the on-time performance of our priority carriers has increased to 95% and our brokers to 92%.

Ms. Vanterpool stated that the working group had six core principles in mind when looking to improve the Access-A-Ride service: safety, reliability, modernity, communication, convenience, and ease. Ms. Vanterpool added that MTA's e-hail pilot program had proven to be very successful and that she was very committed to continuing this program. There are 12,000 registered users now, and there is a total potential customer base of 150,000. She added that new

criteria need to be developed for Phase 2 of this program, and the working group was looking at other systems across the country.

Ms. Vanterpool stated that, with respect to customer service and communications, there was a new Access-A-Ride app within the MTA app, which was getting tremendous positive feedback. She further stated that, with respect to safety and reliability, we have developed new training for our brokers and staff. She added that MTA is working with neighborhood Community Officers to promote better understanding of our Access-A-Ride user community.

(b) Station Accessibility.

Board Member Greenberg reported on the work of the Station Accessibility working group. He thanked Board Members Glucksman, Weisbrod, Jones, Albert and Vanterpool who were in the group.

Board Member Greenberg reported that we are moving ahead on evaluating subway stations. 150 stations will be surveyed by the end of the year, and in 2019, the entire system will be evaluated. There will be a prioritization of the stations once the survey has been done. The goal is to see that every 5th station will be accessible. Factors taken into account in selecting stations for accessibility improvements include transfer points, cost and complexity, key destinations, and Access-A-Ride origins and destinations. Mr. Greenberg stated that that we should start to reach out next year, and thanked Alex Elegudin, Senior Advisor on Accessibility, who will be leading the discussions on elevator siting.

Board Member Greenberg stated that we are also looking at wayfinding and using outside vendors to map our stations. He further stated that, with respect to elevator reliability, we are at 95% and our goal is 99%. He added that in the case of third-party elevators, we are working with the owners to put in diagnostics that will give us real-time notice of an elevator going down.

Board Member Greenberg thanked members of the Transit Workers Union (TWU) for their assistance provided to the working group.

Board Member Greenberg stated that two elevator studies were ongoing: One related to elevator maintenance practices should be finished soon. The other, related to improved design and performed by AECOM, is completed.

Board Member Greenberg stated that new accessible travel guides are out, and that new elevator and escalator dashboards have been released. Looking ahead, he noted that more training, including sensitivity training, was being planned, along with improved signage, and a gap retrofit program, checking all of the stations to make sure they are compliant. Alex Elegudin is leading this effort.

Board Member Greenberg turned to the commuter rail system and stated that a goal of the next capital program was to see that 100% of the stations are accessible. Metro North is adding ramps and elevators at specific stations.

Board Member Greenberg stated, with respect to value capture, that MTA is working with the City Planning Commission to ensure that when rezoning occurs, properties near stations are required to have room reserved for an elevator. This concept was successfully implemented in Inwood, and we are looking to replicate it.

Board Member Greenberg stated that, even we achieve the best possible Access-A-Ride system, we need to improve the accessibility of the MTA system as a whole; otherwise, the system is “disenfranchising.” He thanked the members of the Board and the MTA staff for their support.

(c) Positive Train Control (“PTC”).

Board Member Zuckerman stated he rides Metro North Railroad (“Metro North”) daily and his two daughters ride it daily to school and back. He began his update by explaining the Rail Safety Act of 2008 and how PTC technology can prevent train collisions, overspeed derailments, and incursions into work zones by moving over switches in the wrong position. He stressed that PTC will not prevent all collisions and sideswipes.

Board Member Zuckerman explained that PTC is not a single technology but builds on several technologies. We already have Civil Speed Enforcement on Metro North and if we had it at the time, it would have prevented the accident at Spuyten Duyvil. Both Metro North and LIRR have cab signal systems.

Board Member Zuckerman stated that the Federal Railroad Administration (“FRA”) deadline for PTC compliance on spectrum acquisition, training, hardware installation, and initiation of Revenue Service Demonstration (“RSD”) is December 31, 2018. Metro North and LIRR achieved compliance with that milestone date, and we have updated our plan for PTC and submitted notification to FRA. However, we are not done yet. Mr. Zuckerman noted that there is a December 31, 2020 deadline for full PTC implementation, and that the Systems Integrators need to deliver on that deadline. This includes LIRR initiating its second pilot segment by March 2019, and both railroads submitting their safety plans by July 2019.

Board Member Zuckerman stated that the biggest problem area is software: every single station and mile of track needs to report back to headquarters. Software is very “buggy”. Talent is needed to address software issues and it is hard to get, as work on PTC is being done across the country. Mr. Zuckerman further stated that we will ask our Systems Integrators to come in and explain to us how they plan to successfully get us to 2020. He thanked the PTC teams at Metro North and LIRR and stated that he was impressed by how this effort was managed. He added that safety was at one time not a priority for Metro North and LIRR, but that has changed. He further added that when Catherine Rinaldi came to Metro North, she dedicated herself to full PTC implementation.

Board Member Zuckerman expressed disappointment that we did not achieve full PTC implementation by 2018, but recognized that this would have been a stretch. He added that both Catherine Rinaldi and Phillip Eng moved heaven and earth to get us to where we are today, but we need to continue to press to meet the goal of full PTC implementation by 2020.

Board Member Zuckerman stated that we need to remember our priorities of safety, service and price, but safety is priority #1, and both Catherine Rinaldi and Phillip Eng recognize this.

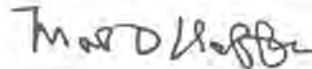
8. Other Business.

Board Member Vanterpool asked that the record of the meeting be amended to reflect her recusal on the New York Power Authority action item recommended by the Committee on Finance and approved at the meeting.

9. Adjournment

Acting Chairman Ferrer announced that next Board meeting would be held on January 24. Acting Chairman Ferrer then asked for a motion to adjourn the meeting. Upon motion duly made and seconded, the Board voted to adjourn the meeting at 12:20 P.M.

Respectfully submitted,



Mark D. Hoffer,
Secretary

TRIBOROUGH BRIDGE AND TUNNEL AUTHORITY

BOARD MINUTES

December 12, 2018

Minutes of the Regular Meeting
Triborough Bridge and Tunnel Authority
December 12, 2018

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

10:00 a.m.

The following members were present:

Hon. Fernando Ferrer, Acting Chairman
Hon. Andrew Albert
Hon. Norman E. Brown
Hon. David Jones
Hon. Susan Metzger
Hon. Charles G. Moerdler
Hon. Mitchell H. Pally
Hon. Scott Rechler
Hon. Andrew Saul
Hon. Lawrence Schwartz
Hon. Polly Trottenberg
Hon. Veronica Vanterpool
Hon. Peter Ward
Hon. Carl Weisbrod
Hon. Neal Zuckerman

The following alternate non-voting members were also present:

Hon. Randolph Glucksman
Hon. Ira Greenberg
Hon. Vincent Tessitore, Jr.

Patrick Foye, MTA President, Veronique Hakim, Managing Director, Helene Fromm, Chief of Staff, Janno Lieber, MTA Chief Development Officer, Robert Foran, Chief Financial Officer, Thomas J. Quigley, General Counsel, Andy Byford, President, New York City Transit Authority, Phillip Eng, President, Long Island Rail Road, Catherine Rinaldi, President, Metro-North Railroad, Cedrick T. Fulton, President, Triborough Bridge and Tunnel Authority, Darryl Irick, President, MTA Bus Operations, and Timothy Ellis, Chief Government and Community Relations Officer 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 fourteen (14) public speakers. Murray Bodin commented that TBTA needs to make changes regarding the speed limit on its facilities and these changes will not cause financial problems or liability issues.

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. Acting Chairman Ferrer's Opening Remarks

Acting Chairman Ferrer opened his remarks by acknowledging the extraordinary contributions of four outgoing Board members – James Vitiello, Carl Wortendyke, John Molloy, and Ira Greenberg. He noted that each of them served with distinction and they all have Acting Chairman Ferrer's thanks and gratitude. Acting Chairman Ferrer announced that Andy Byford has hired Peter Tomlin – an internationally renowned signaling expert – to lead the comprehensive modernization of the subway's signal system. Acting Chairman Ferrer stated that the Board would be asked to approve the Final 2019 Budget and 2019-2022 Financial Plan. The MTA is legally required to present a balanced budget and that has been done for 2019, but serious financial challenges lie ahead. A hiring freeze for all non-essential employees has been implemented and we continue to streamline operations for both efficiency and effectiveness. In order to avoid service reductions or additional fare and toll increases, the MTA Board must work with our partners in government to secure additional sources of revenue for both our operating and capital budgets.

The details of Acting Chairman Ferrer'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 15, 2018

Upon a motion duly made and seconded, the minutes of the Regular Board Meeting held on November 15, 2018 were approved.

4. 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:

- Authorization to issue New Money Transportation Revenue Bonds and Bond Anticipation Notes, Dedicated Tax Fund Bond Anticipation Notes, Dedicated Tax Fund Bonds, 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 Bonds.
- Authorization of updated MTA and TBTA Bond Refunding Policy.

5. Committee on MTA Bridges and Tunnels Operations

Procurements

Commissioner Moerdler stated that there are two (2) procurements totaling \$123.3 million.

Non-Competitive Procurements

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

Competitive Procurements

Commissioner Moerdler stated that there are two (2) competitive procurements totaling \$123.3 million.

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

Navillus Tile, Inc. dba, Navillus Contracting	Contract No. HC-07 TBTA is seeking Board approval under the All-Agency General Contract Procurement Guidelines to award a competitively solicited public work contract for design-build services for the ventilation system rehabilitation and installation of a fixed fire suppression prototype system at the Hugh L. Carey Tunnel (HCT).	\$70,750,000.00
D'Onofrio General Contractors Corp.	Contract No. CB-18 TBTA is seeking Board approval under the All-Agency General Contract Procurement Guidelines to award a competitively solicited public work contract for Design-Build Services for Replacement of Fender Systems and Scour Protection at Cross Bay Veterans Memorial Bridge (CBB) and Replacement of Fender Systems at Marine Parkway-Gil Hodges Memorial Bridge (MPB).	\$52,583,000.00

Ratifications

Commissioner Moerdler stated that there are no ratifications.

Commissioner Moerdler stated that the Committee members who were present at the Committee Meeting considered and voted in favor of the procurements although a Committee Quorum was not present. Upon a motion duly made and seconded, the Board approved the procurements recommended to it by the Committee for MTA Bridges and Tunnels Operations.

TBTA 2019 Final Budget and Financial Plan

Finally, Commissioner Moerdler stated that although a Committee Quorum was not present, the Committee members who were present at the Committee Meeting considered and voted to recommend the adoption of TBTA's 2019 Final Budget and Financial Plan 2019-2022, which will be presented to the Board with the adoption of the MTA 2019 Final Budget and Financial Plan for 2019-2022.

6. Committee on Corporate Governance

Upon a motion duly made and seconded, the Board approved the following recommended to it by the Committee on Corporate Governance:

(a) Action Items:

- Approve revisions to certain existing policies of the MTA and its Agencies, in order to comply with Public Authorities Law Section 2824.

7. MTA 2019 Final Proposed Budget and November Financial Plan 2019-2022

MTA Chief Financial Officer Robert Foran distributed action item materials and discussed the MTA's

2019 Budget and Financial Plan 2019-2022 ("Budget and Plan"). A motion was made to adopt the Budget and Plan. Commissioner Vanterpool commented that there is an irrational process regarding the voting on the budget and financial plan, a system which is largely supported by biennial fare increases but sustainable and reliable income sources are needed moving forward. Commissioner Vanterpool further stated that she does not support riders being expected to carry the majority of the operating deficit all the time and that the MTA issues \$15.9 million a year in toll rebates and needs full funding scope from its City and State partners. Acting Chairman Ferrer commented that he ordered an absolute hiring freeze and a three-member vacancy control board will review any proposed exceptions. Commissioner Ward stated that he is concerned with the possibility of toll increases on the Verrazzano-Narrows Bridge in Staten Island. Upon a motion duly made and seconded, the Board voted to adopt the Budget and Plan. Commissioners Weisbrod and Vanterpool abstained from voting.

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.

8. **Working Group Presentations**

Veronica Vanterpool, Chair of the Paratransit Working Group, stated that the working group is focusing on modernity, ease and communication. No Shows/Late Shows have been reduced by 60% in the past year, shared trips have been reduced by 6% and on-time pick up by primary carriers is at 95% and brokers at 92%, 75% trips are arriving within the scheduled trip time. She also stated that the working group is committed to continuing the E-hail program. New trainings have been developed focusing on safety and sensitivity training for brokers and staff. Ira Greenberg, Chair of the Station Accessibility Working Group, stated that there is a study to evaluate stations that are not accessible. By the end of 2019 the entire transit system will be reviewed and determine which stations will be done in the next capital program. Accessibility is a priority. Every fifth station will be accessible in accordance with the Fast Forward plan. Hearing impaired, sight impaired and cognitively impaired people should also be taken into consideration in making stations more accessible for those with these types of disabilities. Currently, existing station elevators are at 97% reliability and the goal is 99% reliability. A new elevator and escalator dashboard showing outages has been implemented as well. Neal Zuckerman, Chair of the Positive Train Control Working Group, stated that Positive Train Control (PTC) is a requirement of the Rail Safety Act of 2008 and provides four safety mechanisms: prevention of train to train collisions, prevention of overspeed derailments, prevention of incursions into work zones, and prevention of movement of a train through a switch left in the wrong position. It also requires interoperability. PTC uses transponders that speak through the radio towers from the train to the track through a central computer that then provides feedback. PTC is several technologies working together. Currently systems are in place for both Metro North and Long Island Rail Road for safety such as civil speed enforcement. PTC will add other key features such as training and hardware and MTA is in compliance with the Federal Railroad Administration (FRA). Full integration must be done by the end of 2020.

9. **Adjournment**

Upon a motion duly made and seconded, the Board unanimously voted to adjourn the meeting at 12:20 p.m.

Respectfully submitted,


Adana Savery
Assistant Secretary

**Regular Board Meeting
MTA Capital Construction Company
2 Broadway
New York, NY 10004
Wednesday, December 12, 2018
10:00 AM**

The following members were present:

Hon. Fernando Ferrer, Acting Chairman
Hon. Andrew Albert
Hon. Norman E. Brown
Hon. David Jones
Hon. Susan Metzger
Hon. Charles G. Moerdler
Hon. Mitchell H. Pally
Hon. Scott Rechler
Hon. Andrew Saul
Hon. Lawrence Schwartz
Hon. Polly Trottenberg
Hon. Veronica Vanterpool
Hon. Peter Ward
Hon. Carl Weisbrod
Hon. Neal Zuckerman

The following alternate non-voting members were also present:

Hon. Randolph Glucksman
Hon. Ira Greenberg
Hon. Vincent Tessitore, Jr.

Patrick Foye, President, MTA, Veronique Hakim, Managing Director, MTA, Helene Fromm, Chief of Staff, MTA, Janno Lieber, Chief Development Officer, MTA/President, MTACC, Robert Foran, Chief Financial Officer, MTA, Thomas J. Quigley, General Counsel, MTA, Andrew Byford, President, NYCT, Phillip Eng, President, Long Island Rail Road, Catherine Rinaldi, President, Metro-North Railroad, Cedrick Fulton, President, TBTA, Darryl Irick, President, MTA Bus Operations, Timothy Ellis, Acting Chief Government and Community Relations, MTA, Evan Eisland, Executive Vice President, General Counsel and Secretary, MTACC, and David Cannon, Vice President, Chief Procurement Officer and Assistant Secretary, MTACC also attended the meeting.

The Board of the Metropolitan Transportation Authority 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 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 concerning the business of the MTA Capital Construction Company. Refer to the other agencies' minutes of this date for items on the agendas of the Boards of the other agencies.

Acting Chairman Ferrer called the meeting to order.

Acting Chairman's Remarks

Acting Chairman Ferrer expressed his appreciation for the work and dedication of former or soon to be former Board Members John Molloy, James Vitiello, Carl Wortendyke and Ira Greenberg.

The remainder of Acting Chairman Ferrer's remarks are contained in the minutes of the Regular Meeting of the Metropolitan Transportation Authority and in the minutes of the other agencies of this date.

Public Comment Periods

There were fourteen public speakers none of whom spoke on MTACC matters.

The names and remarks of the public speakers are contained in the minutes of the Regular Meeting of the Metropolitan Transportation Authority 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 the Metropolitan Transportation Authority and the MTA Capital Construction Company held on November 15, 2018.

Metro North and Long Island Rail Road Joint Committee

Procurement

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

1. A modification to Contract CS179 -- Systems Facility Package No. 1 for the East Side Access Project for the programming and testing required to implement changes to the Tunnel Ventilation Control System in the amount of \$952,717.
2. A modification to Contract CS170 -- Systems Facility Package No. 1 for the East Side Access Project for the procurement, installation, and testing of cable, conduit, and miscellaneous hardware required to provide connectivity from the Tunnel Ventilation Control Panels to the facility power substation circuit breakers and TVCS Instrument Panels in the amount of \$975,000.
3. A modification to Contract CQ033 -- Construction of the Mid-Day Storage Yard for the East Side Access Project to allow for continued access to the Arch Street Yard and Shop by accelerating and resequencing select portions of trackwork and by installing new traction power jumpers and ductbanks in the amount of \$1,550,000.

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

Corporate Governance

Upon motion duly made and seconded, the Board approved revisions to the following existing policies of the MTA and its Agencies:

1. The All Agency Policy for Interview and Relocation
2. The All Agency Policy for Leave for Bone Marrow or Organ Donation
3. The All Agency Policy for Leave for Cancer Screening

A copy of the Staff Summary and Exhibit Book for the above items are filed with the records of the Regular Meeting of the Board of the Metropolitan Transportation Authority of this date.

Other MTA Business

Robert Foran, MTA's Chief Financial Officer presented the MTA's 2019 Final Proposed Budget and Financial Plan for 2019 - 2022. A discussion among the Board members, and Mr. Foran followed. The remarks of the Board members and Mr. Foran are noted in the minutes of the Regular Meeting of the Board of the Metropolitan Transportation Authority held on this date.

Action Item

Upon motion duly made and seconded, with 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) 2019 Budget and 2019 -2022 Financial Plan.

A copy of the Staff Summaries, the 2019 Final Proposed Budget and the 2019 – 2022 Financial Plan are filed with the records of the Regular Meeting of the Board of the Metropolitan Transportation Authority held on this date.

Adjournment

Upon motion duly made and seconded, the Board voted to adjourn the public meeting at 12:20 p.m.

Respectfully submitted,



David K. Cannon
Assistant Secretary

PROCUREMENTS

The Procurement Agenda this month includes 3 actions for a proposed expenditure of \$11.5M.

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 17, 2019
Vendor Name	Various
Contract Number	Various
Contract Manager Name	Various
Table of Contents Ref #	

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance	1/22/2019	X		
2	Board	1/24/2019	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:

	# of Actions	\$ Amount
Schedule E: Miscellaneous Procurement Contracts	1	\$ 1,760,101
Schedule H: Modifications to Personal Service Contracts and Miscellaneous Service Contracts	1	\$ 9,374,000
SUBTOTAL	2	\$ 11,134,101

MTAHQ proposes to award Competitive procurements in the following categories:

Schedule G: Miscellaneous Service Contracts	1	\$ 399,652
SUBTOTAL	1	\$ 399,652
TOTAL	3	\$ 11,533,753

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 2019

LIST OF NON-COMPETITIVE PROCUREMENTS FOR BOARD APPROVAL

Procurements Requiring Majority Vote:

E. Miscellaneous Procurement Contracts

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

- | | | | |
|----|--|--|--------------------------------------|
| 1. | Railware, Inc.
Maintenance and Support of
Railware Dispatch X Software System for
Long Island Railroad and Metro-North Railroad
Contract No. 15428
Non-competitively negotiated – 68 months | \$1,760,101
<small>(not-to-exceed)</small> | <u>Staff Summary Attached</u> |
|----|--|--|--------------------------------------|

Board approval is sought to award a non-competitive, miscellaneous procurement contract to Railware, Inc. (Railware) for maintenance and support of Railware's Dispatch X Software System in the not-to-exceed amount of \$1,760,101 (\$729,838 for Long Island Rail Road and \$1,030,263 for Metro-North Railroad), for a period of five years and eight months. This Dispatch X Software System is proprietary. This software can only be licensed, maintained and supported by Railware. Implemented in 2017 as part of a Board-approved competitive Public Works contract, the Dispatch X Software System provides the functions, data and interfaces necessary for Long Island Rail Road (LIRR) personnel to monitor and control interlockings. The applicable contract was awarded in 2013 and the warrantee provisions applicable to this software expired November of 2018. While the vendor has continued to provide support since then, a full maintenance program will be necessary in order to take full advantage of the software's capabilities and updates. In 2014, the MTA Board granted approval to award a five-year non-competitive award to Railware for Metro-North Railroad to upgrade its obsolete Railware TDDPro system to the new Dispatch X Software. Installation is anticipated for completion in September 2019, upon which the new Dispatch X System will be used for MNR's Centralized Traffic Control (CTC) and all related subsystems. Railware's initial proposed price of \$1,858,274 is the same as the last contract price. Negotiations yielded a 5% reduction. MNR will not begin to pay for maintenance until completion of the system upgrade in 4th Quarter 2019. Railware confirmed that the MTA is receiving the best pricing offered to other government customers using the same technology. Sole source advertisements were placed in the New York State Contract Reporter, the New York Post, and on the MTA website, which yielded no interest from other software providers. Based on the foregoing, Railware's final price of \$1,760,101 is considered fair and reasonable. The MTA Department of Diversity & Civil Rights (DDCR) has assigned 0% MWBE/SDVOB participation goals due to the sole source requirements. No subcontracting goals have been assigned to MTA contracts previously awarded to Railware; therefore, no assessment of the firm's MWDBE performance can be determined at this time. A responsibility review of Railware conducted pursuant to the All-Agency Responsibility Guidelines revealed no significant adverse information and Railware has been found to be responsible.

JANUARY 2019

LIST OF NON-COMPETITIVE PROCUREMENTS FOR BOARD APPROVAL

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

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

- | | | |
|-----------|--|--------------------------------------|
| 2. | Cubic Transportation System, Inc. \$9,374,000
Hardware Warranty Service Vendor (not-to-exceed)
Contract No. 11043-0200, Modification No. 2
Base Amount = \$26,930,747.00
Current Contract Value = \$32,900,446.29
Proposed New Contract Value = \$42,274,446.29 | <u>Staff Summary Attached</u> |
|-----------|--|--------------------------------------|

Approval is sought to extend a Bus Customer Information System (CIS) hardware warranty service agreement with Cubic Transportation Systems, Inc. for an additional eighteen months, allowing time for an MTA in-house service group to be assembled. The extension also provides funding for required antenna & modem upgrades. In July 2011 the Board approved a competitively negotiated contract for system integration and deployment of an on-board Bus CIS hardware system throughout the five boroughs. Bus CIS is the on-board hardware portion of the MTA's Bus Automatic Vehicle Location (AVL) system, providing real-time bus locations critical to many bus information systems, including MTA Bus Time, Bus Trek, Fleetview, Transit Signal Priority, Digital Signs, and Automatic Passenger Counting. It also provides data on for *post hoc* performance analysis to Operations Planning. The Department of Buses is in the process of assembling an in-house group that will eventually maintain and service the bus hardware for the entire fleet, but the estimated time needed to assume this responsibility is approximately eighteen months. Internal estimates of the projected savings that will be achieved through in-house maintenance are \$750,000 in the first year, rising to \$2.4 million in the seventh year. Cubic has agreed to keep the same rates as negotiated in the original agreement for maintenance services and, for the upgrade of equipment, Cubic has agreed to offer the same rates as other MTA Board-approved contracts for equipment provided by Cubic. All negotiated prices and terms were found to be fair and reasonable. The VeriFone maintenance contract is expiring and they will no longer support the units they installed. Accordingly, while the Department of Buses builds their in-house unit to perform this work, Cubic will be maintaining all Bus CIS units. A responsibility review of Cubic conducted pursuant to the All-Agency Responsibility Guidelines revealed no significant adverse information and Cubic has been found to be responsible.

Staff Summary

Schedule E: Miscellaneous Procurement Contracts

Page 1 of 1

Item Number: **2**

Vendor Name (& Location): Railware, Inc. 750 Veterans Highway, Suite 200, Hauppauge, New York 11788	Contract Number: 0000015428	Renewal? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Description: Maintenance & Support of Railware Dispatch X Software System for Long Island Rail Road and Metro-North Railroad	Total Amount: \$1,760,101	
Contract Term (including Options, if any): February 01, 2019 through September 30, 2024	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 BSC Procurement, David Ross, Chief Procurement Officer	
Procurement Type: <input type="checkbox"/> Competitive <input checked="" type="checkbox"/> Non-competitive	Contract Manager: Roopa Mamudiseeti	
Solicitation Type: <input type="checkbox"/> RFP <input type="checkbox"/> Bid <input checked="" type="checkbox"/> Other: Sole Source		

DISCUSSION:

Board approval is sought to award a non-competitive, miscellaneous procurement contract to Railware, Inc. (Railware) for maintenance and support of Railware's Dispatch X Software System in the not-to-exceed amount of \$1,760,101 (\$729,838 for Long Island Rail Road and \$1,030,263 for Metro-North Railroad), for a period of five years and eight months. This Dispatch X Software System is proprietary. This software can only be licensed, maintained and supported by Railware.

Implemented in 2017 as part of a Board-approved competitive Public Works contract, the Dispatch X Software System provides the functions, data and interfaces necessary for Long Island Rail Road (LIRR) personnel to monitor and control interlockings. LIRR Train Dispatchers and operations personnel control the movement of trains through these interlockings. The Dispatch X system operates on a Windows platform and is installed on System Servers and workstations used by train dispatchers and maintenance personnel. The applicable contract was awarded in 2013 and the warrantee provisions applicable to this software expired November of 2018. While the vendor has continued to provide support since then, a full maintenance program will be necessary in order to take full advantage of the software's capabilities and updates.

In 2014, the MTA Board granted approval to award a five-year non-competitive award to Railware for Metro-North Railroad to upgrade its obsolete Railware TDPPro system to the new Dispatch X Software. Installation is anticipated for completion in September 2019, upon which the new Dispatch X System will be used for MNR's Centralized Traffic Control (CTC) and all related subsystems. MNR's CTC system is comprised of complex software subsystems that are critical for the safe and reliable control and monitoring of the signal system throughout MNR territory. MNR's CTC software is also the source of public information offered by Train Time, the application that provides customers with instant information on MNR train service. In 2014, Railware installed simulator software to aide in the training of Rail Traffic Controllers (RTC) and upgrades of Enhanced Employee Protection System (EEPS).

Railware's initial proposed price of \$1,858,274 is the same as the last contract price. Negotiations yielded a 5% reduction. MNR will not begin to pay for maintenance until completion of the system upgrade in 4th Quarter 2019. Railware confirmed that the MTA is receiving the best pricing offered to other government customers using the same technology. Sole source advertisements were placed in the New York State Contract Reporter, the New York Post, and on the MTA website, which yielded no interest from other software providers.

The MTA Department of Diversity & Civil Rights (DDCR) has assigned 0% MWBE/SDVOB participation goals due to the sole source requirements. No subcontracting goals have been assigned to MTA contracts previously awarded to Railway, Inc.; therefore, no assessment of the firm's MWDBE performance can be determined at this time.

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

Staff Summary

Schedule H: Modifications to Personal Service & Miscellaneous Service Contracts

Item Number: 3

Page 1 of 1

Vendor Name (& Location): Cubic Transportation Systems, Inc.		Contract Number: 11043-0200	AWO/Modification # 2
Description: Hardware Warranty Service Vendor			
Contract Term (including Options, if any): February 19, 2013 through January 31, 2019		Original Amount: \$26,930,747.00	
Option(s) included in Total Amount? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		Prior Modifications: \$5,969,699.29	
Procurement Type: <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Non-competitive		Prior Budgetary Increases: \$	
Solicitation Type: <input checked="" type="checkbox"/> RFP <input type="checkbox"/> Bid <input type="checkbox"/> Other:		Current Amount: \$32,900,446.29	
Funding Source: <input checked="" type="checkbox"/> Operating <input type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:		This Request: \$9,374,000	
Requesting Dept/Div & Dept/Div Head Name: Donald Spero, Deputy Chief Financial Officer		% of This Request to Current Amount: 30%	
		% of Modifications (including This Request) to Original Amount: 41%	

DISCUSSION:

Approval is sought to extend a Bus Customer Information System (CIS) hardware warranty service agreement with Cubic Transportation Systems, Inc. for an additional eighteen months, allowing time for an MTA in-house service group to be assembled. The extension also provides funding for required antenna & modem upgrades.

In July 2011 the Board approved a competitively negotiated contract for system integration and deployment of an on-board Bus CIS hardware system throughout the five boroughs. Bus CIS is the on-board hardware portion of the MTA's Bus Automatic Vehicle Location (AVL) system, providing real-time bus locations critical to many bus information systems, including MTA Bus Time, Bus Trek, Fleetview, Transit Signal Priority, Digital Signs, and Automatic Passenger Counting. It also provides data on for *post hoc* performance analysis to Operations Planning.

Two vendors, Verifone and Cubic, were selected to design, furnish and install distinct units for 1/3rd and 2/3rds of the fleet, respectively. The combined total contract amount for all five boroughs was \$55 million. After successful implementation and deployment, both vendors provided warranty services for their own units.

The Department of Buses is in the process of assembling an in-house group that will eventually maintain and service the bus hardware for the entire fleet, but the estimated time needed to assume this responsibility is approximately eighteen months. Internal estimates of the projected savings that will be achieved through in-house maintenance are \$750,000 in the first year, rising to \$2.4 million in the seventh year.

Cubic has agreed to keep the same rates as negotiated in the original agreement for maintenance services and, for the upgrade of equipment, Cubic has agreed to offer the same rates as other MTA Board-approved contracts for equipment provided by Cubic. All negotiated prices and terms were found to be fair and reasonable. The VeriFone maintenance contract is expiring and they will no longer support the units they installed. Accordingly, while the Department of Buses builds their in-house unit to perform this work, Cubic will be maintaining all Bus CIS units.

The \$9.3 million increase includes \$4.7 million for the maintenance of existing units and \$4.6 million for the cellular upgrade of older units from the Verizon 3G network to the latest version. This is necessary because Verizon is de-commissioning 3G. In addition, all new buses will come furnished with the CIS units and the manufacturer will be maintaining the units under warranty.

This extension is funded by operating funds reserved for this purpose. Since CIS units are equipped on both NYCT and MTABC fleets, the cost for this modification will be proportionally allocated to each agency.

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

JANUARY 2019

LIST OF COMPETITIVE PROCUREMENTS FOR BOARD APPROVAL

Procurements Requiring Majority Vote:

G. Miscellaneous Service Contracts

(Staff Summaries required for all items greater than: \$100K Sole Source; \$250K Other Non-Competitive; \$1M RFP.)

- | | | |
|-----------|---|-------------------------------------|
| 3. | Sound Tree Studios, LLC
Consultant to Administer the
Music Under New York Program
Contract No. 15418
Competitive RFP – 3 proposals – 36 months | \$399,652
(not-to-exceed) |
|-----------|---|-------------------------------------|

Board approval is sought to award a three (3) year competitively negotiated, miscellaneous service contract to Sound Tree Studio, LLC. Sound Tree Studios will provide consultants to assist MTA Arts & Design in administering the Music Under New York program (MTA Music) for a period of three years. Services include daily oversight of more than 7,500 annual performances; daily communication and scheduling of over 350 MTA Music individuals and groups; coordination of sponsored and special events; and procurement of all supplies and promotional materials related to the program, special events and annual auditions. Proposals were received from Sound Tree Studio, LLC, Element 9 LLC, and Black Renaissance Technology and evaluated based on the following evaluation criteria: demonstrated experience in successfully managing and reporting about a performing arts program (30 Pts.), overall understanding and approach to the administration of the MUSIC Program (25 Pts.), the adequacy of the proposer's support services including the experience and qualification of the proposed staffing (10 Pts.), overall responsiveness to the RFP (10 Pts.), proposer's diversity practices and cost (20 Pts.). Sound Tree Studios offered the lowest overall price and was viewed as the most technically qualified firm. Sound Tree Studio's proposed cost over three years was negotiated down from \$406,744 to \$399,652 for three years, or about \$130,000 less than the next lowest proposal. Based on the foregoing, Sound Tree Studio's pricing is deemed fair and reasonable. The MTA Department of Diversity & Civil Rights (DDCR) has assigned 0% MWBE/SDVOB participation goals due to the lack of subcontracting opportunities and MWBE and SDVOB firms in the marketplace. Sound Tree Studios, LLC has not completed MTA contracts; therefore, no assessment of the firm's MWDBE performance can be determined at this time. A responsibility review of Sound Tree Studios conducted pursuant to the All-Agency Responsibility Guidelines revealed no significant adverse information and Sound Tree Studios has been found to be responsible.

JANUARY 2019
MTA REAL ESTATE
LIST OF REAL ESTATE ACTION ITEMS FOR BOARD APPROVAL

MTA NEW YORK CITY TRANSIT

Lease agreement at two locations in Manhattan at 51st and 86th Street, Lexington Avenue Line

MTA BRIDGES AND TUNNELS


Short-term license agreement with Pace University

METROPOLITAN TRANSPORTATION AUTHORITY

Sale of 25,000 square feet of development rights at West Side Yard

Staff Summary



Subject LICENSE AGREEMENT AT TWO LOCATIONS IN MANHATTAN
Department REAL ESTATE
Department Head Name JOHN N. LIEBER
Department Head Signature 
Project Manager Name ARTURO ESPINOZA

Date JANUARY 22, 2019
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref. #

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance Committee	1/22/19	X		
2	Board	1/24/19	X		

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

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

LICENSEE: Bachubhai Mehta (or entity to be formed in which Mr. Mehta is the principal)

LOCATIONS: Two spaces at 51 St – Lexington Ave Line and one space at 86 St – Lexington Ave Line, Manhattan

ACTIVITY: Entering into revocable license agreements for 3 newsstand concessions, 2 at the Lexington Avenue 51st Street Station (uptown and downtown platforms) and 1 at the Lexington Avenue – 86th Street Station.

ACTION REQUESTED: Approval of terms

TERM: 5 years, terminable at will by NYCT on 60 days' notice, at no cost

TOTAL SPACE: Approximately 378 square feet total, including storage

COMPENSATION:

License Year	Total Annual Compensation	PSF	Escalation
1	\$60,000.00	\$158.73	--
2	\$61,800.00	\$163.49	3%
3	\$63,654.00	\$168.40	3%
4	\$65,563.00	\$173.45	3%
5	\$68,000.00	\$179.89	3%

COMMENTS:

The two newsstands at 51 St – Lexington Avenue on the uptown and downtown platforms and the one newsstand at 86 St – Lexington Avenue were publicly offered together pursuant to a single Request for Proposals seeking a single operator for a 5-year license.

The newsstands at 51 Street have been vacant for 2 years due to NYCT work which severed power to both spaces rendering them unusable. Power has since been restored. At 86 St the previous operator elected to vacate the newsstand in 2017 following its license expiration.

Staff Summary

FINANCE COMMITTEE MEETING LICENSE AGREEMENT AT TWO LOCATIONS IN MANHATTAN (Cont'd.)

Page 2 of 2

Two proposals were received, and their offers are summarized below:

Proposer Name	Present Value at 7%
Bachubhai Mehta	\$260,515
Sultana Parvin	\$152,527

The allocation of annual compensation for each newsstand is further described in the following charts:

51 st Street	License Year	Compensation	51 st Street	License Year	Compensation
Unit 1	1	\$19,800.00	Unit 2	1	\$25,200.00
	2	\$20,394.00		2	\$25,956.00
	3	\$21,005.82		3	\$26,734.68
	4	\$21,635.79		4	\$27,536.46
142 sq. ft.	5	\$22,440.00	96 sq. ft.	5	\$28,560.00

86 th Street	License Year	Compensation
Unit 1	1	\$15,000.00
	2	\$15,450.00
	3	\$15,913.50
	4	\$16,390.75
79 sq. ft.	5	\$17,000.00

Mr. Bachubhai Mehta, a longtime and highly-experienced operator of newsstands in NYCT stations, submitted the highest offer. The entities he controls operate highly-trafficked newsstands at 42 St – Times Square and 34 St – Eighth Avenue. His accounts are all fully paid.

His compensation offer of \$60,000 in Year 1 is below the independent valuation of \$199,000 for all 3 locations. Mr. Mehta was asked if he would increase his offer. He declined citing his prior experience operating the newsstands at 51 St many years ago, and the uncertainty of foot traffic at 86 St. Mr. Mehta will undertake a refresh and refurbishment of the appearance of each location, consistent with the travel/convenience retail models seen in the Second Avenue stations.

A credit and background investigation was performed on Mr. Mehta. He has very good credit and sufficient financial resources to pay the compensation offered.

Separate license agreements will be prepared for the two locations: a license agreement covering the newsstands (Units 1 and 2) at 51st Street and another covering the newsstand at 86th Street (Unit 1). Each of the license agreements will include a 60-day, at will, termination provision, along with cross-default provisions, and each will be prepared in a form approved by MTA Legal. If Mr. Mehta forms an entity to be the tenant-operator of the newsstands and licensee, then Mr. Mehta will provide a personal guaranty of the licensee's obligations under the license agreements, prepared in a form approved by MTA Legal.

Based on the foregoing, MTA Real Estate requests authorization for NYCT to enter into license agreements with Bachubhai Mehta (or an entity to be formed in which Mr. Mehta is the principal) based on the above-described terms and conditions.

Staff Summary



Subject LICENSE AGREEMENT WITH PACE UNIVERSITY
Department REAL ESTATE
Department Head Name JOHN N. LIEBER
Department Head Signature 
Project Manager Name PAUL M. FITZPATRICK

Date JANUARY 22, 2019
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref. #

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance Committee	1/22/19	X		
2	Board	1/24/19	X		

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

AGENCY: MTA Bridges & Tunnels ("B&T")

LICENSEE: Pace University

LOCATION: A retail space within the Battery Parking Garage ("BPG"), with an address at 80 Greenwich Street, New York, New York, 10006

ACTIVITY: Licensing the Location for theater, performance space and ancillary office uses

ACTION REQUESTED: Authorization to enter into a revocable, short-term license agreement

TERM: 4 months (February 1, 2019 to May 31, 2019)

SPACE: Approximately 11,900 square feet

RENT: \$35,810.67 per month


UTILITIES: Included in Rent

COMMENTS:

The current tenant will be vacating the Location by January 31, 2019. Pace University ("Pace"), a licensee of the current tenant, would like to retain use of the Location for its Spring, 2019 semester for theater, performance and office space. The Rent to be paid by Pace is at the same monthly base rent rate paid by the current tenant plus an additional amount for utilities (the prior tenant paid for utilities directly to the provider). Pace will provide the required insurance. The License will be revocable on 30 days' prior written notice.

Based on the foregoing, MTA Real Estate requests authorization for B&T to enter into a revocable, short-term license agreement at the BPG with Pace University on the above-stated terms and conditions.

Staff Summary

Subject SALE OF WEST SIDE YARD DEVELOPMENT RIGHTS
Department REAL ESTATE
Department Head Name JOHN N. LIEBER 
Department Head Signature
Project Manager Name ROBERT PALEY / MUNSUN PARK

Date JANUARY 22, 2019
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref. #

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance Committee	1/22/19	X		
2	Board	1/24/19	X		

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

AGENCY: Metropolitan Transportation Authority ("MTA")

PURCHASER: ERY Tenant LLC or affiliate c/o Related Companies LP ("Purchaser")

LOCATION: Eastern Rail Yard of the John D. Caemmerer West Side Yard bounded by 31st and 33rd Streets and 10th and 11th Avenues ("ERY")

ACTIVITY: Sale of up to 25,000 square feet of excess Zoning Floor Area

ACTION REQUESTED: Approval of terms

COMPENSATION: \$275.00 per zoning square foot

COMMENTS:

The Declaration of Easements for the Eastern Rail Yard ("ERY") imposed by the MTA in connection with the development of the ERY provides that up to 100,000 square feet of unused zoning floor area ("Excess ZFA") permitted by the New York City Zoning Resolution may be made available by the MTA to any owner of a subdivided development site of the ERY air rights parcel (each a "Severed Parcel"). Such zoning resolution provides that the Excess ZFA may only be used on Severed Parcels at the ERY, and not on other sites. Purchaser, the developer of the ERY, leases through various controlled subsidiaries, all of the Severed Parcels of the ERY from the MTA except for the Tower C Building (known as 10 Hudson Yards), which it purchased in fee pursuant to the exercise of its fee purchase option in July 2016. Thus, Purchaser is the only potential and eligible purchaser of the Excess ZFA. In 2016, the Purchaser acquired approximately 60,000 square feet of the Excess ZFA, leaving approximately 40,000 square feet of Excess ZFA available for purchase. Purchaser now wishes to purchase from the MTA up to 25,000 square feet of Excess ZFA to be incorporated into the Tower A Building (known as 35 Hudson Yards), depending on definitive measurements being made with respect to Tower A.

The 100,000 square feet of Excess ZFA became available to the MTA as a result of The Shed, a not-for-profit cultural facility that will open in ERY in Spring 2019, using only 100,000 of the 200,000 zoning floor area allotted to it in the original development plan. Because the 100,000 square feet of Excess ZFA may only be used for a Severed Parcel at ERY and Purchaser controls the development of all Severed Parcels, the only feasible way to sell the Excess ZFA is by a negotiated disposition.

Staff Summary

FINANCE COMMITTEE MEETING WEST SIDE YARD DEVELOPMENT RIGHTS

The Excess ZFA is in addition to (and legally separate from) the ERY Transferable Development Rights (“ERY TDRs”) as provided for in the New York City Zoning Resolution for the Hudson Yards Special District. ERY TDRs, which total 4.5 million square feet, are sold from time to time to eligible receiving sites located off-site of the ERY, designated as such in the New York City Zoning Resolution. By agreement with the City of New York, the Hudson Yards Development Corporation (“HYDC”) acts as the agent for the sale of these ERY TDRs. Because ERY TDRs cannot be sold by bid or other competitive means due to limitations placed by zoning, HYDC established an ERY TDR pricing mechanism policy. That policy determines the fair market price of the TDRs by first establishing a fair market value for the fee that is to receive the TDRs. It then discounts the fee value by a percentage as determined by the discount applied by the market to TDR sales in general. HYDC’s current discount, as determined by a 2013 study, is 65%.

For the subject proposed sale, MTA retained an independent appraiser to evaluate both the fee value of the Tower A parcel to which a maximum of 25,000 ZFA of the Excess ZFA would be transferred, and to give guidance with respect to the appropriate discount. MTA’s appraiser determined that the fee value of the parcel is \$425 per zoning square foot based on comparable land sales in the surrounding area. The appraiser further determined that the range of comparable discounts for air rights sales in the surrounding area is between 36.5% and 67.7% with the average of all sales at 58.8% and the median at 64.9%. The latter is very close to HYDC’s 65% discount, which would yield an Excess ZFA price of \$276.25 per square foot. MTA’s appraiser advised that \$275 per square foot would be a reasonable market value of the Excess ZFA. It is noted that when the Purchaser acquired approximately 60,000 of Excess ZFA from the MTA in 2016, it purchased the Excess ZFA for \$262.50 per square foot of zoning floor area. MTA’s independent appraiser concluded that the appraised value of \$275 per square foot reasonably reflects the moderate land value growth in the local area over the past two years.

Because this is a negotiated disposition, an explanatory statement and a written notification are being provided to all the appropriate public officials pursuant to Section 2897 of the Public Authorities Law.

Based on the foregoing, MTA Real Estate requests authorization for MTA to sell up to 25,000 square feet of the Excess ZFA to Purchaser on the above-stated terms and conditions.

Procurement

Steve Plochochi, Senior Vice President



The 40-foot all-electric bus shown above is one of 15 similar all-electric 60-foot buses purchased as part of our transition to a zero-emissions bus fleet. Compared to fossil-fueled buses, these are quieter and have the potential to lower lifecycle costs.

PROCUREMENTS

The Procurement Agenda this month includes 9 actions for a proposed expenditure of \$282.4 M.

Subject	Request for Authorization to Award Various Procurements				
Department	Procurement & Supply Chain – NYCT				
Department Head Name	Stephen M. Plochochi				
Department Head Signature					
Project Manager Name	Rose Davis				
Board Action					
Order	To	Date	Approval	Info	Other
1	Committee	1/22/19			
2	Board	1/24/19			

January 14, 2019			
Department			
Department Head Name			
Department Head Signature			
Internal Approvals			
	Approval		Approval
	President NYCT		President MTACC
	SVP Operations Support	X	Pres. MTA Bus/SVP DOB
	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:

Procurements Requiring Two-Thirds Vote:

	<u># of Actions</u>	<u>\$ Amount</u>
Schedule A: Noncompetitive Purchases and Public Work Contracts	2	\$ 22.7 M
• Alstom Signaling Operation, LLC		\$ 10.7 M
• Alstom Transportation, Inc.		\$ 12.0 M

Schedules Requiring Majority Vote:

Schedule L: Budget Adjustments to Estimated Quantity Contracts	1	\$ 3.7 M
• JBA Change Management Corp.		\$ 3.7 M
SUBTOTAL		3 \$ 26.4 M

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

MTA Capital Construction proposes to award Competitive procurements in the following categories: NONE			
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>Procurements Requiring Two-Thirds Vote:</u>		<u># of Actions</u>	<u>\$ Amount</u>
Schedule B:	Competitive Requests for Proposals (Solicitation of Purchase and Public Work Contracts)	1	\$ TBD M
<u>Schedules Requiring Majority Vote:</u>			
Schedule G:	Miscellaneous Service Contracts	3	\$ 210.3 M
Schedule H:	Modifications to Personal/Miscellaneous Service Contracts	1	\$ 18.4 M
	SUBTOTAL	5	\$ 228.7 M
NYC Transit proposes to award Ratifications in the following categories:			
<u>Schedules Requiring Two-Thirds Vote:</u>			
Schedule D:	Ratification of Completed Procurement Actions	1	\$ 27.3 M
	SUBTOTAL	1	\$ 27.3 M
	TOTAL	9	\$ 282.4 M
MTA Bus Company proposes to award Ratifications in the following categories: NONE			
MTA Capital Construction proposes to award Ratifications in the following categories: NONE			
NYC Transit proposes to award Ratifications in the following categories: NONE			
<p>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.</p> <p>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.</p> <p>RECOMMENDATION: That the purchases/contracts be approved as proposed. (Items are included in the resolution of approval at the beginning of the Procurement Section.)</p>			

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.

7. The Board authorizes the budget adjustments to estimated contracts set forth in Schedule L.

JANUARY 2019**LIST OF NONCOMPETITIVE PROCUREMENTS FOR BOARD APPROVAL****Procurements Requiring Two-Thirds Vote:****A. Noncompetitive Purchases and Public Work Contracts**

(Staff Summaries required for all items greater than: \$100K Sole Source; \$750K Other Noncompetitive.)

1. **Alstom Signaling, Inc.** **\$10,700,000 (Est.)** **Staff Summary Attached**
Sole Source - Three-year omnibus
Multi-agency purchase of inventory and non-inventory replacement signal and switch system parts.
2. **Alstom Transportation, Inc.** **\$12,000,000 (Est.)** **Staff Summary Attached**
Sole Source - Three-year omnibus
Purchase of inventory and non-inventory replacement traction motor, propulsion controller, and car body parts for subway cars.

Procurements Requiring Majority Vote:**L. Budget Adjustments to Estimated Quantity Contracts**

(Expenditures anticipated to exceed the lesser of \$750,000 or \$250,000 in the event such expenditures exceed 15% of the adjusted contract budget, including any contract modifications.)

3. **JBA Change Management Corp.** **\$3,693,165 (Est.)** **Staff Summary Attached**
Noncompetitive
Contract# 179030
Consultant services contract for the Department of Subways, Division of Car Equipment and Division of Maintenance of Way (MOW) for NYC Transit Subway Service Improvement Assessment in support of the Subway Action Plan.

Item Number: 1

Vendor Name (Location) Alstom Signaling Operation, LLC (Grain Valley, Missouri)
Description Purchase of inventory and non-inventory replacement of signal and switch system parts
Contract Term (including Options, if any) March 1, 2019–February 28, 2022
Option(s) included in Total Amount? <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> n/a
Procurement Type <input type="checkbox"/> Competitive <input checked="" type="checkbox"/> Noncompetitive
Solicitation Type <input type="checkbox"/> RFP <input type="checkbox"/> Bid <input checked="" type="checkbox"/> Other: Omnibus Sole-Source Approval

Contract Number NONE	Renewal? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Total Amount: \$10,700,000 (Est.) NYC Transit: \$8,200,000 (Est.) MNR: \$2,000,000 (Est.) LIRR: \$500,000 (Est.)	
Funding Source <input checked="" type="checkbox"/> Operating <input type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:	
Requesting Dept./Div., Dept./Div. Head Name: Procurement & Supply Chain, Stephen M. Plochochi	

Discussion

This is an omnibus approval request for items identified as obtainable only from Alstom Signaling Operation, LLC (“Alstom Signaling”) and will eliminate the need to advertise and prepare individual procurement staff summaries for Board approval for each procurement over the small purchase threshold. NYC Transit is not obligated to generate any purchase orders pursuant to an omnibus approval. Any purchases made under this approval will be made pursuant to paragraph 9(b) of Public Authorities Law 1209, which allows for purchases of items that are available from only a single responsible source to be conducted without competitive bidding.

There are approximately 652 NYC Transit items, 67 items for Long Island Rail Road (“LIRR”), and 50 items for Metro-North Railroad (“MNR”) covered by this approval for the purchase of signal and switch systems. These items are an integral part of the NYC Transit subway system and the MNR and LIRR railroad systems. These items are identified as obtainable only from Alstom Signaling for the following reasons: sole pre-qualified item on the Qualified Products List and not available from any distributor or other source, publicly advertised within a 12-month period without an acceptable alternate supplier, or proprietary to Alstom Signaling. These items are advertised a minimum of once every 12 months to seek competition. A list of Alstom Signaling’s sole-source items, as well as NYC Transit’s intention to purchase inventory and non-inventory items on the list without competitive bidding, is available for download from the NYC Transit website at any time by any prospective vendor.

These sole-source parts will be used by NYC Transit’s Division of Signals (“NYC Transit Signals”) for normal maintenance requirements and the Capital Track Program. Additional sole-source parts will also be used by MNR and LIRR for various projects including the Positive Train Control Parts Program.

The existing Alstom Signaling omnibus approval for \$5,275,000 was approved by the Board in January 2016 and expires February 28, 2019. From the commencement of the 2016 omnibus approval, the following amounts have been expended to date: NYC Transit’s approval amount was for \$4,000,000, of which \$2,269,846 or 57 percent was expended; MNR’s approval amount was for \$775,000 for which \$210,000 or 27 percent was expended; and LIRR’s approval amount was for \$500,000, of which \$288,190 or 58 percent was expended.

NYC Transit Procurement performed an analysis on the 12 NYC Transit Signals contracts issued during the term of the existing omnibus approval that exceeded the small purchase threshold, which have comparative price history. Expenditures for these 12 contracts amount to \$1,864,579, which represents 82.1 percent of the total expenditures during this omnibus approval. A comparative price analysis of nine items (three outliers were excluded) revealed an annual weighted average price increase of 6.4 percent. This compares favorably with the Producer Price Indices used for the analysis over the same time period, which shows an annual average increase of 7.4 percent. NYC Transit’s Cost Price Analysis Unit reviewed the comparative price analysis and concurred that the pricing offered by Alstom Signaling is fair and reasonable.

Alstom Signaling Operation, LLC Continued

Based on the current forecasts as well as projections for 2019 through 2022, it is anticipated that NYC Transit Signals will require \$8,200,000 (an increase of 105 percent from the current amount of \$4,000,000) for the purchase of Alstom Signaling items that exceed the small purchase threshold. When developing its requirements for this omnibus approval, NYC Transit Signals took into account normal maintenance requirements and the Capital Track Program, an annual program that replaces entire sections of track including signal equipment that is in need of an upgrade in order to reduce and/or eliminate train delays.

NYC Transit, MNR, and LIRR believe that the amount requested will be sufficient to procure all sole-source materials that exceed the small purchase threshold from Alstom Signaling for the next three-year period. NYC Transit, MNR, and LIRR will continue to research alternate sources of supply wherever possible. Under this new omnibus approval, pricing for any noncompetitive procurement is established by requesting a quotation for each item from Alstom on an as-required basis and each individual procurement is subject to a cost and/or price analysis, and a determination that the price is found to be fair and reasonable.

In connection with a previous contract awarded to Alstom Signaling, Alstom Signaling was found to be responsible notwithstanding significant adverse information (“SAI”) pursuant to the All-Agency Responsibility Guidelines, and such responsibility finding was approved by the MTA Chairman & Chief Executive Officer in consultation with the MTA General Counsel in May 2015. This memo was modified in a March 2016 update from Vendor Relations to the MTA General Counsel. No new SAI has been found relating to Alstom Signaling and Alstom Signaling has been found to be responsible.

Schedule A: Noncompetitive Purchases and Public Work Contracts



Item Number: 2

Vendor Name (Location) Alstom Transportation, Inc. (Naperville, Illinois)	
Description Purchase of traction motor, propulsion controller, and car body parts	
Contract Term (including Options, if any) February 1, 2019–January 31, 2022	
Option(s) included in Total Amount? <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> n/a	
Procurement Type <input type="checkbox"/> Competitive <input checked="" type="checkbox"/> Noncompetitive	
Solicitation Type <input type="checkbox"/> RFP <input type="checkbox"/> Bid <input checked="" type="checkbox"/> Other: Omnibus Sole-Source Approval	

Contract Number NONE	Renewal? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Total Amount: \$12,000,000 (Est.)	
Funding Source <input checked="" type="checkbox"/> Operating <input type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:	
Requesting Dept./Div., Dept./Div. Head Name: Procurement & Supply Chain, Stephen M. Plochochi	

Discussion

This is an omnibus approval request for items identified as obtainable only from Alstom Transportation, Inc. (“Alstom Transportation”) and will eliminate the need to advertise and prepare individual procurement staff summaries for Board approval for each procurement over the small purchase threshold. NYC Transit is not obligated to generate any purchase orders pursuant to an omnibus approval. Any purchases made under this approval will be made pursuant to paragraph 9(b) of Public Authorities Law 1209, which allows for purchases of items that are available from only a single responsible source to be conducted without competitive bidding.

There are approximately 1,062 items covered by this approval for the purchase of replacement traction motor, propulsion controller, and car body parts supplied by Alstom Transportation. These items are identified as obtainable only from Alstom Transportation for the following reasons: sole pre-qualified item on the Qualified Products List and not available from any distributors or other sources, publicly advertised within a 12-month period without an acceptable alternate supplier, or proprietary to Alstom Transportation. These items are advertised a minimum of once every 12 months to seek competition. A list of Alstom Transportation’s sole-source items, as well as NYC Transit’s intention to purchase items on the list without competitive bidding, is available for download from the NYC Transit website at any time by any prospective vendor. These sole-source replacement parts will be used by the Division of Car Equipment (“DCE”) for Scheduled Maintenance System and normal maintenance for 2,432 subway cars (1,030 R142 and 1,402 R160 cars) in the NYC Transit fleet. [Alstom Transportation was the propulsion supplier for all 1,030 R142 cars built and supplied to NYC Transit by Bombardier; the car builder and propulsion supplier for 1,002 R160 subway cars; and the propulsion supplier for 400 R160 subway cars built and supplied to NYC Transit by Kawasaki.] Metro-North Railroad and Long Island Rail Road do not have Alstom Transportation propulsion on their fleets.

The existing Alstom Transportation omnibus approval for \$12,000,000 was approved by the Board in March 2016 and expires March 31, 2019. A total of \$11,007,658 has been expended during this omnibus approval. There is a remaining balance of \$992,342 of unexpended funds on the existing omnibus approval.

Procurement performed an analysis on the 11 contracts issued during the term of the existing omnibus approval that exceeded the small purchase threshold, which have comparative price history. A price analysis of the 11 contracts revealed an annual weighted average price decrease of 4.99 percent. These 11 contracts amount to \$7,911,492 which represents 72 percent of total expenditures during this omnibus approval. This price decrease is attributed to economies of scale due to larger quantity procurements for nine of the 11 items. The price decrease of 4.99 percent compares favorably with the Producer Price Index used for the analysis over the same time period, which shows an annual average increase of 1.16 percent. NYC Transit’s Cost Price Analysis Unit reviewed the comparative price analysis and concurred that the pricing offered by Alstom Transportation is fair and reasonable.

Based on the current forecasts as well as projections for 2019 through 2022, it is anticipated that DCE will require approximately \$12 million for the purchase from Alstom Transportation of sole-source items exceeding the small purchase threshold. During the term of the new omnibus approval, 510 R142 subway cars will undergo a six-year overhaul, and 45 R142 and 1,015 R160 subway cars will undergo a 12-year overhaul.

Procurement, with the concurrence of DCE, believes that the amount requested will be sufficient to procure all sole-source materials that exceed the small purchase threshold from Alstom Transportation for the next three-year period. Procurement and DCE will continue to research alternate sources of supply wherever possible. Pricing for any noncompetitive procurement is established by requesting a quotation for each item from Alstom Transportation on an as-required basis, and each individual procurement is subject to a cost and/or price analysis and a determination that the price is fair and reasonable.

Alstom Transportation, Inc. Continued

In connection with a previous contract awarded to Alstom Transportation, Alstom Transportation was found to be responsible notwithstanding significant adverse information (“SAI”) pursuant to the All-Agency Responsibility Guidelines, and such responsibility finding was approved by the MTA Chairman and Chief Executive Officer in consultation with the MTA General Counsel in May 2015. The memo was modified in a March 2016 update from Vendor Relations to the MTA General Counsel. No new SAI has been found relating to Alstom Transportation and Alstom Transportation has been found to be responsible.

L. Budget Adjustments to Estimated Quantity Contracts

(Expenditures anticipated to exceed the lesser of \$750,000 or \$250,000 in the event such expenditures exceed 15% of the adjusted contract budget, including any contract modifications.)

3.	JBA Change Management Corp.	Original Amount: (including options)	\$	1,315,061
	Contract 179030	Prior Modifications:	\$	7,788,477
	October 19, 2017–October 18, 2019	Prior Budgetary Increases:	\$	185,474
		Current Amount:	\$	9,289,012
		This Request:	\$	3,693,165
		% of This Request to Current Amount:		39.8%
		% of Mods/Budget Adjustments (including This Request) to Original Amount:		887.2%

Discussion

NYC Transit is requesting approval from the Board to issue Budget Adjustment No. 3 to Contract 179030, Consultant Services for NYC Transit Subway System Improvement Assessment, Task Order No. 7, Signals Reliability, to JBA Change Management Corporation (“JBA”) in the total estimated value of \$3,693,165.

On October 19, 2017, pursuant to the New York State Governor’s Executive Order No. 168 issued on June 29, 2017, Procurement awarded a two-year Task Order Consulting Services contract to JBA to provide consulting services to the Department of Subways, Division of Car Equipment (“DCE”) and Division of Maintenance of Way (“MOW”) for NYC Transit Subway Service Improvement Assessment in support of the Subway Action Plan.

To date, there have been five Task Orders (Nos. 1, 2, 3, 4, and 7) and two Budget Adjustments issued under this contract to JBA in the total value of \$9,289,012. These actions were ratified by the April 2018 Board.

In December 2018, MOW requested this Budget Adjustment No. 3 for Task Order No. 7, Signals Reliability. JBA will continue to provide support to MOW under Task Order No. 7 to improve the reliability of five main areas of track and signals: switches, track wires, track circuits, train stops, and insulated joints. As part of the initial effort under Task Order No. 7, JBA focused on identifying mitigations to increase signal reliability within those five areas. For this continued support, JBA will provide specialized expertise to identify maintenance solutions to long term reliability issues, train NYC Transit staff on how to inspect infrastructure based on identifying reliability issues, implement a maintenance intervention database, and develop procedures for the maintenance of signal assets to ensure their long-term reliability.

JBA’s pricing is based on previously agreed upon hourly labor rates for specific labor titles as well as negotiated travel and expense costs. JBA’s labor rates compared favorably to the rates charged by other engineering consultants. As a result, JBA’s pricing was found to be fair and reasonable.

JBA is uniquely qualified to provide these consulting services based on a combination of its international rapid transit industry experience, immediate availability, and previous experience with NYC Transit, including JBA’s prior success as the best practices consultant to perform work as part of the pre-award consultant support for the R211 subway cars.

It is recommended that the Board approve the issuance of Budget Adjustment No. 3 to Contract 179030, Consultant Services for NYC Transit Subway System Improvement Assessment, Task Order No. 7, Signals Reliability, to JBA in the total estimated value of \$3,693,165.

JANUARY 2019

LIST OF COMPETITIVE PROCUREMENTS FOR BOARD APPROVAL

Procurements Requiring Two-Thirds Vote:

B. Competitive Requests for Proposals (Solicitation of Purchase and Public Work Contracts)
(Staff Summaries required for items estimated to be greater than \$1M.)

- | | | | |
|----|---|------------------------------|--------------------------------------|
| 1. | Contractor To Be Determined
Contract Term To Be Determined
Contract# B-40666 | Cost To Be Determined | <u>Staff Summary Attached</u> |
| | RFP Authorizing Resolution for the purchase of 275 low-floor 40-foot diesel-electric hybrid buses. | | |

Procurements Requiring Majority Vote:

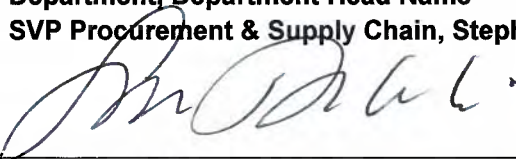
G. Miscellaneous Service Contracts
(Staff Summaries required for all items greater than: \$100K Sole Source; \$750K Other Noncompetitive; \$1M RFP;
No Staff Summary required if sealed bid procurement.)

- | | | | |
|----|---|---------------|--------------------------------------|
| 2. | Curb Mobility, LLC | \$116,459,516 | <u>Staff Summary Attached</u> |
| 3. | Corporate Transportation Group, Ltd. | \$83,702,000 | ↓ |
| 4. | Bel-Linda, Inc. d/b/a Islander
Transportation
Three years with a two-year option
Contract# TBD | \$10,163,549 | ↓ |
| | Broker car services for Paratransit. | | |

H. Modifications to Personal Service Contracts and Miscellaneous Service Contracts Awarded as Contracts for Services
(Approvals/Staff Summaries required for substantial change orders and change orders that cause the original contract to equal or exceed the monetary or durational threshold required for Board approval.)

- | | | | |
|----|--|---------------------|--------------------------------------|
| 5. | PTM Management Corp.
Contract# 07H9751V.7 | \$18,378,056 | <u>Staff Summary Attached</u> |
| | Modification to the contract for Access-A-Ride Paratransit services, in order to extend the contract by twelve-months. | | |

Staff Summary

Item Number 1			
Department, Department Head Name SVP Procurement & Supply Chain, Stephen M. Plochochi			
			
Internal Approvals			
Order	Approval	Order	Approval
1	Materiel	6	President 1/16/19
2 X	Law		
3 X	CFO		
4 X	Buses		
5	OPS		

SUMMARY INFORMATION	
Vendor Name RFP Authorizing Resolution	Contract No. B-40666
Description Purchase of 275 low-floor 40-foot diesel-electric hybrid buses for NYC Transit	
Total Amount TBD	
Contract Term (including Options, if any) TBD	
Option(s) included in Total Amount? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
Renewal? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
Procurement Type <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Noncompetitive	
Solicitation Type <input checked="" type="checkbox"/> RFP <input type="checkbox"/> Bid <input type="checkbox"/> Other:	
Funding Source <input type="checkbox"/> Operating <input checked="" type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:	

Purpose

To request that the Board declare competitive bidding impractical or inappropriate for the procurement of low-floor 40-foot diesel-electric hybrid buses for NYC Transit and that it is in the public interest to issue a competitive Request for Proposals ("RFP") pursuant to New York State Public Authorities Law, Section 1209, subdivision 9(g).

Discussion

The Public Authorities Law, Section 1209, Subdivision 9(g) permits NYC Transit to use the competitive RFP process in lieu of competitive bidding to award contracts based on a formal evaluation of characteristics such as quality, delivery, and cost against stated selection criteria. NYC Transit is desirous of utilizing such a procedure with respect to the procurement of 275 low floor 40-foot diesel-electric hybrid buses.

Utilizing the RFP process will allow NYC Transit to select the proposal(s) that offers the best overall value through negotiations and evaluation based on criteria that reflect the critical needs of the Authority. By utilizing the RFP process, NYC Transit will be able to (1) weigh factors such as overall project price, overall quality of proposer and product including delivery and NYS Content; (2) negotiate specific contract terms, such as warranty and payment terms; (3) negotiate technical matters as deemed appropriate; (4) include any other factors that NYC Transit deems relevant to its operation; and (5) potentially split the award in such a manner as deemed to be in the public interest provided that the terms and conditions offered by the proposers are commercially reasonable and the proposers' Best and Final Offers ("BAFOs") are deemed to be within a reasonable competitive range. NYC Transit reserves the right to award the entire contract to a single proposer if there are substantial differences between the BAFOs received.

These new buses will replace aging diesel-electric hybrid buses that have reached the end of their 12-year useful life. The 275 next-generation diesel-electric hybrid buses will be operated out of depots in the Bronx, Brooklyn, Queens, and Manhattan.

All of these buses will be outfitted with new features including improved driver visibility, pedestrian turn warning, Wi-Fi, USB charging ports, automatic passenger counters, digital information screens, and new branding.

Alternative

Issue competitive Invitations for Bid. Not recommended given the complexity of these procurements and the advantages offered by the RFP process.

Staff Summary

Page 2 of 2

Impact on Funding

The procurement of 275 low-floor 40-foot diesel-electric hybrid buses is funded under SF02-2454 as part of the approved 2015–2019 Capital Program. It is anticipated that this project will be 100 percent locally funded.

Recommendation

That the Board declare competitive bidding impractical or inappropriate for the procurement of 275 low-floor 40-foot diesel-electric hybrid buses and that it is in the public interest to issue a competitive RFP pursuant to New York State Public Authorities Law, Section 1209, subdivision 9(g) for NYC Transit.

Schedule G: Miscellaneous Service Contracts

Item Number: 2-4

Vendor Name (Location) Curb Mobility, LLC (Long Island City, New York) Corporate Transportation Group, Ltd (Brooklyn, New York) Bel-Linda, Inc. d/b/a Islander Transportation (Staten Island, New York)	
Description Broker Car Service for Paratransit	
Contract Term (including Options, if any) Three years with a two-year option	
Option(s) included in Total Amount? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> n/a	
Procurement Type <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Noncompetitive	
Solicitation Type <input checked="" type="checkbox"/> RFP <input type="checkbox"/> Bid <input type="checkbox"/> Other:	

Contract Numbers TBD	Renewal? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Total Estimated Amount: Curb \$116,459,516 CTG \$83,702,000 Islander \$10,163,549 \$210,325,065	
Funding Source <input checked="" type="checkbox"/> Operating <input type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:	
Requesting Dept./Div., Dept./Div. Head Name: Department of Buses, Darryl C. Irick	

Discussion

NYC Transit is seeking Board approval to award multiple three-year estimated quantity miscellaneous service contracts for the provision of Broker Car Service for Paratransit Access-A-Ride (“AAR”) customers to Curb Mobility, LLC (“Curb”), Corporate Transportation Group, Ltd. (“CTG”) and Bel-Linda, Inc. D/B/A Islander Transportation (“Islander”) in the estimated amounts of \$116,459,516; \$83,702,000; and \$10,163,549 respectively. The awards to Curb and CTG represent a 60/40 split award for all boroughs (except Staten Island) and the award to Islander is for all of Staten Island. The base term of the contracts is three years with an option to extend for up to an additional two years. Board approval will be sought if NYC Transit wishes to exercise its option. It is estimated that approximately 6.5 million trips will be completed for all boroughs, including Staten Island, within the three-year term.

AAR service is provided through two different approaches, dedicated service and non-dedicated service. Dedicated service providers are known as Primary Carriers whose only business is to transport NYC Transit AAR customers. Non-dedicated service providers, such as Broker Car Service providers, perform AAR service in concert with their existing operations. The use of non-dedicated service provides cost and operational benefits to NYC Transit in that Paratransit does not bear the total responsibility for maintenance and operating costs, as is the case with dedicated service, and non-dedicated service providers offer access to a larger vehicle fleet to perform a high volume of trips.

In July 2018, Request for Proposal (“RFP”) No. 177567 was competitively solicited to continue the Broker Car Service mode of transportation (“Broker”) as an efficient and cost-effective option for Paratransit’s AAR program. The Broker model is a fully ADA-compliant mode of paratransit transportation that utilizes contractor(s) to schedule and dispatch prearranged trips for AAR customers through a non-dedicated subcontractor network of taxi, livery, and black car service providers. Unlike the previous Broker contracts, the new Broker contracts will include the ability to provide nonambulatory interborough (borough to borough) service utilizing Wheelchair Accessible Vehicles (“WAVs”). Historically, Broker pricing has been significantly lower than the Primary Carrier service. The cost for a Primary Carrier trip is approximately \$68.

The evaluation criteria for this RFP, listed in descending order of importance, were as follows: Proposer’s Overall Technical Qualifications regarding relevant experience and approach to the work, Overall Price and Other Relevant Matters. To ensure continuity of service and capacity, multiple awardees were sought. The solicitation was structured to make multiple awards based on a 60 percent and 40 percent split of the total number of trips originating in Manhattan, Queens, Brooklyn, and the Bronx; and one award based on 100 percent of the total number of trips originating in Staten Island. Previously, the Broker contracts served four of the five boroughs of NYC, excluding Staten Island, as Staten Island was serviced by the older model of service called the Voucher Car Service program (“Voucher”). However, to seek the inherent benefits offered by the Broker program in the other boroughs, including improved customer service and Global Positioning System (“GPS”) tracking through use of the My AAR application (e.g., visibility to vehicle location), online reservations, door-to-door service and access to WAVs for nonambulatory AAR customers, Staten Island was included as a separate class award in this RFP and is replacing the Staten Island Voucher program.

Broker Car Service continued:

Procurement performed an extensive outreach which resulted in 26 firms requesting RFP packages and 12 proposals being submitted in response to the RFP. Following the Selection Committee's review, three proposals were eliminated as the proposers failed to provide essential information about their respective companies, lacking one or more of the following items: drug and alcohol testing plans, a start-up plan, descriptions of proposed communication and technology systems, relative experience and key personnel, and a list of proposed network service providers. The remaining nine proposers were invited for oral presentations. After oral presentations, two proposers were eliminated as the Selection Committee determined that these proposers did not present a satisfactory management approach or lacked sufficient trip dispatching technology required to perform the work. The Selection Committee determined that the remaining seven companies were technically qualified and were invited to participate in negotiations. They were: Alfred Holdings, Inc. ("Alfred"), Islander, CTG, Curb, Fejost, LLC d/b/a Sentry Management Solutions ("Sentry"), LimoSys LLC ("LimoSys"), and MV Transportation, Inc. ("MVT"). During negotiations, the Selection Committee voted to eliminate Sentry. Despite NYC Transit's willingness to negotiate alternate terms and conditions, an agreement was not able to be reached with Sentry.

The proposers quoted pricing that enabled the calculation of a zone to zone price per trip ("PPT") based on distance. Through negotiations, NYC Transit was able to identify and understand the elements that make up the PPT and use these elements to negotiate price reductions. In order to analyze each proposer's pricing in comparison to the others, a weighted average cost per trip ("WACPT") was established for each proposer. Also through negotiations, flat rate fees for door-to-door service and nonambulatory service were secured. These fees were included in the WACPT of each respective proposer.

BAFOs were received on December 3, 2018. The total estimated three-year base pricing for 60 percent of the total number of trips and 40 percent of the total number of trips for "All Boroughs except Staten Island" and 100 percent of the trips for "Staten Island Only," including the corresponding WACPT for each proposer is as follows:

All Boroughs except Staten Island

Proposer	BASE YEARS 1–3 Extended Award Value		WACPT
	60%	40%	
Curb	\$116,459,516	\$78,033,836	\$31.52 (60%) / \$31.68 (40%)
CTG	\$123,223,573	\$83,702,000	\$33.37 (60%) / \$34.00 (40%)
Alfred Holdings	\$127,174,446	\$88,207,380	\$34.46 (60%) / \$35.85 (40%)
LimoSys	\$146,175,421	\$98,414,911	\$39.57 (60%) / \$39.96 (40%)
MVT	\$159,583,135	\$107,543,273	\$43.16 (60%) / \$43.63 (40%)

Staten Island Only

Proposer	BASE YEARS 1–3 Extended Award Value	WACPT	
		100%	
Islander		\$10,163,549	\$26.29
Curb		\$10,024,377	\$25.93
Alfred Holdings		\$11,410,713	\$29.52
MVT		\$14,687,799	\$37.99
LimoSys		\$15,562,549	\$40.20

The Selection Committee evaluated the BAFOs in accordance with the evaluation criteria, including the pricing for the option years. Regarding contract awards for "All Boroughs except Staten Island," all proposers had high technical ratings with Curb ranked slightly higher than CTG. The Selection Committee unanimously voted that Curb was the superior proposer, providing the best value, and recommended to make a split award of 60 percent to Curb and 40 percent to CTG based on Curb's technical superiority, lower price, and higher overall ranking. Curb's 60 percent proposal has a WACPT of \$31.52 which is \$1.85 lower than CTG's 60 percent WACPT. CTG's 40 percent proposal has a WACPT of \$34, which is \$1.85 lower than the next lowest proposer's 40 percent WACPT of \$35.85.

Regarding a contract award for "Staten Island Only," the Selection Committee unanimously voted to award 100 percent of the contract to Islander, notwithstanding Curb's slightly lower price, as Islander was ranked technically superior to all the Staten Island proposers due to its key personnel's knowledge and relevant experience, and its approach to the work. Islander has a WACPT of \$26.29 which is \$0.36 higher than Curb's proposed Staten Island pricing.

Through negotiations and the competitive nature of this procurement, final pricing from Curb, CTG, and Islander is considered fair and reasonable.

Broker Car Service continued:

Curb did not satisfy NYC Transit's traditional financial qualification requirements however, given its ability to secure a performance bond for this contract, its consistent and reliable past performance providing AAR E-Hail service valued at approximately \$69 million since 2017, and its continuity of key personnel, an award to Curb was recommended based on a business decision. Islander did not satisfy the financial qualification requirements, however, a business decision was made. The business decision was based on Islander's proposed management and project team and associated experience, as well as the fact that payment is only made after services are rendered, which minimizes risk to NYC Transit. CTG was determined to be financially qualified to perform the work at the recommended award amount.

Through negotiations overall pricing for Curb and CTG were reduced by approximately \$10.4M and overall pricing for Islander was reduced by approximately \$700K. Based on the estimated 6.5 million trips (6,162,857 all Boroughs except Staten Island trips and 386,594 Staten Island trips) for the three-year terms, this represents a combined estimated savings of \$11.1M.

Item Number: 5

Vendor Name (Location) PTM Management Corp. (Queens, New York)	
Description: Access-A-Ride Paratransit Transportation Services	
Contract Term (including Options, if any) January 27, 2009–March 31, 2019	
Option(s) included in Total Amount? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> n/a	
Procurement Type <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Noncompetitive	
Solicitation Type <input type="checkbox"/> RFP <input type="checkbox"/> Bid <input checked="" type="checkbox"/> Other: Modification	
Funding Source <input checked="" type="checkbox"/> Operating <input type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other	
Requesting Dept./Div., Dept./Div. Head Name Department of Buses, Darryl C. Irick	

Contract Number: 07H9751V	AWO/Mod # 7
Original Amount:	\$ 281,072,030
Prior Modifications:	\$ (60,247,534)
Prior Budgetary Increases:	\$ 0
Current Amount:	\$ 220,824,496
This Request:	\$ 18,378,056
% of This Request to Current Amount:	8.3%
% of Modifications (including This Request) to Original Amount:	(14.9%)

Discussion

This modification will extend the term of Contract 07H9751V with PTM Management Corp. (“PTM”) for up to twelve months, from April 1, 2019 through March 31, 2020, to continue provision of Access-A-Ride Paratransit Transportation Services (“AAR”) for the Department of Buses, Division of Paratransit. This extension will allow sufficient time to conduct the renewal Request for Proposal (“RFP”) for dedicated Primary Carrier AAR service.

AAR service is provided through two different approaches, dedicated service and non-dedicated service. Dedicated service providers are known as Primary Carriers whose only business is to transport NYC Transit AAR customers. Non-dedicated service providers, such as Broker Car Service providers, perform AAR service in concert with their existing operations. Primary Carrier contracts were competitively solicited and awarded between 2007 and 2009. Awards were made to a series of contractors, which included PTM.

In order to conduct an RFP and award replacement contracts prior to the expirations of the existing contracts (beginning in September 2018), Paratransit and Procurement actively began work on developing the RFP for the new Primary Carrier contracts well in advance. However, while developing the replacement RFP, it was determined that the expanded use of Broker Car Service and emerging E-Hail service presented a series of opportunities that necessitated the re-evaluation of trip distribution to Primary Carriers. To further contain the cost of the Paratransit program while adding flexibility for customers, emphasis was placed on expanding the Broker model to reduce the reliance on dedicated Primary Carriers in the future. In the course of strategically analyzing these multimodal approaches, a decision was made to delay the commencement of the new Primary Carrier RFP and extend the terms of nine Primary Carrier contracts for up-to eighteen months, with various expiry dates occurring in 2020. None of these nine contracts required money to be added, as initial assumptions used to establish the original contract award values have not been fully met regarding one or more of the following cost-driving categories: reaching maximum vehicle capacity (thus less service hours billed), variability in fleet maintenance costs, or mobilization monies reserved for expansion plans that have not been expended on seven of the nine contracts extended. Extensions of the other three contracts are not anticipated. With the results of the Broker RFP and the experience from the E-Hail pilot, the RFP was released earlier this month.

Two significant efforts were carried out to reduce the costs of the Primary Carriers, one in 2010 through an MTA-wide action to reduce operational costs known as the Rapid Procurement Initiative (“RPI”) led by an outside consultant, whereby certain costs were lowered and the term of the PTM contract was reduced to a five-year base with two mutually agreeable options: one for five years and the second for 10 years. The second effort, conducted in 2014, was a Procurement initiative whereby insight was gained by means of an MTA Audit, and through negotiations with PTM, Procurement achieved significant price reductions totaling approximately \$15M. These savings will continue through this extension period.

PTM Management Corp. continued:

Procurement and NYC Transit's Cost Price Analysis Unit have determined the prices to be fair and reasonable as PTM is one of the least expensive and top performing Primary Carriers.

Based on the current fleet of 155 vehicles, it is estimated that approximately \$23.9 million will be spent during the modification period. Additional funding for approximately \$18.4M is being requested as approximately \$5.5M will remain in the contract as of March 31, 2019.

The Office of the Controller has performed a financial review and found there is reasonable assurance that PTM is financially qualified to perform this contract.

Approval by the Office of the State Comptroller ("OSC") is not required as the original contract 07H9751 was not subject to OSC approval. Procurement, however, will file the modification as required with the OSC within 60 days of execution.

JANUARY 2019

LIST OF RATIFICATIONS FOR BOARD APPROVAL

Procurements Requiring Two-Thirds Vote:

D. Ratification of Completed Procurement Actions

(Staff Summaries required for items requiring Board approval.) Note – in the following solicitations, NYC Transit attempted to secure a price reduction. No other substantive negotiations were held except as indicated for individual solicitations.

- | | | |
|---|----------------------------|--------------------------------------|
| 1. New Flyer of America, Inc.
Immediate Operating Need
Contract# B-40640 | \$27,287,264 (Est.) | <u>Staff Summary Attached</u> |
| Purchase of 15 low-floor 60-foot articulated all-electric buses and related charging equipment. | | |

Item Number: 1

Vendor Name (Location) New Flyer of America, Inc. (St. Cloud, Minnesota)
Description Purchase of 15 low-floor 60-foot articulated all-electric buses and related charging equipment
Contract Term (including Options, if any) December 31, 2018–December 31, 2024
Option(s) included in Total Amount? <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> n/a
Procurement Type <input type="checkbox"/> Competitive <input checked="" type="checkbox"/> Noncompetitive
Solicitation Type <input type="checkbox"/> RFP <input type="checkbox"/> Bid <input checked="" type="checkbox"/> Other: Noncompetitive

Contract Number B-40640	Renewal? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Total Amount: \$27,287,264 (Est.)	
Funding Source <input type="checkbox"/> Operating <input checked="" type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:	
Requesting Dept./Div., Dept./Div. Head Name: Department of Buses, Darryl C. Irick	

Discussion

It is requested that the Board ratify the declaration of an Immediate Operating Need (“ION”), which was requested by NYC Transit Department of Buses (“DOB”) and approved by the Senior Vice President, Procurement & Supply Chain waiving formal competitive bidding pursuant to Article III, paragraph B of the All-Agency Procurement Guidelines and subdivision 9(a) of Section 1209 of the Public Authorities Law and approve the purchase of 15 low-floor 60-foot articulated all-electric buses (“AEB”), 16 in-depot chargers, and one mobile charging unit from New Flyer of America, Inc. (“New Flyer”). The transition to AEBs is a key initiative in Fast Forward, and the operation of these AEBs will provide the knowledge and experience necessary to prepare for future AEB procurements that are slated for the next Capital Plan. The ION was declared to address the need for supplemental bus service along 14th Street during the L Project, assuming a 15 month closure. The new emission-free vehicles are still planned to serve the 14th Street corridor.

NYC Transit’s current bus fleet meets the existing state and federal emissions requirements; however, this purchase will achieve additional reductions in greenhouse gas emissions. AEBs offer zero tail-pipe emissions and reductions in noise typically emitted from other bus propulsion systems (i.e., Hybrid, Diesel, and CNG). AEB technology also has the potential to lower lifecycle costs compared to fossil-fueled buses.

The NYC Transit bus duty cycle is the optimal environment for maximizing the benefits available from an all-electric propulsion system. AEBs utilize an electric motor to power the drivetrain; electricity is supplied to the motor from a battery pack that must be charged via an external charging source either in-depot or en-route. This propulsion system achieves reductions in total energy usage by reusing energy that is normally wasted in braking (a process referred to as “regenerative braking”).

Significant improvements in AEB technology in the last 10 years have led to additional suppliers offering AEB capabilities and supporting charging infrastructure. After an extensive outreach, four companies were identified (BYD Motors, Inc.; New Flyer; Nova Bus, a division of Prevost Car (US), Inc.; and Proterra, Inc.) which are capable of manufacturing heavy duty AEBs for the North American market. All four companies were given the opportunity to provide an overview of their AEBs and charging systems, and answer questions from a panel of MTA personnel that included representatives from DOB and Procurement. Contracts were awarded to New Flyer and Proterra in 2017 to lease small fleets of 40-foot AEBs to gain experience in transit operations utilizing both in-depot (with five Proterra AEBs) and en-route (with five New Flyer AEBs) charging systems.

BYD, Nova Bus, Proterra, and New Flyer were subsequently contacted in 2018 once the need for 60-foot AEBs was identified. BYD indicated it has a 60-foot AEB that is not structurally qualified in the NYC Transit duty cycle; BYD is currently preparing its 40-foot and 60-foot AEBs for structural qualification testing in 2020. Both Nova Bus and Proterra indicated they do not manufacture 60-foot AEBs. New Flyer was identified as the only AEB manufacturer that has a 60-foot AEB which is structurally qualified in the NYC Transit duty cycle.

New Flyer of America, continued:

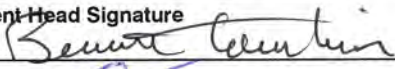
These 15 low-floor 60-foot AEBs will operate on the M14 (a crosstown route on 14th Street) out of Michael J. Quill depot in Manhattan, and will primarily use the 16 in-depot chargers purchased under this contract. In addition, one mobile charging unit will be purchased to allow NYC Transit to test these buses in different duty cycles in all five boroughs. It should be noted that these 15 AEBs are also compatible with the two en-route charging stations (East 41st Street between FDR Drive and 1st Avenue, and 12th Avenue between 42nd and 43rd streets) that were leased under the aforementioned agreement with New Flyer.



Installation of the in-depot chargers will begin in July 2019 and be completed prior to the delivery of the lead bus, which is scheduled for September 2019. Delivery of the production buses is scheduled to begin in November 2019 and be completed in January 2020. It should be noted that the contract includes an incentive for the early delivery of the buses.

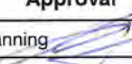
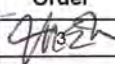


The total contract award of \$27,287,264 will consist of \$20,827,500 for the 15 buses (\$1,388,500/bus); \$4,599,240 for the purchase and installation of 16 in-depot charging units; \$286,087 for the mobile charging unit; \$647,725 for manuals, diagnostic tools, and qualification testing; \$459,995 for an estimated quantity of training; and \$466,717 for capital spares. The final price has been deemed fair and reasonable by NYC Transit's Cost Price Analysis Unit based on both costing and pricing analysis with assistance from MTA Audit Services.

While all 15 buses will be manufactured in Anniston, Alabama, a portion of the work will be performed at New Flyer's recently opened facility in Jamestown, New York. New Flyer has committed to achieving 12.96 percent New York State Content on each of these buses.

Staff Summary

Subject Fourth Memorandum of Understanding (MOU) between MNR and City of Newburgh for Reimbursement of Ferry Landing/ Parking Lease	Date January 2, 2019
Department Operations Planning and Analysis	Vendor Name N/A
Department Head Name Ben Cornelius	Contract Number N/A
Department Head Signature 	Contract Manager Name N/A
Project Manager Name Scott Ornstein	Table of Contents Ref#

Board Action						Internal Approvals			
Order	To	Date	Approval	Info	Other	Order	Approval	Order	Approval
	M-N Comm. Mtg.		X			6	President 		Budget
	MTA Board Mtg.		X				VP Operations		VP Capital Programs
							VP Financial Admin		Engr/Const
							Controller		Project Reporting

Internal Approvals (cont.)							
Order	Approval	Order	Approval	Order	Approval	Order	Approval
1	VP Planning 		Government Relations		Labor Relations	2 	General Counsel
	Press		VP Human Resources		Human Resources	4 	Executive Vice-President

PURPOSE: To obtain MTA Board approval for Metro-North to enter into a Fourth Memorandum of Understanding (Fourth MOU) with the City of Newburgh, New York (the City) for Metro-North to reimburse the City for lease payments for the parking and ferry landing facilities used by the Newburgh-Beacon ferry for the period January 1, 2019 through June 30, 2019.

DISCUSSION: In August 2004, Metro-North and the City entered into an agreement concerning the mooring, docking, and use of facilities in Newburgh to be used for the Newburgh-Beacon Ferry. Under that agreement, the City would lease from a private landowner the land and facilities to create a ferry dock and 250-space parking facility for ferry riders. At the same time, the City and the New York State Department of Transportation (NYSDOT) entered into a contract by which NYSDOT reimbursed the City for the rent payments under the lease; that contract has expired and will not be renewed by NYSDOT. NYSDOT reimbursed the City for the lease payments through April 2015. Under an MOU dated May 26, 2015, between Metro-North and the City previously approved by the MTA Board, Metro-North reimbursed the City for lease payments from May through December 2015, at the monthly rate of \$21,278. A second MOU dated January 26, 2016 extended this agreement under the same terms, as did a third MOU, dated January 5, 2017.

In October, 2017, the property on which the Newburgh Ferry Dock and Parking Facility is located was sold for the second time in little more than a year. The City has negotiated a lease extension with the new owner of this property through June 30, 2019, which provides for no increase in rental payments from the current lease. The new property owner is only willing to enter into a 6-month lease with the City at this time under the existing terms, and wants to meet with the City to discuss and address some issues of mutual concern before considering extending the lease. Under the proposed Fourth MOU, Metro-North will reimburse the City for the same period of time as the lease extension (January 1, 2019 – June 30, 2019). The Fourth MOU also provides that the City and Metro-North will continue to work together in a diligent, cooperative and time sensitive manner to identify and make available alternative locations for the Ferry Service and parking facility, should

the current site not be available in the future, as well as work together to identify possible other sources of funding. The Fourth MOU has been authorized and executed by the City.

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

NYSDOT has committed to provide Metro-North with Congestion Mitigation/Air Quality (“CMAQ”) funds, which may be used as reimbursement for assistance payments made to the City by Metro-North to fund the lease extension through December 31, 2020. The MTA Board approved Metro-North’s acceptance of these funds for various connecting services-related projects, including the Newburgh-Beacon Ferry. Of the CMAQ funds, \$255,336 will be used to fund the reimbursement to the City upon proof of payment of the monthly lease cost.

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

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

RECOMMENDATION: That the MTA Board grant approval for MNR to enter into a Fourth Memorandum of Understanding with the City of Newburgh regarding reimbursement of lease expenses paid by the City for land used for the Newburgh-Beacon ferry landing and parking facility for the period January 1, 2019 through June 30, 2019.

ADDENDUM TO AGREEMENT OF LEASE

THIS ADDENDUM TO AGREEMENT OF LEASE ("Addendum"), made as of this ^{19th} day of December, 2018, by and between Riverside Newburgh Realty, LLC., a New York limited liability corporation, having an address of P.O. Box 8, Newburgh, New York 12551, ("Riverside"), and the City of Newburgh, a New York municipal corporation with principal offices at 83 Broadway, City Hall, Newburgh, New York 12550 ("City").

WITNESSETH:

WHEREAS, RBG Newburgh, LLC and the City executed an Agreement of Lease dated January 13, 2017 for a term commencing on February 1, 2017 and terminating on December 31, 2018 (the "Lease Agreement"), covering certain vacant real property situated along the west bank of the Hudson River and comprised of portions of two contiguous parcels of land (commonly known, respectively, Tax Map Nos.: Section 31, Block 5, Lot 13.2 and; Section 31, Block 5, Lot 14) with an aggregate of approximately 3.65 acres, in the City of Newburgh, in the County of Orange and State of New York (the "Property"); and

WHEREAS, RBG Newburgh, LLC transferred the Property to Riverside on November 24, 2017; and

WHEREAS, the City consented to the assignment of the Lease Agreement from RBG of Newburgh, LLC to Riverside on December 5, 2017; and

WHEREAS, the Lease Agreement will expire on December 31, 2018 and the City desires to continue to lease from Riverside the Property for use in connection with parking to be used for ferry service between the Cities of Newburgh and Beacon and uses associated therewith (the "Project") and Riverside desires to lease to City the Property therefor and the parties agree that it is necessary to extend the term of the Lease Agreement for the period January 1, 2019 through June 30, 2019:

NOW, THEREFORE, in consideration of the premises and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. The term set forth in Paragraph 1.3 of the Lease Agreement shall be extended for an additional term commencing on January 1, 2019 and terminating on June 30, 2019 ("Renewal Term").
2. For the balance of the Renewal Term, rent shall be payable monthly in advance in equal monthly installments of Twenty-One Thousand Two Hundred Seventy-Eight (\$21,278) Dollars, provided however that City shall have the right to terminate this lease if the City has not received reimbursement from state sources, including but not limited to the Metropolitan Transportation Authority, Metro-North Railroad and/or The New York State Department of Transportation, of the full amount of the rent under the Lease Agreement, and in no event shall City's obligation to pay rent to Riverside exceed City's reimbursement from other sources.

3. The City's Tenant Consent to Assignment of Agreement of Lease and Tenant Estoppel Certificate, both dated December 5, 2017 shall remain in full force and effect during the Renewal Term.
4. All other terms and conditions set forth in the Lease Agreement shall remain in full force and effect during the Renewal Term.

IN WITNESS WHEREOF, Riverside, as Landlord, and the City, as Tenant have duly executed this Lease Addendum in duplicate as of the day and year first above written.

RIVERSIDE NEWBURGH REALTY, LLC Landlord

CITY OF NEWBURGH, Tenant

By: _____

William Kaplan, Manager

By: _____

Michael G. Ciaravino
City Manager
Per Res. No.: 372-2018

By: _____

Joseph A. Bonura, Sr., Manager

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STATE OF NEW YORK)

) ss:

COUNTY OF ORANGE)

On the 19th day of December in the year 2018, before me, the undersigned, a Notary Public in and for said State, personally appeared WILLIAM KAPLAN, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual, or the person upon behalf of which the individual acted; executed the instrument.

Sara A. Myers



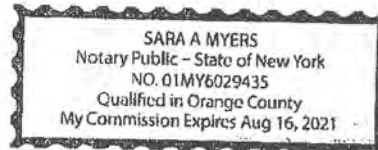
STATE OF NEW YORK)

) ss:

COUNTY OF ORANGE)

On the 19th day of December in the year 2018, before me, the undersigned, a Notary Public in and for said State, personally appeared JOSEPH A. BONURA, SR., personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual, or the person upon behalf of which the individual acted; executed the instrument.

Sara A. Myers



STATE OF NEW YORK)

) ss:

COUNTY OF ORANGE)

On the 12th day of December in the year 2018, before me, the undersigned, a Notary Public in and for said State, personally appeared MICHAEL G. CIARAVINO, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in her capacity, and that by his signature on the instrument, the individual, or the person upon behalf of which the individual acted; executed the instrument.

[Signature]

MICHELLE KELSON
Notary Public, State Of New York
Suffolk County, Clerk's #2564
Commission Expires: March 20, 2022

PROCUREMENT PACKAGE
January 2019

Staff Summary

Subject	Request for Authorization to Award Various Procurements				
Department	Procurement				
Department Head Name David K. Cannon					
Department Head Signature 					
Board Action					
Order	To	Date	Approval	Info	Other
1	MNR Committee	1/22/19	X		
2	Board	1/24/19	X		

Date: January 16, 2019			
Vendor Name HNTB			
Contract Number PS864			
Contract Manager Name J. Hanna			
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 a contract and, to inform the Metro-North Railroad Committee of this procurement actions.

DISCUSSION

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

Schedules Requiring Majority Vote

Schedule F Personal Service Contracts

	<u># of Actions</u>	<u>\$ Amount</u>
	1	\$32,240,000 ¹
TOTAL	1	\$32,240,000

Budget Impact:

The approval of the contract 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 items are included in the resolution of approval at the beginning of the Procurement Section.)

¹ Excludes Contract Options - For Information about the Options, please refer to the Schedule F Staff Summary

MTA Capital Construction 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.
7. The Board authorizes the budget adjustments to estimated contracts set forth in Schedule L.

JANUARY 2019

LIST OF COMPETITIVE PROCUREMENTS FOR BOARD APPROVAL

Procurements Requiring Majority Vote:

Schedule F. Personal Service Contracts

(Staff Summaries required for all items greater than: \$100K Sole Source; \$750K other Non-Competitive; \$1M Competitive)

- | | | |
|--|---------------------------------|--------------------------------------|
| 1. HNTB New York Engineering and Architecture, P.C.
Contract No. PS864
18 Months plus Options Ranging From 18 – 66 Months | \$32,240,000² | <u>Staff Summary Attached</u> |
|--|---------------------------------|--------------------------------------|

Pursuant to Article X of the MTA All-Agency Service Contract Procurement Guidelines, MTACC seeks Board approval to award a competitively solicited design consultant contract to provide General Engineering Consultant Services for the Penn Station Access Project.

² Excludes Contract Options - For Information about the Options, please refer to the Schedule F Staff Summary

**Schedule F Personal Service Contracts
Staff Summary**

Item Number		1			
Dept & Dept Head Name: Penn Station Access/E. Michel 					
Division & Division Head Name:					
Board Reviews					
Order	To	Date	Approval	Info	Other
1	MNR Committee	1/22/19	X		
2	Board	1/24/19	X		
Internal Approvals					
Order	Approval	Order	Approval		
	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 HNTB New York Engineering and Architecture, P.C.	Contract Number PS864
Description General Engineering Consultant Services for the Penn Station Access Project	
Total Amount: Not-To-Exceed Base, \$32.24M; Option 1: \$7,667,811; Option 2: \$15,542,869; Option 3: \$44,259,115; Option 4: \$22,407,589; Incentive \$0.264M	
Contract Term 18 Months Base and up to 66 Months with Options	
Option(s) included in Total Amount? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	
Renewal? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
Procurement Type <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Non-competitive	
Solicitation Type <input checked="" type="checkbox"/> RFP <input type="checkbox"/> Bid <input type="checkbox"/> Other:	
Funding Source <input type="checkbox"/> Operating <input checked="" type="checkbox"/> Capital <input checked="" type="checkbox"/> Federal <input type="checkbox"/> Other:	

I. PURPOSE/RECOMMENDATION:

Pursuant to Article X of the MTA All-Agency Service Contract Procurement Guidelines, MTACC seeks Board approval to award a competitively solicited design consultant contract to HNTB New York Engineering and Architecture, P.C. ("HNTB") to provide General Engineering Consultant Services for the Penn Station Access Project (the "Project").

The Project includes additional passenger tracks within the Amtrak Hell Gate Line (HGL) right-of-way, along with various other supporting improvements, to provide access for Metro-North Railroad (MNR) New Haven Line trains to the West Side of Manhattan at Penn Station New York (PSNY). The Project will also add four new community-based MNR stations along Amtrak's HGL in the eastern Bronx.

This Contract is structured with a base scope of work and four options which may be exercised by the MTA at its sole discretion. Under the base scope HNTB will provide Preliminary Design services for the Project and general project support services through the Preliminary Design phase. Option 1 provides for the packaging of a design build contract and any necessary ancillary contracts and procurement support through the award of those contracts. Option 2 provides for the construction phase services and program support services in support of the design build approach. Should the design build approach be deemed not feasible for this project, Option 3 provides for final design services, packaging of construction

Item Number 1

Page 2 of 3

contracts and procurement services to support the award of the design, bid, build contracts. Option 4 provides for the construction phase services and program support services in support of the design-bid-build approach.

The Not-To Exceed Amount for the base contract is \$32,236,716 with a duration of 18 Months. The base contract also provides for an additional incentive fee of 1% of the base amount less overhead and profit (an additional \$264,146) for completing the preliminary design on time. The not-to-exceed amount for the options is as follows: Option 1: \$7,667,811; Option 2: \$15,542,869; Option 3: \$44,259,115; Option 4: \$22,407,589. By this request MTACC seeks Board approval to award the base contract and up to two of the four options after evaluating the feasibility of the design build approach.

II. DISCUSSION:

Selection was determined through a one-step qualification based procurement process as mandated by the federal "Brooks Act" for federally funded projects. Under the Brooks Act, contracts for architecture and engineering, and other federally defined services, must be negotiated with the proposer whose proposal is determined to be the most technically qualified based on established evaluation criteria. Price is not a consideration in the ranking of the firms and negotiations are conducted with the proposer whose proposal is rated most technically qualified.

The Request for Proposal ("RFP") was advertised on January 11, 2018 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 firms requested the RFP document and on February 28, 2018 technical proposals were submitted by the following entities:

1. AECOM/Jacobs, Joint Venture
2. HNTB New York Engineering and Architecture, P.C. (HNTB)
3. Partners for Penn Station Access, (a Joint Venture of Parsons Transportation Group of New York, Inc. and STV Inc.)

The Selection Committee for this Contract consisted of representatives from MTACC and Metro North and the proposers were invited to supplement their proposals with oral presentations. After the oral presentations, the Selection Committee evaluated the technical proposals based on the criteria listed below:

1. Qualifications and experience of the project team;
2. Qualifications and experience of proposed key personnel;
3. Proposed management approach;
4. Proposed technical approach;
5. Diversity practices; and
6. Other relevant matters, including overall adherence to the requirements of the RFP.

HNTB's proposal was unanimously determined by the Selection Committee to be the highest ranked technically. HNTB demonstrated the best plan of approach, innovation and a thorough understanding of MTACC's requirements in their technical proposal and oral presentation; provided an experienced and streamlined team; clearly recognized the unique challenges of this project and offered solutions to overcome those challenges; stressed the importance of engaging all stakeholders at an early stage to keep the project on schedule and avoid future problems and; HNTB, along with their sub-consultant Gannett Fleming, have extensive experience designing projects along Amtrak's right-of-way. In accordance with the requirements of the Brooks Act, only HNTB, the highest ranked technical proposer, was invited to submit a cost proposal and enter into negotiations.

MTACC's estimate was \$32,627,181 for the base contract services and the following for the four options: Option 1: \$7,349,600; Option 2: \$15,925,070; Option 3: \$43,892,403; Option 4: \$22,102,016. HNTB's initial proposal was \$35,638,925 for the base contract services and the following for the four options: Option 1: \$10,584,432; Option 2: \$17,623,527; Option 3: \$47,027,230; Option 4: \$26,937,717. After several rounds of negotiations HNTB's best and final offer was \$32,236,716 for the base contract and the following for the four options: Option 1: \$7,667,811; Option 2:

\$15,542,869; Option 3: \$44,259,115; Option 4: \$22,407,589. A cost analysis was performed and the negotiated not-to-exceed costs were deemed to be fair and reasonable.

In addition to the costs listed above, the contract includes an incentive program pursuant to which the consultant will receive an additional one percent (1%) fee for completing the base contract on time (within the 18 months) and an additional \$264,145.52 has been allocated for that fee. The contract also includes a savings initiative which will allow the consultant and the MTA to share in up to \$3 Million of savings if the project is completed on time and below the agreed to costs. In addition, if the consultant does not complete the base contract services within 21 months the contract provides that the fixed fee will be reduced by 0.5% for each month of delay, up to a maximum of 1.5%.

The MTA and Amtrak are in the final stages of negotiating a Memoranda of Understanding with regard to the design, construction and operation of a new commuter service to be operated by MNR along the Amtrak Hell Gate Line and we anticipate that an agreement will be reached in advance of the Board's consideration of this procurement action.

III. DBE INFORMATION:

The MTA's Department of Diversity and Civil Rights ("DDCR") reviewed the requirements of the Contract and after undertaking a thorough analysis based on the nature of the work and the availability of Disadvantage Business Enterprises (DBEs) capable of performing the work required under this Contract, established a 20% DBE participation goal for this contract. HNTB has indicated that they will meet the 20% goal and their Utilization Plan has been approved by DDCR. HNTB has achieved their D/M/WBE/SDVOB goals on prior MTA Agency contracts.

V. IMPACT ON FUNDING

Funding for this contract is available in the MTACC's 2015-2019 Capital Program (Federal).

VI. ALTERNATIVES

The alternative would be for MTACC and MNR to provide all the services under this contract in-house. However, MTACC and MNR do not have the in-house technical personnel to perform the specific tasks required under the scope of work for this contract.

VII. RECOMMENDATION

It is recommended that the Board approve the award of a competitively solicited professional services contract to HNTB New York Engineering and Architecture, P.C. for General Engineering Consulting Services for the Penn Station Access Project.

LONG ISLAND RAIL ROAD

PROCUREMENTS

FOR

BOARD ACTION

January 24, 2019

Staff Summary



Long Island Rail Road

Subject: Request for Authorization to Award Various Procurements						Date <div style="text-align: center;">January 24, 2019</div>			
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	1.22.19				X	President		VP & CFO
2	MTA Board	1.24.19				X	Executive VP		VP, Gen. Counsel & Secy
							Sr. VP-Operations		
							Sr. VP-Engineering		

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 # of Actions \$ Amount

Schedules Requiring Two-Thirds Vote

Schedule A: Non-Competitive Purchases and Public Works	3	\$1,352,957
SUBTOTAL:	3	\$1,352,957

LIRR proposes to award Competitive Procurements in the following # of Actions \$ Amount

Schedules Requiring Majority Vote

Schedule G: Miscellaneous Service Contracts	1	\$304,095
SUBTOTAL:	1	\$304,095

LIRR proposes to award Ratifications in the following categories: # of Actions \$ Amount

None

TOTAL:	<u>4</u>	<u>\$1,657,052</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 2019

MTA LONG ISLAND RAIL ROAD

LIST OF NON-COMPETITIVE PROCUREMENTS FOR BOARD APPROVAL

Procurements Requiring Two-Thirds Vote

Schedule A: Non-Competitive Purchase and Public Works Contracts

(Staff Summaries required for all items greater than: \$100K Sole Source: \$250K Other Non-Competitive)

1. **Conservation Station, Inc. \$300,000** *Staff Summary Attached*
(GE Lighting)
Sole Source
Contract No. IFB217565-MW28

LIRR requests MTA Board approval to award a sole source contract to Conservation Station, Inc. (CSI) in the amount of \$300,000, for the redesign of the current GE TR3-94 LED signal. This signal, which is used throughout LIRR's infrastructure, needs to be resized and redesigned to accommodate reduced spacing allowances between tracks, primarily on the recently completed Mainline Second Track.

2. **Luminator Mass Transit, LLC \$510,617.44** *Staff Summary Attached*
Non-Competitive
Contract No. 400000000001411

LIRR requests MTA Board approval to award a contract modification to Luminator Mass Transit LLC, (Luminator) in the amount of \$510,617.44 to provide C-3 coach car overhead lens assemblies. Luminator Mass Transit, LLC, is the OEM for the railcar lighting systems on LIRR and MNR M-7 electric car fleets and LIRR's 134 diesel hauled C-3 Coach car fleet. In June 2016, the Board approved a sole source contract to Luminator in the amount of \$1,904,062,36 (\$417,588.22 to MNR and \$1,486,474.14 to LIRR), for the purchase of lighting systems, technical support, maintenance and replacement parts. In April 2018, LIRR began installing surveillance cameras in the engineer cab and customer seating areas on its C-3 coach cars. During the initial phases of the camera installation process, it was discovered that the overhead lighting lens assemblies are old, discolored and provide poor illumination. Consequently, a total C-3 fleet replacement of all 5,752 overhead lens assemblies is therefore necessary to allow the cameras to function at optimal levels. Luminator remains a responsible supplier to the LIRR as originally reported to the Board in June 2016 and based on current vendor performance reports. As such, LIRR hereby requests Board approval to increase its Luminator contract by \$510,617.44 (a 27% increase) to the new five-year amount of \$2,414,379.80.

3. **Nordco Inc.** **\$542,440** *Staff Summary Attached*
Non-Competitive
Contract No. IFB #238259

LIRR requests MTA Board approval to award a three-year sole source contract to Nordco Inc. in the amount of \$542,340 for replacement parts required by the Long Island Rail Road to operate and maintain various pieces of Nordco equipment. Nordco is the Original Equipment Manufacturer (OEM) of Nordco equipment and sole distributor for their replacement parts. Nordco does not have independent 3rd party distributors or manufacturer's representatives, and holds all proprietary rights to their drawings, specifications and other technical information for their equipment. LIRR-owned Nordco equipment, which include five Hammer Spikers, four Dual Lag Machines, and Snow Fighter, is used by the Track Maintenance Departments responsible for the maintenance and repair of rail infrastructure assets. LIRR's Maintenance of Way Shops maintain all equipment purchased from Nordco, and requires these spare and replacement parts.

Staff Summary

Item Number: 1

Vendor Name (& Location) Conservation Station Inc. – Chapel Hill, NC
Description Resizing and Redesign the GE TR3-94 LED signal to 5.5 inches and work with AC current vs. DC current.
Contract Term (including Options, if any) One Time Buy – Six Month Lead Time
Option(s) included in Total Amount? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Procurement Type <input type="checkbox"/> Competitive <input checked="" type="checkbox"/> Non-Competitive
Solicitation Type <input type="checkbox"/> RFP <input checked="" type="checkbox"/> Bid <input type="checkbox"/> Other:

Contract Number IFB 217565-MW28	Renewal? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Total Amount: \$300,000.00	
Funding Source <input type="checkbox"/> Operating <input checked="" type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:	
Requesting Dept/Div & Dept/Div Head Name: LIRR Signal - Mark Wetzel, Staff Manager	
Contract Manager: Dan Sherwood	

Discussion:

Long Island Rail Road (LIRR) requests Metropolitan Transportation Authority (MTA) Board approval to award a sole source contract to Conservation Station Inc. (CSI) in the amount of \$300,000, for the redesign of the current GE TR3-94 LED signal. This signal, which is used throughout LIRR's infrastructure, needs to be resized and redesigned to accommodate reduced spacing allowances between tracks, primarily on the recently completed Mainline Second Track.

In its on-going efforts to increase competition, LIRR advertised this Invitation for Bid (IFB) in the New York State Contract Reporter on May 22, 2018 and in the New York Post on May 24, 2018. The advertisement specifically requested any firm who believed they could provide the materials necessary to satisfy the requirements under this solicitation to provide LIRR with a letter. If the firm is responsible and can supply these units, LIRR will consider a competitive procurement. However, LIRR received a single bid from this solicitation, with Conservation Station Inc. (CSI) submitting the only responsive and responsible bid. CSI is the Value-Added Reseller (VAR) that GE Lighting has selected to partner with on this project. GE Lighting does not accept purchase orders directly, but instead uses a contracted agent network throughout North America.

LIRR currently uses GE's 96 series 8-inch LED signal on all signals in use today. The GE 96 series 8-inch LED signal can no longer be used due to the infrastructure changes made during LIRR's Double Track Project. GE's 96 series 8-inch LED is now too large, and a smaller signal is required. The spacing between track centers will not allow for the use of an 8-inch signal. GE Lighting is the Original Equipment Manufacturer (OEM) designer of the 5.5-inch TR3-94 series LED signal, and holds proprietary rights for this safety critical equipment. However, in our efforts to enhance competition, Procurement staff reached out to a major competitor in the signal manufacture market to inquire as to their capability to manufacture this particular signal. Their response was "We do not manufacture this equipment, nor would we be interested in doing so" citing cost and economic feasibility. The TR3-94 series LED signal also needs to be redesigned to work with AC vs. DC current, to conform to LIRR's signal system. GE Lighting as the Original Equipment Manufacturer (OEM) possesses the proprietary hardware design and is the single responsible source able to supply the redesigned LED signals similar to the LED signals that are currently in service on LIRR property. These LED signals are safety critical and it is imperative that they operate reliably and as designed. The period of performance for this work will be six (6) months.

Staff Summary



CSI's bid was opened on June 14th, 2018 and contained a price of \$300,000. Upon request, CSI provided a detailed cost breakdown for their bid, which was evaluated by LIRR Engineering, which resulted in a determination that the bid price of \$300,000 to be fair and reasonable.

A responsibility review was conducted on both CSI and GE Lighting and no SAI was found. MTA Department of Diversity and Civil Rights (DDCR) was sent a request to assign participation goals for this procurement. DDCR assigned 0% MBE, 0% WBE and 0% SDVOB goal participation. Funding for the contract is included in LIRR's 2015-2019 Capital Program under Project L70304WX Double Track – Phase 2.

Staff Summary



Long Island Rail Road

Item Number: 2

Vendor Name (& Location) Luminator Mass Transit, LLC (Plano, TX)
Description Rail Car Interior Lighting parts
Contract Term (including Options, if any) June 30, 2016 to June 1, 2021
Option(s) included in Total Amount? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Procurement Type <input type="checkbox"/> Competitive <input checked="" type="checkbox"/> Non-Competitive
Solicitation Type <input type="checkbox"/> RFP <input type="checkbox"/> Bid <input checked="" type="checkbox"/> Other: Sole Source

Contact Number 400000000001411	Renewal? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Total Amount: \$510,617.44	
Funding Source <input checked="" type="checkbox"/> Operating <input type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:	
Requesting Dept/Div & Dept/Div Head Name: Maintenance of Equipment – Craig Daly	

Discussion:

LIRR requests MTA Board approval to award a contract modification to Luminator Mass Transit LLC, (Luminator) in the amount of \$510,617.44 to provide C-3 coach car overhead lens assemblies. Luminator Mass Transit, LLC, is the OEM for the railcar lighting systems on LIRR and MNR M-7 electric car fleets and LIRR's 134 diesel hauled C-3 Coach car fleet. In June 2016, the Board approved a sole source contract to Luminator in the amount of \$1,904,062.36 (\$417,588.22 to MNR and \$1,486,474.14 to LIRR), for the purchase of lighting systems, technical support, maintenance and replacement parts. The joint procurement between LIRR and MNR utilized the combined buying power of the two railroads to achieve the most favorable uniform pricing and enhanced supply chain management. Additional benefits that accrued were process efficiencies that reduced the number and frequency of small purchase activities. The five-year term assures the OEM will maintain their tooling and manufacturing capabilities necessary to produce the parts, which are not available from other sources. LIRR advertised its intent to award this sole source OEM contract and no other supplier came forward. Further, LIRR contacted other manufacturers of similar equipment and their responses varied but included issues associated with the cost to reverse engineer this item and the limited quantity LIRR intends to purchase would not be economically feasible for them. Efforts to enhance competition for OEM parts will include continued outreach to manufacturers, with assistance from our internal equipment engineering staff, to qualify parts and manufacturers who have the capacity to provide these materials.

In April 2018, LIRR began installing surveillance cameras in the engineer cab and customer seating areas on its C-3 coach cars. During the initial phases of the camera installation process, it was discovered that the overhead lighting lens assemblies are old, discolored and provide poor illumination. A total C-3 fleet replacement of all 5,752 overhead lens assemblies is therefore necessary to allow the cameras to function at optimal levels.

The required lens assemblies are included on the current five-year contract at a unit price of \$293.81 based on historical replacements of ten pieces on average per year. This unit price was deemed to be fair and reasonable at that time based on that limited quantity. However, based on the sizeable increased requirement from the original contract estimate, the LIRR approached Luminator for revised pricing for this fleet wide replacement project. Subsequently, LIRR was able to negotiate a lower unit price of \$88.72 for this project which reflects a 70% reduction from the original contract price. Based on these negotiations, pricing submitted by Luminator has been determined to be fair and reasonable.

Staff Summary



Long Island Rail Road

Luminator remains a responsible supplier to the LIRR as originally reported to the Board in June 2016 and based on current vendor performance reports. As such, LIRR hereby requests Board approval to increase its Luminator contract by \$510,617.44 (a 27% increase) to the new five-year amount of \$2,414,379.80.

Staff Summary



Item Number: 3

Vendor Name (& Location) Nordco
Description Replacement Parts for Various Maintenance Of Way Equipment
Contract Term (including Options, if any) 3 Years
Option(s) included in Total Amount? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Procurement Type <input type="checkbox"/> Competitive <input checked="" type="checkbox"/> Non-Competitive
Solicitation Type <input type="checkbox"/> RFP <input type="checkbox"/> Bid <input checked="" type="checkbox"/> Other: Sole Source

Contact Number IFB#238259	Renewal? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Total Amount: \$542,340.00	
Funding Source <input checked="" type="checkbox"/> Operating <input type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:	
Requesting Dept/Div & Dept/Div Head Name: Maintenance of Way Repair Shop – Joseph Savoretti, Assistant Manager	
Contract Manager : Arlen Turnier	

Discussion:

Long Island Rail Road requests MTA Board approval to award a three-year sole source contract to Nordco Inc. in the amount of \$542,340 for replacement parts required by the Long Island Rail Road to operate and maintain various pieces of Nordco equipment.

Nordco is the Original Equipment Manufacturer (OEM) of Nordco equipment and sole distributor for their replacement parts. Nordco does not have independent 3rd party distributors or manufacturer's representatives, and holds all proprietary rights to their drawings, specifications and other technical information for their equipment. LIRR-owned Nordco equipment, which include five Hammer Spikers, four Dual Lag Machines, and Snow Fighter, is used by the Track Maintenance Departments responsible for the maintenance and repair of rail infrastructure assets. These pieces of equipment were purchased over the past 22 years with an average age of almost 14 years in service. LIRR's Maintenance of Way Shops maintain all equipment purchased from Nordco, and requires these spare and replacement parts.

LIRR continues to seek competition for all its procurements. To that end, LIRR advertised its intent to award a sole source contract to Nordco Inc. in the New York State Contract Reporter and New York Post on October 11, 2018 to seek additional potential vendors capable of providing equivalent replacement parts. No other vendor expressed interest in competing for this procurement. Procurement staff reached out to other manufacturers of this type of equipment in our continuing efforts to increase competition. One competitor responded that they prefer to "distribute equipment that they are familiar with and can provide service on." Another competitor indicated that they "would have to convert their parts from Nordco patented items" for which they have no design specifications. Additionally, for all new equipment purchases where there are replaceable repair and maintenance parts, the OEM is required to include off-the-shelf components that are readily through competitive procurements. Our M-9 procurement is the prime example where the car builder was required to have 40% commercial off the shelf (COTS) parts as part of the delivered vehicle.

To ensure price reasonableness, a comparison of 20 various items on the current price list for Nordco's replacement parts vs. the 2015 price list in effect at the beginning of the prior contract showed an average price decrease of 15.66% from 2015 to 2018 on those listed parts. A review of the Product Price Index (PPI) on parts

Staff Summary



for construction machinery and equipment sold separately, from January 2015 to November 2018 shows that pricing for those commodities has increased by 5.66% over this time period. As a result of this comparison, prices submitted by Nordco have been determined to be fair and reasonable.

A responsibility review of Nordco was conducted, and no SAI was found. Therefore, they have been determined to be a responsible and responsive supplier.

JANUARY 2019

MTA LONG ISLAND RAIL ROAD

LIST OF COMPETITIVE PROCUREMENTS FOR BOARD APPROVAL

Procurements Requiring Majority Vote

Schedule G: Miscellaneous Service Contracts

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

**4. Newmont Elevator Analysts, Inc. \$304,095
Competitive Bid
Contract No. TBD**

LIRR requests MTA Board approval to award a competitively bid, miscellaneous service contract to Newmont Elevator Analysts, Inc., in the amount of \$189,529 for the Base 3-Year Term, and \$114,566 for the Option Term (two 1-Year options); for a combined not-to-exceed total of \$304,095 for the entire (5) five-year period. Under the contract, Newmont Elevator Analysts, Inc. shall provide third party witnessing of safety inspections and tests, for LIRR's 15+ elevators and 50+ escalators located throughout Nassau, Suffolk, New York, Kings and Queens counties. In addition to the services listed above, Newmont Elevator Analysts, Inc. will also provide on-call consulting services, including: (i) specification writing for modifications to equipment, (ii) review of maintenance practices, and (iii) accident investigations. The IFB was advertised in the New York State Contract Reporter, the New York Post and placed on the MTA Website; and mailed to nine firms. A total of three firms bid on the Agency's requirements. LIRR's bid results yielded a low bid from Newmont Elevator Analysts, Inc. (\$304,095), which is 19.8% less than LIRR's estimated cost for these services. The other bidders provided pricing that was 2-3 times higher than the internal estimate, while Newmont Elevator Analysts' offers a cost savings to the Agency. The term of the contract will be three years, plus two 1-year options. Pricing, which remains firm and fixed for the entire award period, is determined to be fair and reasonable. Newmont possesses all the resources required to competently perform the scope of work under this contract. Funding is included in LIRR's Operating Budget. The Department of Diversity and Civil Rights has determined that no goals shall be assigned for Escalators and Elevators Inspection and Consulting Services.


PROCUREMENT PACKAGE
January 2019

PROCUREMENTS

The Procurement Agenda this month includes five actions for a proposed expenditure of \$37,525,470.

Staff Summary

Subject	Request for Authorization to Award Various Procurements				
Department	Procurement				
Department Head Name David K. Cannon					
Department Head Signature 					
Board Action					
Order	To	Date	Approval	Info	Other
1	LIRR Committee	1/22/19	X		
2	Board	1/24/19	X		

Date: January 15, 2019			
Vendor Name			
Various			
Contract Number			
Various			
Contract Manager Name			
Various			
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 the various contracts and modifications and, to inform the Long Island Rail Road Committee of these procurement actions.

DISCUSSION

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

	<u># of Actions</u>	<u>\$ Amount</u>
<u>Schedules Requiring Majority Vote</u>		
Schedule F Personal Service Contracts	2	\$ -0-
Schedule H Modifications to Personal Service Contracts	1	\$33,165,470
Schedule I Modifications to Purchase and Public Work Contracts	2	\$ 4,360,000
TOTAL	5	\$37,525,470

Budget Impact:

The approval of the contracts and 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 contracts and modifications be approved as proposed. (The items are included in the resolution of approval at the beginning of the Procurement Section.)

MTA Capital Construction 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.
7. The Board authorizes the budget adjustments to estimated contracts set forth in Schedule L.

JANUARY 2019

LIST OF COMPETITIVE PROCUREMENTS FOR BOARD APPROVAL

Procurements Requiring Majority Vote:

Schedule F. Personal Service Contracts

(Staff Summaries required for all items greater than: \$100K Sole Source; \$750K other Non-Competitive; \$1M Competitive)

- | | | | |
|-------|---|---------|--------------------------------------|
| 1 - 2 | Various Firms
Contract Nos. PS865 - 11 & PS865 - 21
Three Year Term & Two 1 Year Options | \$ -0 - | <u>Staff Summary Attached</u> |
|-------|---|---------|--------------------------------------|

Pursuant to Article X of the MTA All-Agency Service Contract Procurement Guidelines, MTA Capital Construction ("MTACC") is seeking Board approval on behalf of itself, Long Island Rail Road ("LIRR") and Metro North Railroad ("MNR") to enter into competitively solicited zero dollar based personal service contracts with two (2) firms to provide professional staffing and services on an as-needed basis

Schedule H. Modification To Personal Services and Miscellaneous Service Contracts Awarded as Contracts for Services

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

- | | | | |
|----|---|--------------|--------------------------------------|
| 3. | URS Corporation – New York
Contract No. 98-0001-01
Modification No. 44 | \$33,165,470 | <u>Staff Summary Attached</u> |
|----|---|--------------|--------------------------------------|

In accordance with Article XI of the MTA All-Agency Service Contract Guidelines, MTACC seeks Board approval to extend the contract term through June 30, 2019.

Schedule I. Modification To Purchase and Public Work Contracts

(Staff Summaries required for individual change orders greater than \$750K. Approval without Staff Summary required for change orders greater than 15% of the adjusted contract amount which are also at least \$250K)

- | | | | |
|----|---|--------------|--------------------------------------|
| 4. | Tutor Perini Corporation
Contract No. CS179
Modification No. 173 | \$ 2,450,000 | <u>Staff Summary Attached</u> |
|----|---|--------------|--------------------------------------|

In accordance with Article VIII of the All-Agency General Contract Procurement Guidelines, MTACC requests that the Board approve a contract modification to implement changes to the design of the Field Network provided by the CS179 Contractor in the Grand Central Terminal ("GCT") for the East Side Access ("ESA") Project.

- | | | | |
|----|---|--------------|--------------------------------------|
| 5. | Tutor Perini Corporation
Contract No. CS179
Modification No. 172 | \$ 1,910,000 | <u>Staff Summary Attached</u> |
|----|---|--------------|--------------------------------------|

In accordance with Article VIII of the All-Agency General Contract Procurement Guidelines, MTACC requests that the Board approve a contract modification for the installation of HVAC exhaust shafts and utilities at the 23rd Street Facility.

**Schedule F Personal Service Contracts
Staff Summary**



Item Numbers 1 - 2						SUMMARY INFORMATION			
Dept & Dept Head Name: Various						<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 60%; padding: 5px;">Vendor Name Various</td> <td style="width: 40%; padding: 5px;">Contract Number PS865-11 & PS865-21</td> </tr> </table>		Vendor Name Various	Contract Number PS865-11 & PS865-21
Vendor Name Various	Contract Number PS865-11 & PS865-21								
Division & Division Head Name:						Description Professional and Technical Staffing and Services on an As-Needed Basis (Non-Federal)			
Board Reviews						Total Amount <div style="text-align: right; font-size: 1.2em;">-\$0-</div>			
Order	To	Date	Approval	Info	Other	Contract Term Three Years with a Two-Year Option			
1	LIRR Committee	1/22/19	X			Option(s) included in Total Amount? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A			
2	Board	1/24/19	X			Renewal? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			
Internal Approvals						Procurement Type <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Non-competitive			
Order	Approval	Order	Approval				Solicitation Type <input checked="" type="checkbox"/> RFP <input type="checkbox"/> Bid <input type="checkbox"/> Other:		
3	Vice President, Program Controls <i>AR</i>	6	President <i>[Signature]</i>				Funding Source <input type="checkbox"/> Operating <input checked="" type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:		
2	VP & Chief Financial Officer <i>AR</i>	5	Executive Vice President <i>[Signature]</i>						
1	VP & Chief Procurement Officer <i>gmk</i>	4	Sr. Vice President & General Counsel <i>[Signature]</i>						

I. PURPOSE/RECOMMENDATION

Pursuant to Article X of the MTA All-Agency Service Contract Procurement Guidelines, MTA Capital Construction ("MTACC") is seeking Board approval on behalf of itself, Long Island Rail Road ("LIRR") and Metro North Railroad ("MNR") to enter into competitively solicited zero dollar based personal service contracts to Hill International, Inc. ("Hill") and to MP Engineers, P.C. ("MP") to provide professional staffing and services on an as-needed basis.

MTACC also requests Board approval to allow other MTA agencies to ride these contracts. The term of these contracts is three (3) years with two (2) one-year options that may be exercised by the respective agencies in their sole discretion.

II. DISCUSSION

In September 2018, the Board approved the award of thirty-two (32) contracts to form a pool of consultants to provide professional staffing and services to MTACC, LIRR and MNR to support the planning and management of non-federally funded projects on an as-needed basis. These contracts are set up such that as each agency identifies specific needs, it issues a request for proposals to those selected consultants that have the resources to meet those needs. The agency then issues a task order containing a detailed scope of work and expected deliverables to the consultant whose proposal will provide best value. These contracts will be issued as zero-dollar base contracts and do not obligate the MTA to commit to the payment of a minimum dollar amount to any of the consultants. Task Orders are written against these zero-dollar based contracts on an as needed basis.

Two firms, Hill and MP had responded to the proposal, were recommended by the Selection Committee but were inadvertently left off the list of consultants submitted to the Board for approval. Therefore, MTACC is requesting approval to add these two consultants to the pool of consultants that was previously approved.

The maximum total aggregate value for the procurement remains at \$36,000,000, which consists of \$16,000,000 for MTACC, \$10,000,000 for MNR and \$10,000,000 for LIRR. These values are based upon current projections and are being used for budgeting purposes only and do not obligate the MTA to commit to the payment of a minimum dollar amount to any of the consultants. Task Orders will be written against these zero-dollar based contracts on as needed basis.

III. M/WBE and SDVOB

The Department of Diversity and Civil Rights reviewed the requirements of the Contract and after undertaking a thorough analysis established a goal 15% MBE/15%WBE/6% SDVOB goals for this contract based on the nature of the work and the availability of Minority/Women Business Enterprises and Service Disabled Veteran Owned Business capable of performing the work. The two listed firms have pledged to meet the goals.

IV. RECOMMENDATION

MTACC, along with LIRR and MNR, recommends the MTA Board approve the award of a competitive personal services on-call consultant contract to Hill and MP provide professional and technical staffing and services to support MTA, LIRR and MNR projects for an amount not to exceed the aggregate established for each participating agency for a term of three (3) years with an option for two (2) additional years to the firms selected by each of the participating agencies. MTACC, LIRR and MNR also recommend that all other MTA agencies be permitted to ride these contracts.



Vendor Name (& Location) URS Corporation – New York (New York, NY)	Contract Number 98-0001-01	AWO/Modification # 44
Description Program Management Consultant Services	Original Contract Award Amount: \$ 28,556,710 Original Board Approved Option Amount: \$ 135,535,290 Original Board Approved Contract Amount: \$ 164,092,000	
Contract Term (including Options, if any) October 5, 1998 – January 31, 2019	Prior Modifications: \$ 620,669,005	
Option(s) included in Total Amount? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	Prior Budgetary Increases: \$ -0-	
Procurement Type <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Non-competitive	Current Amount: \$ 784,761,005	
Solicitation Type <input checked="" type="checkbox"/> RFP <input type="checkbox"/> Bid <input checked="" type="checkbox"/> Other: Modification	This Request \$ 33,165,470	
Funding Source <input type="checkbox"/> Operating <input checked="" type="checkbox"/> Capital <input checked="" type="checkbox"/> Federal <input type="checkbox"/> Other:	% of This Request to Current Amount: 4%	
Requesting Dept/Div & Dept/Div Head Name: East Side Access, R. Troup	% of Modifications (including This Request) to Original Board Approved Amount: 398%	

Discussion:

The contract scope of work includes program and construction management services and general conditions work for the East Side Access (“ESA”) project and other MTA Capital Construction (“MTACC”) projects. In accordance with Article XI of the MTA All-Agency Service Contract Procurement Guidelines, MTACC requests that the Board approve a contract modification to increase the approved amount by \$33,165,470 and to extend the contract term through June 30, 2019.

On July 29, 1998, the Board approved a personal services contract with Bechtel/URS Joint Venture (the contract has since been assigned solely to URS) to provide program management services for the ESA project in the amount of \$164,092,000. Phase I of the contract was awarded at a cost not-to-exceed \$28,556,770 for preliminary engineering. MTACC negotiated several options to be exercised upon the approval of the Environmental Impact Statement and an executed Full Funding Grant Agreement between the MTA and the FTA. The options provided for program management services for Phase II: Detailed Design; Phase III: Construction; and Phase IV: Start-up, Testing & Closeout, in addition to Construction Management Services and General Conditions Work.

In October 2000, the Board approved a modification (an increase of which extended the preliminary engineering phase, exercised the options for program management services for Phase II – IV and extended the overall term under this contract to December 31, 2011) and increased the Board approved amount from \$164,092,000 to a cost not-to-exceed \$207,074,000.

In February 2002, the Board approved the exercise of the remaining options for Construction Management Services (\$120,693,000) and General Conditions Work (\$50,100,000), along with establishing a 15% contingency in the amount of \$18,104,000, leading to a total Board approved amount not-to-exceed \$395,971,000. The prior allocations were approved through contract modification in one or two-year increments. MTACC requested and received Board approval for these modifications.

Since 2008, several changes to the ESA project have impacted the contract scope, value and duration. The project's construction sequencing was revised, and the construction end date extended. MTACC added additional construction contracts as a result of the construction re-sequencing. MTACC expanded the URS scope to include some of these additional construction contracts and other specialized task order work. In addition, the extended duration of the project added labor, overhead and associated escalation costs.

The URS contract provides essential services for the ESA project and MTACC's other projects. ESA has active construction contracts valued over \$3.0B. Work is performed on these contracts in multiple shifts, and in some cases, six days per week. For the ESA project, URS provides personnel to supplement the approximately 20 MTACC employees dedicated full time to the project. This includes program management services, such as design management, procurement and contract administration, project controls such as cost and schedule control, operational readiness and office administration. URS also provides the construction management staff that serve as the Authorized Representative for designated third party contracts and management of force account planning and coordination. URS also provides project-wide services in support of safety, quality, code compliance, environmental testing and third-party coordination, along with general conditions services that include construction support which is typically provided by contractors (such as site access control and security, provision of work trains to support contractor needs, geotechnical instrumentation, and survey work). In addition, URS also maintains key contracts that include rental of a warehouse and contracts to maintain the information network (switches, servers, etc.) from the main ESA office to each site, copiers, software licenses, etc. All the services were combined under this contract for better control and efficiency reasons given the number of contractors occupying the same or adjoining work sites simultaneously and sequentially.

URS also provides non-ESA related program and construction management services for MTAHQ and other MTACC projects under this contract. These services include the provision of key personnel to supplement MTACC staff in the areas of project cost estimating, scheduling, risk, quality, safety, community relations, contract compliance, and claims analysis. Funding for non-ESA work comes from either MTACC's administrative budget or from the MTACC project receiving the service.

MTACC evaluated the benefits and impacts of re-soliciting this Contract in 2014 and reported to the Finance Committee in March of that year that re-solicitation was not the best option at that time. In June 2015, the Board approved a modification extending the overall term under this Contract to January 31, 2016, increasing the Board approved amount from \$448,342,601 to a cost not-to-exceed \$612,342,601. The Contract was also extended until January 31, 2016 at that time at no additional cost. In January 2016, the Board approved a modification extending the overall term under this contract to December 31, 2017, with a one-year option for an additional extension broken down in three separate increments (i.e., three months, three months and six months), and increased the Board approved amount from \$612,342,601 to a cost not-to-exceed \$ 784,761,007.

At the end of 2017, MTACC evaluated the benefits and impacts of exercising the one-year option against the alternative of resoliciting the contract. After careful evaluation, MTACC determined it was in the agency's best interest to exercise the option. Following the first three (3) month increment of the option, MTACC discussed the implementation of new contract terms that included stricter contractor documentation requirements and the implementation of certain performance metrics required for URS to achieve the contractual bonus (the "Performance Evaluation Program"). Subsequently, under Modification 42, the contractor documentation requirements were strengthened, and the Performance Evaluation Program was instituted, with an emphasis on increased efficiencies and cost controls in critical construction management areas such as safety, budget, schedule, change orders and claims, contractor submissions, contract closeouts and identifying/resolving non-confirming and deficient work. Based upon the reviews performed to date, the Performance Evaluation Program has resulted in cost controls and increased URS accountability.

In late 2018, MTACC hired a new Program Executive for the ESA project. With new management in place, the agency considered more efficient ways to continue with the ESA project, which included a top to bottom review of the URS contract and the consideration of whether it remains in the best interest of the agency to seek an extension of the contract through the end of the project with certain re-negotiated terms or to re-solicit the contract. During this review process, MTACC extended the contract by one (1) month, through and including January 31, 2019. The review process remains ongoing as the agency continues to assess the needs of the project.

This proposed modification is requesting Board approval to extend the contract term by five (5) months, through and including June 30, 2019. During that time, MTACC will continue to evaluate URS's performance under the Performance Evaluation Program and the benefits and impacts to the program of continuing the Contract (with certain re-negotiated terms that would further reduce costs and increase accountability) in an effort to determine whether the contract should be extended or resolicited.



URS proposed \$35,982,581 for this five (5) month extension, while MTACC's estimate was \$33,058,671. Negotiations were held, and the parties agreed to a not-to-exceed cost of \$33,165,470 which is considered to be fair and reasonable.

In connection with previous contracts awarded to URS and its parent, AECOM, URS and AECOM were found to be responsible notwithstanding significant adverse information ("SAI") pursuant to the All-Agency Responsibility Guidelines and such responsibility finding was approved by the MTA Interim Director in consultation with the MTA General Counsel in April 2013 (URS) and MTA Managing Director in consultation with the MTA General Counsel in November 2017 (AECOM). No new SAI has been found relating to URS or AECOM and they are found to be responsible. A Contractor Compliance Program was put in place for AECOM in September 2018.



Vendor Name (& Location) Tutor Perini Corporation (Peekskill, New York)	Contract Number CS179	AWO/Modification 173
Description Systems Facilities Package No. 1	Original Amount:	\$ 333,588,000
Contract Term (including Options, if any) 75 Months	Prior Modifications:	\$ 35,620,287
Option(s) included in Total Amount? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	Exercised Options:	\$ 216,800,001
Procurement Type <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Non-competitive	Current Amount:	\$ 586,008,288
Solicitation Type <input checked="" type="checkbox"/> RFP <input type="checkbox"/> Bid <input checked="" type="checkbox"/> Other: Modification	This Request	\$ 2,450,000
Funding Source <input type="checkbox"/> Operating <input checked="" type="checkbox"/> Capital <input checked="" type="checkbox"/> Federal <input type="checkbox"/> Other:	% of This Request to Current Amount:	0.4%
Requesting Dept/Div & Dept/Div Head Name: East Side Access, Rob Troup	% of Modifications (including This Request) to Original Amount:	11%

Discussion:

This Contract provides the systems for the East Side Access (“ESA”) project, including the fire detection, tunnel ventilation, facility power, signal power, tunnel lighting and SCADA systems. In accordance with Article VIII of the All-Agency General Contract Procurement Guidelines, MTACC requests that the Board approve a modification for the installation of HVAC exhaust shafts and utilities at the 23rd Street Facility.

During the excavation at the 23rd Street Facility under Contract CQ032 (which preceded Contract CS179), the CQ032 Contractor encountered a Differing Site Condition (“DSC”). Existing structures and utilities that were not shown on the CQ032 Contract or Reference documents obstructed the work area and prevented the installation of two HVAC exhaust shafts and a number of utility service lines as provided for in the Contract.

The General Engineering Consultant revised the Contract Work to address the DSC, which included demolishing the large concrete block obstructions, partially demolishing a slurry wall, rerouting the utilities, and offsetting the HVAC exhaust shafts to avoid conflicts with the obstructions. Performing this work as revised would have delayed the CQ032 Contract and exposed the MTA to impact costs, as well as the direct costs of the additional work required as a result of the DSC. MTACC therefore determined it would be in the best interests of the Program to remove this Work from the CQ032 Contract and transfer it to the follow-on CS179 Contract.

MTACC received a credit of \$866,365 from the CQ032 Contractor for the Contract work being deleted from their Contract. It should be noted that this credit covers only the deletion of work required by the Contract prior to the discovery of the DSC. The additional work required to address the DSC was never incorporated into the CQ032 Contract and represents additional costs that are not reflected in the CQ032 credit. The work to be performed by CS179 under this modification includes both the base contract work that was deleted from CQ032 for a credit and the additional work necessitated by the DSC.

The Contractor’s proposal was in the amount of \$2,685,351. MTACC’s estimate was in the amount of \$2,509,039. Negotiations were held and the parties agreed to a cost of \$2,450,000 for the direct costs of the work (inclusive of contract stipulated markups) which is deemed to be fair and reasonable. The Contractor has also asserted a claim for time impacts and has sought \$137,280 in overhead costs in excess of the negotiated direct costs. MTACC has not agreed to pay any compensation in connection with these claims. In order to advance the Work without delay, MTACC seeks approval to issue this Modification to provide for the payment of the negotiated direct costs and to address time impacts and additional overhead separately, without prejudice to MTACC’s defenses to such claims.



In connection with previous contracts awarded, the Tutor Perini Corporation was found to be responsible, notwithstanding significant adverse information ("SAI") pursuant to the All-Agency Responsibility Guidelines, and such responsibility findings were approved by the MTA Chairman/CEO in consultation with the MTA General Counsel in February 2017. No new significant adverse information has been found relating to Tutor Perini Corporation. Therefore, Tutor Perini Corporation has been determined to be responsible.



Vendor Name (& Location) Tutor Perini Corporation (Peekskill, New York)		Contract Number CS179	AWO/Modification 172
Description Systems Facilities Package No. 1			
Contract Term (including Options, if any) 75 Months		Original Amount:	\$ 333,588,000
		Prior Modifications:	\$ 35,620,287
		Exercised Options:	\$ 216,800,001
Option(s) included in Total Amount? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A		Current Amount:	\$ 586,008,288
Procurement Type <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Non-competitive			
Solicitation Type <input checked="" type="checkbox"/> RFP <input type="checkbox"/> Bid <input checked="" type="checkbox"/> Other; Modification			
Funding Source <input type="checkbox"/> Operating <input checked="" type="checkbox"/> Capital <input checked="" type="checkbox"/> Federal <input type="checkbox"/> Other:			
Requesting Dept/Div & Dept/Div Head Name: East Side Access, Rob Troup		This Request	\$ 1,910,000
		% of This Request to Current Amount:	0.3%
		% of Modifications (including This Request) to Original Amount:	11%

Discussion:

This Contract provides the systems for the East Side Access (“ESA”) project, including the fire detection, tunnel ventilation, facility power, signal power, tunnel lighting and Supervisory Control and Data Acquisition (SCADA) systems. In accordance with Article VIII of the All-Agency General Contract Procurement Guidelines, MTACC requests that the Board approve a contract modification to implement changes to the design of the Field Network provided by the CS179 Contractor in the Grand Central Terminal (“GCT”) for the East Side Access (“ESA”) Project.

GCT’s Building Management System and Fire Life Safety System, provided by the CS179 Contractor, utilizes the GCT Field Network (the network communications infrastructure within the ESA GCT Concourse and Caverns that provide room to room network connectivity, as well as room to field device connectivity) to interface with the HVAC Automatic Temperature Control system, the Lighting Control systems, and the Elevator and Escalator Information and Management System, provided by Contracts CM014B, CM007 and VM014 respectively.

During the process of reviewing the submittals and coordinating the layouts to be implemented by the CS179, CM014B, CM007 and VM014 Contracts, numerous conflicts and issues were identified. The Contract documents for each Contract showed conflicting device locations, conduit and cable routing, incompatible system functionalities, network connectivity requirements and contractual work scope responsibilities. Certain of these deficiencies were the subject of a previous settlement of claims with, and recovery against, the designer of record. The remaining issues are being evaluated and, if appropriate, will be addressed in a subsequent E&O claim against the GEC. This Modification implements changes to the CS179 Field Network design to resolve all conflicts and incompatibilities identified. The work includes providing additional equipment, reconfiguration of devices, and additional system configuration, engineering, and testing.

MTACC’s estimate for this work was in the amount of \$1,908,850. The Contractor’s proposal was in the amount of \$2,858,855. Negotiations were held and the parties agreed to \$1,910,000 for the direct costs (inclusive of contract stipulated markups), which is deemed to be fair and reasonable. The Contractor has also asserted a claim for time impacts and has sought \$205,600 in additional overhead amounts in excess of the negotiated direct costs. MTACC has not agreed to pay any compensation in connection with these claims. In order to advance the Work without delay, MTACC seeks approval to issue this Modification to provide for the payment of the negotiated direct costs and to reserve on the issue of time impacts and additional overhead, without prejudice to MTACC’s defenses to such claims.



In connection with previous contracts awarded, the Tutor Perini Corporation was found to be responsible, notwithstanding significant adverse information ("SAI") pursuant to the All-Agency Responsibility Guidelines, and such responsibility findings were approved by the MTA Chairman/CEO in consultation with the MTA General Counsel in February 2017. No new SAI has been found relating to Tutor Perini Corporation. Therefore, Tutor Perini Corporation has been determined to be responsible.