



July 2023

MTA Board Action Items



MTA Board Meeting

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

**Wednesday, 7/19/2023
10:00 AM - 12:00 PM ET**

1. PUBLIC COMMENT PERIOD

2. APPROVAL OF MINUTES

MTA and MTA Agencies Regular Joint Committee and Board Meeting Minutes - June 27, 2023

MTAHQ

NYCT/MaBSTOA/SIRTOA/MTA Bus Company

MTA Metro-North Railroad

MTA Long Island Rail Road

MTA Triborough Bridge and Tunnel Authority

MTA Construction & Development

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3. PRESENTATIONS

4. CFO PRESENTATION TO A JOINT SESSION OF THE BOARD & FINANCE COMMITTEE (Materials Distributed Separately)

2023 Mid-Year Forecast

2024 Preliminary Budget

July Financial Plan 2023-2027

5. COMMITTEE ON CAPITAL PROGRAM

C&D Procurements

C&D Procurements - Page 19

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

Procurement Report

i. LIRR Procurement Item

LIRR Procurement - Page 28

7. COMMITTEE ON NYCT & BUS

Procurement Report

Procurement Staff Summary - Page 35

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

9. COMMITTEE ON FINANCE

MTAHQ Procurements Report

MTAHQ Procurement Report - Page 43

i. Non-Competitive Procurements (no items)

ii. Competitive Procurement

MTAHQ Competitive Procurement - Page 47

iii. Ratifications

MTAHQ Ratification - Page 50

Real Estate Items

i. Real Estate Agenda and Staff Summaries

Real Estate Agenda and Staff Summaries - Page 53

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

11. EXECUTIVE SESSION

**Joint Minutes of the
Metropolitan Transportation Authority,
the New York City Transit Authority, the Manhattan and Bronx Surface Transit Operating
Authority, the Staten Island Rapid Transit Operating Authority, the Metropolitan
Suburban Bus Authority, the Triborough Bridge and Tunnel Authority,
the Long Island Rail Road Company, Metro-North Commuter Railroad Company,
MTA Construction and Development Company, the MTA Bus Company and
the First Mutual Transportation Assurance Company
Regular Board Meeting
2 Broadway
New York, NY 10004
Tuesday, June 27, 2023
10:00 a.m.**

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

**Hon. Janno Lieber, Chair & CEO
Hon. Andrew Albert
Hon. Jamey Barbas
Hon. Frank Borelli, Jr.
Hon. Samuel Chu
Hon. Michael Fleischer
Hon. David Jones
Hon. Blanca Lopez
Hon. Frankie Miranda*
Hon. Sherif Soliman
Hon. Lisa Sorin
Hon. Isabel Midori Valdivia Espino**

The following alternate non-voting members were present:

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

The following Board Members were absent:

**Hon. Gerard Bringmann
Hon. David Mack
Hon. Haeda B. Mihaltses
Hon. John Samuelsen
Hon. Vincent Tessitore, Jr.
Hon. Elizabeth Velez
Hon. Neal Zuckerman**

Paige Graves, General Counsel, Lisette Camilo, Chief Administrative Officer, Kevin Willens, Chief Financial Officer, Patrick Warren, Chief Safety and Security Officer, Richard Davey, President, NYCTA, Frank Annicaro, Acting Chief Operating Officer, NYCT and Acting President, MTA Bus Company, Catherine Rinaldi, President, Metro-North Railroad/LIRR Interim President, Catherine Sheridan, Interim President, TBTA, Jamie Torres-Springer, President, MTA C&D, Chris Pangilinan, Vice President, Paratransit, Hugo Pizzaro, Chief People Officer, Shanifah Rieara, Senior Advisor for Communications and Policy/Interim Chief Customer Officer, Daniel Randell, Assistant Director, Government & Community Relations, also attended the meeting.

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

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

General Counsel Paige Graves called to order the June 2023 Board meeting, confirmed a quorum of the Board members in attendance and announced that there will be a brief public safety announcement before the public speakers' session.

A recorded audio public safety announcement was played.

1. PUBLIC SPEAKERS' SESSION.

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

The MTA Moderator reminded public speakers of the rules of conduct and the two-minute speaking limit. The Moderator reminded speakers of the warning beep when 30 seconds remain to conclude their remarks. The Moderator advised that the public comments will be recorded, published to the MTA website, and available for MTA Board Members' review.

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

Katherine Collins, Disabled in Action ("DIA")
Charlton D'Souza, President, Passengers United
Elizabeth Valdez, Brooklyn Center for the Independence for the Disabled ("BCID")
Jean Ryan, Disabled in Action ("DIA")
Michael Ring, DIA/Riders Alliance/Fair Fares Now*

Kimberly Phelan, CURES*
Gian Pedulla, private citizen
Miriam Fisher, private citizen*
Jason Anthony, Amazon Labor Union*
Lisa Daglian, Executive Director, PCAC
Sally Wolf, private citizen*
Vincent Pedulla, United Federation of Teachers (UFT)*
Monica Bartley, Disabled in Action (“DIA”)
Sasha Blain-Goldensohn, Rise and Resist, Elevator Action Group*
Iris Kelly, Disabled in Action (“DIA”)
Cara Liebowitz, Brooklyn Center for the Independence for the Disabled (“BCID”)
Monique Johnson, private citizen
Jennifer Van Dyke, Elevator Action Group
Yolanda Alleyne, private citizen
Dustin Jones, Rise and Resist
Joe Rappaport, Brooklyn Center for the Independence for the Disabled (“BCID”)
Elliott Roseboro, private citizen

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

2. E-HAIL EXPANSION PROGRAM.

Chair Lieber thanked the public speakers, and he introduced Chris Pangilinan, Vice President, Paratransit, to present details on the E-hail Expansion Program that will be presented to the Board for approval today.

Chris Pangilinan provided an overview of the Access-A-Ride program and discussed the E-hail Expansion Program. Chris Pangilinan introduced Quemuel Arroyo, Chief Accessibility Officer, who discussed the capital plan investments being made to enhance accessibility in the system.

Refer to the video recording of the meeting produced by the MTA and maintained in MTA records for the details of Chair Lieber’s remarks, Chris Pangilinan’s presentation, Quemuel Arroyo’s presentation and Board members discussion and comments.

3. CHAIR LIEBER’S REMARKS.

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

Chair Lieber echoed comments made by Quemuel Arroyo and stated that the MTA is thrilled to welcome new Board member Dr. John-Ross “JR” Rizzo to the MTA Board and that the organization is pleased to have a member representing the disability community and someone with Dr. Rizzo’s background. Dr. Rizzo is a physician–scientist and the inaugural health system director for disability inclusion and vice chair of innovation and equity in NYU Langone’s Department of Rehabilitation Medicine with cross-appointments in the Department of Neurology and the Departments of Biomedical and Mechanical and Aerospace Engineering

at NYU Tandon School of Engineering. The Chair noted that Dr. Rizzo, who is a huge addition to the Board, is legally blind and an avid transit rider, and can provide the agency with feedback on his everyday experience as a sight-impaired person.

Chair Lieber recognized the incredible passion in this Board and in the institution at the staff level, led by Vice President Chris Pangilinan and Chief Accessibility Officer Quemuel Arroyo, and stated that he is incredibly moved by the leadership, especially on accessibility issues, and that the agency is turning around the historic slow move by the MTA to become fully accessible in an amazing system -- doing ADA accessibility projects at four times the pace of its predecessors and making the improvements to paratransit, as highlighted by Chris Pangilinan and Quemuel Arroyo.

Chair Lieber stated that the proof of the agency's commitment is that since the organization started focusing on the particularly low performance of some of the developer-operated elevators in the system, the agency has made significant progress. Chair Lieber commended President Jamie Torres-Springer and the team at C&D who have gone out and attacked every one of those elevators, which are all different situations, ranging from the Barclays Center escalator and elevator at Atlantic Avenue to one in a condo on Park Avenue South, and another one in an old office building. The agency has improved the availability of elevators -- the period when the elevators are in service instead of being out of service for repairs, from 80% up to 92% in a few short months. Chair Lieber stated that the agency will continue to move forward with this initiative because he agrees with those who say that it is an outrage when developers or businesses are given a bonus or some advantage for putting in an elevator and then they do not maintain it.

Chair Lieber stated that with all the new ADA projects the MTA is making it an obligation of the construction teams to maintain the new elevators that they install, once opened, and if they do not meet the availability standards then they face automatic economic penalties. The Chair stated that the agency has heard from their friends in the community about this issue and we changed how we operate these new elevators to make sure they have fewer problems and fewer cases where the elevators are out of service, and hopefully progress will continue to be made and the agency will continue to push on this issue.

Chair Lieber also recognized the new MTA Inspector General Daniel Cort, who formerly held the position of First Deputy Commissioner of the New York City Department of Investigation (DOI), since 2018. Before working at DOI, Inspector General Cort served as the Chief of the Public Integrity Bureau at the New York State Attorney General's Office, and he worked in the New York County District Attorney's Office as an Assistant District Attorney. Chair Lieber welcomed him.

Chair Lieber recognized the new member of the Traffic Mobility Review Board (TMRB) -- the entity that was created by State law to give the Triborough Bridge and Tunnel Authority (TBTA) Board advice on sorting through all the requests for discounts and exemptions on congestion pricing and ultimately recommend how TBTA should set tolls -- John Durso, the head of the AFL-CIO of Long Island, who is replacing former TMRB member Scott Rechler.

Chair Lieber welcomed John Durso as an important member of the labor community who starts on the TMRB today.

Also regarding congestion pricing, Chair Lieber announced that MTA Board Member Elizabeth Velez, who serves as a member of the TMRB, has elected to cycle off the Board so that she can direct her focus on the TMRB.

Chair Lieber announced that the MTA is starting the summer on a very strong footing. It was just a few weeks ago that the State legislature, under the Governor's leadership, took action to secure the MTA's financial future for the next four years and maybe beyond – giving the MTA a slice of what it hopes and expects will be significant revenues from the new casinos that are scheduled to open in New York City, which might well be a solution that keeps on giving, helping to assure strong mass transit.

With all the talk about the success of the advocacy community and the passion and the power of the disability community, Chair Lieber gave a shout out to the New York transit advocacy community, who he said stuck up for the MTA in Albany over the last six months, was incredible. The Chair stated that he will never stop acknowledging the power of that community and their ability to change lives, which made it possible to have a first-class transit system.

Chair Lieber stated that in the last month or so the agency resolved a tentative agreement with the TWU Local 100 -- its largest labor organization, and the Chair thanked Anita Miller, Chief Employee Relations and Administrative Officer, who leads the organization's labor relations outfit, and President Rich Davey—two leaders of great teams that worked hard. The Chair stated that the agency is in the middle of the ratification process, so he will not discuss the matter any further, but it is obviously a significant milestone and representative of the agency's commitment to maintain a true partnership with its represented workforce.

On other topics that are of public special interest, Chair Lieber stated that the fare hearings are concluding, which is part of the process of executing on the budget deal worked out by the Legislature and the Governor, mandating that the MTA have resumption of the incremental fare increases, roughly 2% a year, starting with the 4% fare hike right now. Chair Lieber stated that he believes that the MTA has not had an increase in the base fare since 2015 and it proved over time that the MTA was doing a pretty good job of not disrupting customers hugely by having small, incremental, and predictable increases, and the agency is going back to that model.

Chair Lieber stated that TBTA is crossing a milestone by getting the Finding of No Significant Impact (FONSI) for congestion pricing, which is the first topic that he wanted to discuss. This afternoon the Chair will be joining Governor Hochul at an event to celebrate that the Federal Highway Administration (FHWA), which is part of United States Department of Transportation (USDOT), has agreed that with the comprehensive package of mitigation initiatives that TBTA laid out in the Environmental Assessment -- that 4,000-page document that TBTA developed in tandem with hundreds of stakeholders, hundreds of meetings and

discussions, finding that the Central Business District Tolling Program (CBDTP) will not have a significant impact under federal law.

Chair Lieber underscored that the finding of the federal officials, responsible for administering the applicable environmental law of the United States is that the CBDTP will not create an impact deemed significant under such law, and the Chair congratulated everyone involved in the efforts to get the organization to this point:

Dr. Allison L. C. de Cerreño, Chief Operating Officer, Office of the President, TBTA
Michael Wojnar, Senior Advisor Innovation & Policy, MTAHQ
Nichola Angel, Vice President, ITS & Tolling, TBTA
Paul Acerra, Director, Financial Strategies, MTAHQ
Stephen Crim, Director, Policy & Analytical Reporting, ITS & Tolling, TBTA
Romolo Desantis, Asst. V.P. & Deputy Chief Engineer, Program Management, TBTA
Leah Flax, Senior Director, Policy & Operations, ITS & Tolling, TBTA
Paul Friman, General Counsel and Corporate Secretary, TBTA
Louis Oliva, Deputy General Counsel – Environmental Matters, MTA Law
Sergio Reis, Senior Deputy Director, Tolls & Facility Systems, ITS & Tolling, TBTA
Zulema Robinson, Senior Director, BOS & Exemptions, ITS & Tolling, TBTA

Chair Lieber thanked all the other staff who labored so hard under such incredible deadline pressure and who responded to unbelievable technical comments, not to mention the demands of analyzing what may have felt like virtually every traffic intersection from here to Philadelphia, and analyzing the potential air quality impacts on a region of roughly 28 million people. The Chair commended them on their historic service.

Chair Lieber also thanked TBTA's two Project Sponsor partners: New York City Department of Transportation (NYCDOT), Ydanis Rodriguez, Commissioner, and William Carry, Assistant Commissioner; and New York State Department of Transportation (NYSDOT), Marie-Therese Dominguez, Commissioner.

Finally, Chair Lieber acknowledged and thanked the Federal Highway Administration (FHWA), who he said had to do almost as much work as the team that he acknowledged, led not just by Shailen Bhatt, Administrator, FHWA, serving under the U.S. Secretary of Transportation, Pete Buttigieg, but by the regional office of FHWA, led by Rick Marquis, Division Administrator, in Albany.

Chair Lieber stated that, with the TMRB, the statutory advisory group can get started on their mission, which is to recommend a toll package that reduces the number of vehicles entering the Central Business District (CBD) by at least 10% -- aiming for better than 10% to really start to clear up traffic. The statutory mission is to generate enough revenue to allow TBTA to bond up to \$15 billion for the MTA Capital Program, which is really a big undertaking because the agency is at the point when it is ready to undertake the final phase of the 2020-2024 Capital Program.

In addition to the good news on congestion pricing, the MTA is receiving more positive indication from the federal government on all kinds of capital grants now that there has been a resolution on the operating budget. Chair Lieber stated that it can be a little bureaucratic, but the federal government wanted to know that we had a plan to make sure we could cover the cost of operating this great system for the foreseeable future -- the Albany budget deal did that, and now they are starting to open the spigot on other grants with us, and Second Avenue Subway is right there, ready to go.

Chair Lieber stated that today we will do a couple of things in the Capital Plan Amendment, one of them is to put the agency in a position to issue an RFP for the first Second Avenue Subway Phase 2 contract, utility relocation contract, which is the start of this project.

Chair Lieber stated that the Second Avenue elevated trains closed in 1940, and at that time, those people were promised that there was a subway coming and the promise kept being repeated. Second Avenue is the most transit-dependent part of New York City as judged by how people get to and from work and to school and otherwise, and those people have been waiting for a subway all these years and now we are on the verge of landing the federal grant to make it happen, which is a big milestone enabled in part by what the Board will do when voting on the capital budget amendments today.

Chair Lieber stated that he believes that the same significance attaches to the progress on the Penn Reconstruction project, and the Governor announced yesterday that the State is now moving forward on this project. Chair Lieber stated that, in contrast to the past practice of concept design, now the agency is doing full design right up to the point where it can let contracts, which is what happened as of yesterday, and is a result of the Governor re-emphasizing that it is time to fix Penn Station for the riders now. As part of the Governor's announcement, the agency is not going to wait and will no longer link the progress and commitment to the Penn Reconstruction plan to getting revenue out of real estate development.

Chair Lieber stated that it is just going to be about putting it together in a more traditional way, with State and federal money, and hopefully with support from the MTA's partners across the river in New Jersey, in support of Penn Reconstruction. The Chair stated that if you have been to Penn Station recently you should have recognized the installation of the new corridor in the LIRR corridor. The Penn Station experience is getting better for LIRR customers and the MTA's New Jersey friends are still in a very tough and very crowded facility, and they need the improvements too, and the MTA is counting on their partnership.

Chair Lieber presented a photo displaying one of many of the new renderings that were released yesterday, showing a huge new train hall, which could be the size of the Moynihan station plus the Grand Central Terminal. Chair Lieber stated that if you take the existing Penn Station and take out some of the upper level, you can create an open space with penetrating light -- because of the space between 2 Penn and the Garden -- and create a space the size of Grand Central Terminal and Moynihan Station's main hall combined; it's time to get it done.

Chair Lieber stated that, as the Board and the public know, the MTA is preparing to implement the fare changes that were necessary to effectuate the budget deal in Albany, and thanks to the Legislature and Governor Hochul, rather than having the 5.5% fare and toll increase that was enacted as part of this Board's budget, the agency was able to reduce the fare increase to 4% because of the extra funding expected from Albany.

A total of four public hearings were held on the fare proposals that wrapped up yesterday, and Chair Lieber thanked many of the Board Members who attended the hearings. The Chair stated that some of the Board members were able to attend all the public hearings, and he thank Board Member Sherif Soliman for making time. The MTA had a slightly different approach this time around, which is that it tried, where appropriate, to respond to questions in real time and as a result, the agency was able to address some concerns that were expressed.

Several CUNY students had questions about their MetroCards and were linked to the CUNY program that provides free MetroCards. Chair Lieber stated that staff also helped a lot of people who may be eligible sign up for Fair Fares, and heard some opposition to any fare increase, while also -- especially from some of the riders' organizations -- a few voices were heard in support of fare increases as part of the massive support received from Albany this year.

Chair Lieber stated that there was some commentary about the fare pilots that are up for approval by the Board -- the fare-free bus pilot that was enacted by the Legislature as well as the E-hail expansion, and the Board will get more detailed information about the fare-free bus proposal next month -- five bus routes, one in each borough. The agency is still hammering out the details for the bus pilot program, but under the law, the agency must implement the program by September.

Chair Lieber underscored that making transit affordable throughout the system remains a major priority, and the agency is doing everything it can to lessen the burden on riders by promoting Fair Fares, by keeping the LIRR and MNR monthly tickets below the cost that was charged pre-pandemic -- there is a 4% uptick, but it is still below pre-pandemic monthly ticket prices. The Chair stated that he hopes that the suburban Board Members can help make sure that that message is getting through to their constituents.

Chair Lieber stated that, under this Board's leadership, the MTA is widely expanding its approach to City Ticket to try to make sure that New York City residents can get the benefit of the commuter rail system -- expanding it everywhere in the off-peak and in effect making it 24/7.

Chair Lieber stated that the agency is also moving to a more flexible approach to OMNY in the sense that there is rolling fare-capping, allowing for the purchase of the seven-day ticket, getting the benefit of freebies after you reach 13 rides, whatever day you start your week -- it was limited to Monday through Sunday, and now will be on whatever day you start.

In addition, the agency is aggressively cutting its operating expenses and tackling fare and toll evasion. Chair Lieber stated that there will be a full update on fare and toll evasion efforts

next month in July, but right now the agency is getting started on what the Chair said he believes is one of the biggest challenges and one of his pet peeves, which is the emergency gates, what he calls the superhighway of fare evasion.

Chair Lieber stated that riders are not supposed to use the emergency gates for regular exits, but we all know that many New Yorkers have become habituated to popping the gate instead of going through the turnstiles, which the Chair stated is sometimes partly a design failure because the gates have been put in the most convenient location at the end of the fare array. The problem is that once the gate is open, many people enter the system in large numbers and just stream in without paying, and the Chair stated that this issue needs to be addressed.

Chair Lieber stated that, for starters, the agency is installing a delay on the gate, so when you hit the gate there will be a 30 second delay, which is designed to discourage people from just using the gate as a routine exit because, as they say, once the gate is open, the fare evasion frequently begins. In other places where it cannot be done due to technological or code reasons, the agency will continue, and the Chair credited President Rich Davey for this idea, to employ gate guards. The Chair stated that, although it might look a little inefficient, employing guards to stand by the gate to discourage people from using it as an exit saves money at many stations. Chair Lieber stated that he thanks the gate guards every time he passes them, and reminds them that they are making a difference, making it possible for the MTA to fund service and keep it at a high level.

Chair Lieber stated that on the railroads, the agency is also looking frankly at the whole pattern of how people are activating their e-tickets, because too many times there are incentives for folks to delay that activation in the hopes that somebody will not come to collect their ticket, and there may be adjustments to how the agency handles the issue of ticket activation in order to receive credit for the ticket.

Chair Lieber stated that the agency is also now accepting the IDNYC ID – the ID for people who do not have a driver’s license or more routine forms of government-issued ID -- for reduced fare and paratransit customer applications, which was one of the recommendations of the blue-ribbon panel report. The Chair stated that the MTA is working on fare evasion and is determined to make some progress, and there will be more updates to follow on this issue.

Chair Lieber announced that yesterday the agency acknowledged Steve Plochochi, Senior Vice President, Contracting Services, MTA C&D, who the Chair stated is the only man who could make procurement seem incredibly exciting, on his retirement and Chair Lieber thanked Steve for his service.

Chair Lieber stated that today, after 29 years of service, NYCT Chief Diversity and Equal Opportunity Officer Joel Andrews is retiring. Chair Lieber stated that Joel Andrews is a great professional, highly regarded, served under 14 presidents, and was one of the original authors of NYCT’s EEO workplace policy, which in turn was accepted and adapted for use throughout the agency. Chair Lieber stated that Joel Andrews’ presence, professionalism, and steady hand will be missed, and the Chair thanked him for his service and wished him a joyous retirement.

Chair Lieber acknowledged the passing of two important MTA figures: former MTA Chair and former Lieutenant Governor Richard (“Dick”) Ravitch. Chair Lieber stated that he wants to celebrate Dick Ravitch’s legacy, as the father of the modern MTA, having led the agency out of the darkest days in the late ‘70s and early ‘80s. More recently, Dick Ravitch was a pivotal voice in favor of funding transit as the essential service it is, writing op eds during this legislative session urging the Legislature to take action on the Governor’s budget proposal. Chair Lieber stated that Dick Ravitch is part of what the MTA is celebrating today in terms of the MTA’s security, as well as where the agency got out of in the 1980s, and the MTA owes Dick Ravitch an incredible debt of gratitude for his incredible public service.

Chair Lieber announced that last week we also lost Dr. Michael Horodniceanu, who led MTA Capital Construction for many years, and who was charming, colorful, a friend to everybody who worked with him, and a passionate advocate for MTA capital projects. Dr. Horodniceanu oversaw some incredible projects, including Phase 1 of the Second Avenue Subway, the 7-line extension, the opening of the Fulton Transit Center, as well as East Side Access. Chair Lieber stated that he attended Dr. Horodniceanu’s funeral, as did former MTA Chairs Jay Walder and Thomas Prendergast, and they all agreed that the MTA owes a lot to Dr. Horodniceanu, and who will be missed.

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

4. MTA OTHER BUSINESS.

A. Action Items.

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

Tim Mulligan, Deputy Chief Development Officer, provided an overview of the amendments to the Capital Program and CFO Kevin Willens discussed the funding elements of the program:

1. MTA 2015-2019 Capital Program Funding Amendment. Approved the proposed change in the funding mix (with no change in the total funding amount) contained in the MTA 2015-2019 Capital Program, last amended September 25, 2019 (Amendment #4), with a total funding amount of \$33.913 billion and authorized the MTA to submit the \$30.977 billion Capital Program Review Board (CPRB) portion of it to the CPRB for its review and approval in accordance with the Public Authorities Law, Section 1269-b.
2. MTA 2020-2024 Capital Program Amendment #3. Approved the proposed changes contained in Amendment # 3 to the MTA 2020-2024 Capital Program with a total funding amount of \$55.442 billion and authorized the MTA to submit the \$52.116 billion Capital Program Review Board (CPRB) portion of it, including the revisions discussed in the staff summary, to the CPRB for its review and approval, consistent with the

recommendations of the Crowe Forensic Audit and in accordance with the Public Authorities Law, Section 1269-b.

Jaibala Patel, Deputy Chief, Office of the CFO, introduced the E-hail program and provided details of the program:

3. E-hail Program Phase 2 Expansion. Approved the establishment and implementation of the Phase 2 Expansion E-hail Program as described in the staff summary, beginning on or about August 1, 2023.

Jaibala Patel, Deputy Chief, Office of the CFO, introduced the Fare-Free Bus Pilot Program and provided an overview of the proposal:

4. Fare-Free Bus Pilot Program and Fare-Free Paratransit Pilot Program. Approved, in accordance with Part NN of Chapter 56 of the New York Laws of 2023, for the establishment and implementation of a fare-free bus pilot program within the City of New York, as described in the staff summary. In connection with the fare-free bus pilot program, there shall also be established and implemented a fare-free paratransit pilot program, as described in the staff summary.

Refer to the staff summaries and documentation filed with the records of this meeting for the details on these items, and to the video recording of the meeting, produced by the MTA and maintained in MTA records, for the details of the Chair's and Board members' comments and discussion.

5. APPROVAL OF MINUTES.

Upon motion duly made and seconded, the Board approved the Joint Minutes of the MTA and MTA Agencies Regular Board meeting held on May 24, 2023, as corrected.

Board Member Barbas noted that the approval of the B&T Committee meeting minutes held on May 22, 2023 was postponed because a quorum of the Committee was not in attendance.

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

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

A. MNR Procurement Item.

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

1. Approved to exercise an option under a contract that resulted from a competitive Request for Proposal ("RFP") in the amount of \$78.8 million to Siemens Mobility, Inc. for the design, manufacturing, testing, and delivery of six dual-mode diesel locomotives ("Option"). The six locomotives under this Option will replace CDOT-owned

locomotives that are beyond their 25-year useful service life. Based on the current contract schedule and continuous production, the delivery of the six locomotives is scheduled to begin in the second quarter of 2027 and be completed by the fall of 2027. This Option is fully funded by CDOT.

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

7. CAPITAL PROGRAM COMMITTEE.

A. Procurement Items.

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

1-4. Approved the award of four (4) publicly advertised and competitively solicited personal services contracts for MTA Bridges & Tunnels' 2023 Biennial Bridge Inspections as follows:

- a. Group A – Throgs Neck Bridge and Stantec Consulting Services Inc. in the not-to-exceed (“NTE”) amount of \$3,087,750.26;
- b. Group B – Bronx-Whitestone Bridge to HNTB New York Engineering and Architecture, P.C. in the NTE amount of \$2,689,739.37;
- c. Group C – Marine Parkway and Cross Bay Bridges to HNTB New York Engineering and Architecture, P.C. in the NTE amount of \$2,210,498.84; and
- d. Group D – Henry Hudson Bridge, Queens Midtown Tunnel Approach Bridge, and Hugh L. Carey Tunnel Approach Bridge to LOZIER, INC. in the NTE amount of \$2,130,831.94.

Each contract will be for a duration of approximately two years and nine months.

5. Approved the award Modification No. 16 to the contract with L.K. Comstock & Company, Inc. (Contract No. S48006.16) to mitigate a design risk identified by the Independent Safety Assessor, in the amount of \$2,875,000.
6. Ratified Modification No. 75 of a contract with Banton Construction Company (Contract No. 82133.75), to address changed conditions and an unanticipated method for installing the new fiber optic cable, in the amount of \$1,879,228.01.
7. Ratified Modification No. 2, of a contract with Parsons Transportation Group of New York, Inc. (Contract No. CM1236.02), to provide additional construction phase support services for the Culver Line Communication Based Train Control Contract and to extend the PTG Contract term by nine months, until December 31, 2024, in the amount of \$2,278,418.
- 8-9. Ratified Modification Nos 59 and 115 of the contract with Parsons Transportation Group of New York, Inc. (Contract No. W32366.59 & 115), which respectively, provided for (i) the design and construction of a new radio base station equipment shelter at the East New York Train Yard and (ii) additional prototyping work

associated with additional bus types identified after contract award, in the amount of \$6,450,000.

- 10-13. Ratified Modification Nos 105, 107, 132 and 142 of the contract with Walsh Construction Company II, LLC (Contract No. C34838.105, 107, 132 & 142), which provide for the implementation of re-designed pile foundations and additional floodwall (Nos. 105 & 107) and the reconfiguration of new wayside equipment to comply with the Limiting Line of Line Equipment train clearance envelope for tracks in the Yard (Nos. 132 & 142), in the amount of \$6,920,000.

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

8. MTA COMMITTEE ON FINANCE.

A. Action Item.

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

1. 2023 State Public Work Enforcement Fund (PWEF) Assessment.

Authorized staff to remit the 2023 PWEF assessment for the MTA and its constituent agencies, including the adjustment for the 2022 underpayment, to the State Department of Labor.

B. Procurement Item.

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

1. Cubic Transportation Systems, Inc. – Maintenance Services for the Bus Customer Information System (BusCIS) Hardware Subsystem – No. 11043-0200 AWO 8.

Approval the modification to a contract with Cubic Transportation Systems, Inc. to extend the contract to provide in-depot maintenance services for the BusCIS Hardware Subsystem and add additional services for four years, in the amount of \$17,619,309.

C. Real Estate Items.

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

Metropolitan Transportation Authority

1. Lease amendment with Premium Brands OPCO LLC for the continued operation of an Ann Taylor Loft retail space at 2 Broadway, N.Y.
2. Amendment to the project management agreement with BP 347 Madison Associates, LLC (“Project Manager”), an affiliate of Boston Properties (“BXP”), to include additional work related to the settlement of a dispute with the adjacent owner of property located at 52 Vanderbilt and related settlement work and construction access license agreements with 52 Vanderbilt Owner.
3. Modification to the Madison Avenue development agreement with BP 347 Madison Associates, LLC (Developer), a special purpose entity owned by Boston Properties Limited Partnership (BXP), of certain terms for the 347 Madison Avenue development transaction with BXP to address delays attributable to resolving dispute with adjacent property owners at 341-347 Madison Avenue (between East 44th and 45th Streets), New York, N.Y.
4. Agreements with Amtrak to permit the construction of its Hudson Tunnel Concrete Casing under the LIRR Western Rail Yard, portion of the John D. Caemmerer West Side Storage Yard, New York, N.Y.

Metro-North Railroad

5. Sale of development rights to Waterfront Living II, LLC (the Developer) of property located at 180 East 135 Street and Park Avenue (Block 2323, Lot 18), Port Morris, Bronx, N.Y.

9. MTA BRIDGES AND TUNNELS COMMITTEE.

There were no items to report for Board approval for the MTA B&T Committee.

10. NEW YORK CITY TRANSIT AND BUS COMMITTEE.

There were no items to report for Board approval for the New York City Transit and Bus Committee.

11. EXECUTIVE SESSION.

Upon motion duly made and seconded, the Board voted to convene an Executive Session, in accordance with the Public Officers Law, Section 105(1)(e), to discuss labor matters.

Upon motion duly made and seconded, the Board voted to reconvene in public session.

12. PUBLIC SESSION RESUMES.

Chair Lieber announced that in Executive Session the Board approved the following:

- (i) Collective bargaining agreements between Manhattan and Bronx Surface Transit Operating Authority and the Transport Workers Union, Local 106 (TSO) – Operating Supervisory and Coin Retriever Unit;
- (ii) Collective bargaining agreements between New York City Transit and the Transport Workers Union, Local 106 (TSO) – Maintenance Supervisors, Level II;
- (iii) Collective bargaining agreements between New York City Transit and the Transport Workers Union, Local 106 (TSO) – Queens Supervisory Unit;
- (iv) Collective bargaining agreements between New York City Transit and the Subway Surface Supervisors Association (SSSA).
- (v) Collective bargaining agreements between New York City Transit and the Organization of Staff Analysts (OSA);
- (vi) Collective bargaining agreement between MTA Headquarters and the International Brotherhood of Teamsters – Local 808 (IBT Local 808);
- (vii) Collective bargaining agreement between Metro-North Railroad and the Association of Commuter Rail Employees, Division 113 (Rail Traffic Controllers) (ACRE 113); and
- (viii) Collective bargaining agreement between Long Island Rail Road and the International Brotherhood of Electrical Workers (IBEW Local 589)

13. **ADJOURNMENT.**

Upon motion duly made and seconded, the Board voted to adjourn the meeting at 12:41 p.m.

Respectfully submitted,

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

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

Mariel A. Thompson
Assistant Secretary
NYCT

Evan Eisland
General Counsel and Secretary
MTA C&D

Paul Friman
General Counsel
and Corporate Secretary
TBTA

Victoria Clement
Assistant Secretary
MTAHQ

Contracts Department

Evan Eisland, Executive Vice President and General Counsel

**PROCUREMENT PACKAGE
July 2023**

PROCUREMENTS

The Procurement Agenda this month includes 4 actions for a proposed expenditure of \$2.7 M.

Staff Summary

Subject Request Authorization for Several Procurement Actions					
Contracts Department					
Evan Eisland, Executive Vice President and General Counsel					
Board Action					
Order	To	Date	Approval	Info	Other
1	Capital Program Committee	7/17/23	X		
2	Board	7/19/23	X		

Date: July 13, 2023			
Internal Approvals			
	Approval		Approval
X	Deputy Chief Development Officer, Delivery	X	President
X	Deputy Chief Development Officer, Development	X	Executive Vice President & General Counsel

Purpose

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

Discussion

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

<u>Schedules Requiring Two-Thirds Vote</u>	<u># of Actions</u>	<u>\$ Amount</u>
B. Competitive Requests for Proposals (Solicitation of Purchase and Public Work Contracts)	3	\$ TBD
SUBTOTAL	3	\$ TBD

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

<u>Schedules Requiring Majority Vote</u>	<u># of Actions</u>	<u>\$ Amount</u>
K. Ratification of Completed Procurement Actions	1	\$ 2,660,000
SUBTOTAL	1	\$ 2,660,000
TOTAL	4	\$ 2,660,000

Budget Impact

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

Recommendation

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

MTA Construction & Development

BOARD RESOLUTION

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

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

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

NOW, the Board resolves as follows:

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

July 2023

LIST OF COMPETITIVE PROCUREMENTS FOR BOARD APPROVAL

Procurements Requiring Two-Thirds Vote:

Schedule B. Competitive Requests for Proposals (Solicitation of Purchase and Public Work Contracts)

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

1-3.	Contractor(s) To Be Determined	\$ Cost To Be Determined	<u>Staff Summary Attached</u>
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Contracts Nos. GFM-549 – GFM-551

(estimated)

MTA Construction and Development (C&D) requests that the Board adopt a resolution declaring competitive bidding impractical or inappropriate, pursuant to the NY Public Authorities Law and the All Agency General Procurement Guidelines, and that it is in the public interest to authorize C&D to issue competitive Requests for Proposals in lieu of sealed bids for the award of three sets of contracts for as-needed services at various Authority facilities as follows: (i) Miscellaneous Construction Services, (ii) Miscellaneous Electrical Construction Services and (iii) Miscellaneous Cleaning & Painting Services.

Staff Summary

Schedule B: Request to Use RFP for Procurement of Purchase and Public Works in lieu of Sealed Bids

Item Number 1-3					
Department, Department Head Name: Bridges & Tunnels Business Unit, Joe Keane, P.E., SVP & Program Executive					
Board Reviews					
Order	To	Date	Approval	Info	Other
1	Capital Program Committee	7/17/23	X		
2	Board	7/19/23	X		
Internal Approvals					
Order	Approval	Order	Approval		
X	Deputy Chief, Development	X	Executive Vice President & General Counsel		
X	Deputy Chief, Delivery	X	President		

SUMMARY INFORMATION	
Vendor Name	Contract Number
RFP Authorizing Resolution	GFM-549, GFM-550, GFM-551
Description	
GFM-549 - Miscellaneous Construction on an As-Needed Basis at Various Facilities GFM-550 - Miscellaneous Electrical Construction on an As-Needed Basis at Various Facilities GFM-551 - Miscellaneous Cleaning & Painting on an As-Needed Basis at Various Facilities	
Total Amount	
To Be Determined	
Contract Term (including Options, if any)	
Four (4) Years	
Option(s) included in Total Amount?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Renewal?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Procurement Type	
<input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Noncompetitive	
Solicitation Type	
<input checked="" type="checkbox"/> RFP <input type="checkbox"/> Bid <input type="checkbox"/> Other:	
Funding Source	
<input checked="" type="checkbox"/> Operating <input checked="" type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:	

PURPOSE

MTA Construction and Development (C&D) requests that the Board adopt a resolution declaring competitive bidding impractical or inappropriate, pursuant to the NY Public Authorities Law and the All Agency General Procurement Guidelines, and that it is in the public interest to authorize C&D to issue competitive Requests for Proposals in lieu of sealed bids for the award of three sets of contracts for as-needed services at various Bridges & Tunnels (“B&T”) facilities as follows:

- Contract GFM-549: for Miscellaneous Construction Services on an As-Needed Basis at Various Authority Facilities.
- Contract GFM-550: for Miscellaneous Electrical Construction Services on an As-Needed Basis at Various Authority Facilities.
- Contract GFM-551: for Miscellaneous Cleaning & Painting Services on an As-Needed Basis at Various Authority Facilities.

DISCUSSION

The GFM-549 contract series for As-Needed Miscellaneous Construction Services will have a budget of \$150M and a contract duration of 4 years. The services required under this contract will address a wide variety of work, from complex sub-tasks related to larger projects which have time-sensitive needs, smaller scale construction projects, and critical projects addressing safety issues. Categories of work to be undertaken under this contract include, but are not limited to, concrete deck, structural steel repairs, improvements and repairs to roadways, ramps and retaining structures, building repairs, and demolition.

The GFM-551 contract series for As-Needed Miscellaneous Cleaning & Painting Services will have a budget of \$50M and a contract duration of 4 years. B&T, in operating and maintaining its facilities, needs to conduct cleaning and painting, and incidental works on an as-needed basis at various facilities which include buildings of various types, tunnels, bridges, and their associated facilities. Categories of work to be undertaken under these contracts will include cleaning and painting of structural members, lead paint removal and disposal and miscellaneous repairs incidental to painting works.

The GFM-550 contract series for As-Needed Miscellaneous Electrical Construction Services will have a budget of \$40M for and a contract duration of 4 years. Projected requirements under these contracts include (i) removal, construction and maintenance of overhead and underground electrical power transmission and distribution lines; (ii) installation and removal of transformers, switchboards, panelboards, disconnect switches, and other electrical components and systems, including conduits and associated materials; (iii) maintenance, calibration and commissioning of electrical equipment; (iv) installation and maintenance of roadway lighting, traffic signals and intelligent transportation systems; (v) installation and maintenance of fiber optic networks; (vi) systems integration and troubleshooting; (vii) critical response and storm restoration services; (viii) and removal of lead paint, cleaning, painting and miscellaneous repairs incidental to electrical work.

For each of these contract series the MTA will award zero-dollar contracts with no minimum threshold through the RFP process to multiple contractors qualified to provide services on an as-needed basis. This approach is being used to provide as-needed services on an expedited basis. Unless circumstances exist that for reasons of time sensitivity or cost preclude a competitive solicitation, once the scope of a specific work order is determined, each of the contracted firms will be provided the scope of work for the prospective work order. After a site tour, bids will be requested and the work order will then be awarded to the contractor submitting the lowest responsive bid. Where appropriate, A + B bidding will be used to take into account factors other than the price for the work in determining the lowest responsive bid.

Utilizing this competitive RFP method of awarding the contracts is in the public interest. It will provide an available pool of responsible contractors ready to provide immediate response and resolution to potential emergency and other unforeseen situations that require rapid response. Competition will be preserved by engaging a number of qualified contractors under each contract who will bid against each other with respect to price and other terms with respect to each work order.

M/W/DBE INFORMATION

The MTA Department of Diversity and Civil Rights will assign applicable goals prior to issuance of the Request for Proposal.

IMPACT ON FUNDING

Funding under Contract GFM-549 will be provided from the Operating and Capital Budgets up to an amount not to exceed \$150,000,000.

Funding under Contract GFM-550 will be provided from the Operating and Capital Budgets up to an amount not to exceed \$40,000,000.

Funding under Contract GFM-551 will be provided from the Operating and Capital Budgets up to an amount not to exceed \$50,000,000.

CAPITAL PROGRAM REPORTING

N/A

ALTERNATIVES

Utilize a standard competitive bidding process to award each as-needed project. This process is impractical due to potential delays in obtaining construction, painting and electrical services from responsible firms for immediate or unanticipated/emergency needs and would not be in the best interest of the MTA.

RECOMMENDATION

That the Board adopt a resolution declaring competitive bidding impractical or inappropriate and that it is in the public interest to authorize C&D to issue competitive Requests for Proposals in lieu of sealed bids for the award of the following three zero-dollar contracts:

- Contract GFM-549: for Miscellaneous Construction Services on an As-Needed Basis at Various Facilities.
- Contract GFM-550: for Miscellaneous Electrical Construction Services on an As-Needed Basis at Various Facilities.
- Contract GFM-551: for Miscellaneous Cleaning & Painting Services on an As-Needed Basis at Various Facilities.

JULY 2023

LIST OF RATIFICATIONS FOR BOARD APPROVAL

Procurements Requiring Majority Vote:

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

- | | | | |
|----|---|--------------|-------------------------------|
| 4. | FOS Development Corporation
Contract No. C48703.08 | \$ 2,660,000 | <u>Staff Summary Attached</u> |
|----|---|--------------|-------------------------------|

MTA Construction and Development (“C&D”) requests that the Board ratify a modification to the Contract in the amount of \$2,660,000, to furnish and install 6,270 Square Feet of fiberglass plenum plates in 38 open ceiling bays above Tracks E1 and E4.

Staff Summary

Schedule K: Ratification of Completed Procurement Actions

Item Number: 4

Page 1 of 1

Vendor Name (Location) FOS Development Corporation	Contract Number C-48703	AWO/Modification # 08
Description Line Structure Component Repair Program, Eastern Parkway Line, IRT, in the Borough of Brooklyn	Original Amount:	\$ 33,205,427
Contract Term (including Options, if any) June 18, 2020 – October 18, 2023	Prior Modifications:	\$ 4,065,519
Option(s) included in Total Amt? <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> n/a	Prior Budgetary Increases:	\$ 0
Procurement Type <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Noncompetitive	Current Amount:	\$ 37,270,946
Solicitation Type <input type="checkbox"/> RFP <input type="checkbox"/> Bid <input checked="" type="checkbox"/> Other: Modification	This Request:	\$ 2,660,000
Funding Source <input type="checkbox"/> Operating <input type="checkbox"/> Capital <input checked="" type="checkbox"/> Federal <input type="checkbox"/> Other:	% of This Request to Current Amt.:	7.13%
Requesting Dept./Div., Dept./Div. Head Name: Delivery/Mark Roche	% of Modifications (including This Request) to Original Amount:	20.25%

Discussion:

This Contract provides for concrete and steel repairs in the tunnel along the Eastern Parkway IRT Line between the Borough Hall Station and the Franklin Avenue Station in Brooklyn. MTA Construction and Development (“C&D”) requests that the Board ratify a modification to the Contract in the amount of \$2,660,000, to furnish and install 6,270 Square Feet of fiberglass plenum plates in 38 open ceiling bays above Tracks E1 and E4.

The Contract required the removal of existing steel plenum plates to perform ceiling repairs. In order to allow for easier access for future inspection and repair work, the contract specified that the ceiling be left open and that the removed plenum plates not be replaced. After contract award and the removal and disposal of a number of the plates, a Computational Fluid Dynamics (CFD) analysis of the tunnel was performed to analyze the possible effects of smoke conditions. The study demonstrated that the plenum plates were necessary to maintain proper ventilation in the tunnel. The fiberglass plates that will be installed under this modification weigh less than the original steel plates, are corrosion resistant and will allow for easier access to the ceiling area during future maintenance. The issue as to whether the initial design which provided for removing the plenum plates permanently was a design error is being investigated and if it is determined that it is, MTA C&D will address it with the designer of record.

The Contractor submitted a proposal in the amount of \$3,913,706.98. Negotiations resulted in agreement of a lump sum price of \$2,660,000 which is considered fair and reasonable. In order to permit fabrication of the fiberglass plates, which are long-lead materials, to commence, approval to direct the Contractor to proceed up to a not-to-exceed amount of \$1 million was received from the President of MTA C&D on April 30, 2023.



Long Island Rail Road Procurements

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

PROCUREMENTS

The Procurement Agenda this month includes 1 action for a proposed estimated expenditure of \$56.2M.

Subject Request for Authorization to Award Various Procurements					
Department LIRR Procurement					
Department Head Name Richard Mack					
Department Head Signature					
Project Manager Name Rose Davis					
Board Action					
Order	To	Date	Approval	Info	Other
1	Committee	07/17/23			
2	Board	07/19/23			

July 13, 2023			
Department			
Department Head Name			
Department Head Signature			
Internal Approvals			
	Approval		Approval
1	SVP Operations		
2	Interim President		

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

PURPOSE
To obtain approval of the Board to award various contracts and purchase orders, and to inform the Long Island Rail Road Committee of these procurement actions.

DISCUSSION
LIRR proposes to award Noncompetitive procurements in the following categories: None

LIRR proposes to award Competitive procurements in the following categories:

Procurements Requiring Two-Thirds Vote:	# of Actions	\$ Amount
Schedule C: Competitive Requests for Proposals (Award of Purchase and Public Work Contracts)	1	\$ 56.2 M
SUBTOTAL	1	\$ 56.2 M

LIRR proposes to award Ratifications in the following categories: None

TOTAL	1	\$ 56.2 M
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COMPETITIVE BIDDING REQUIREMENTS: The procurement actions in Schedules A, B, C, and D are subject to the competitive bidding requirements of PAL 1209 or 1265-a relating to contracts for the purchase of goods or public work. Procurement actions in the remaining Schedules are not subject to these requirements.

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

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

BOARD RESOLUTION

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

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

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

NOW, the Board resolves as follows:

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

JULY 2023

LIST OF COMPETITIVE PROCUREMENTS FOR BOARD APPROVAL

Procurements Requiring Two Thirds Vote:

C. Competitive Requests for Proposals (Award of Purchase and Public Work Contracts)
(Staff Summaries required for all items estimated to be greater than \$1,000,000.)

1. **Loram Maintenance of Way, Inc. \$56,223,940 (est.) *Staff Summary Attached***
Two Years Base with Three One Year Options
Competitive RFP

MTA Long Island Railroad requests Board approval to award a Joint Agency (Long Island Rail Road, Metro-North Railroad, and NYC Transit) publicly advertised and competitively solicited Request for Proposal for Rail Grinding Services.

Staff Summary

Item Number 1			
Department, Department Head Name: Procurement & Logistics, Richard Mack			
Internal Approvals			
Order	Approval	Order	Approval
1	VP, General Counsel & Secretary		<i>[Signature]</i>
2	VP–Maintenance of Way		<i>[Signature]</i>
3	SVP Operations		<i>[Signature]</i>
4	Interim - President		<i>Catherine Penick</i>

SUMMARY INFORMATION	
Vendor Name Loram Maintenance of Way, Inc.	Contract No. 403042
Description Joint Agency Rail Grinding Services for LIRR/MNR/NYCT	
Total Amount: Five-Year Estimated Total for LIRR, MNR, NYCT = \$56,223,940 2-year base = \$22,489,576 Three 1-year Options = \$33,734,364	
Contract Term (including Options, if any) Two-year base with three 1-year Options	
Option(s) included in Total Amount? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	
Renewal? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
Procurement Type <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Noncompetitive	
Solicitation Type <input checked="" type="checkbox"/> RFP <input type="checkbox"/> Bid <input type="checkbox"/> Other:	
Funding Source <input type="checkbox"/> Operating <input type="checkbox"/> Capital <input checked="" type="checkbox"/> Federal <input type="checkbox"/> Other:	

Purpose

Long Island Rail Road (“LIRR”), on behalf of itself, Metro-North Railroad (“MNR”), and NYC Transit, seeks MTA Board approval, to award a contract to Loram Maintenance of Way, Inc. (“Loram”) for Rail Grinding Services. The contract is for a two-year base term with three 1-year options. This procurement was competitively solicited through a Request for Proposals (“RFPs”). Loram will provide rail grinding services (equipment and personnel) at various points along the agencies right of way in the estimated quantity award amount of \$56,223,940 (two-year base; \$22,489,576, plus three 1-year Options which total \$33,734,364) subject to an adjustment based on a price index formula, as set forth in the contract terms and conditions.

Discussion

Rail grinding services are needed to optimize wheel-rail interface and maximize wheel-rail life span. This process is the most effective practice to control the effects of rolling contact fatigue on the running rail by restoring the rail profile to maximize the value of the rail. The benefits of a rail grinding program include (1) reduction of broken rails; (2) extension of rail life; (3) extended track components life, and (4) improved ride quality and passenger comfort.

Rail grinding also serves as a maintenance function to control the propagation of rail defects, which lead to broken rails. The grinding services provide an assessment of the rail throughout the system, allowing the operating agencies to optimize the grinding program to target areas of the track system in need of grinding. Rail grinding improves the safety and stability of the rails and reduces the need to perform premature rail replacement. Loram is required to furnish all operating and supervisory personnel, equipment, material, machinery, vehicles, and transportation necessary to perform the work included under this contract along the rights-of-way of LIRR, MNR, and NYC Transit.

A Joint-Agency procurement process was conducted for this contract. MTA Procurement Operations, for the lead agency, LIRR, performed an extensive outreach to the track maintenance industry and published the advertisement for the procurement of these services on January 11, 2023, in the New York State Contract Reporter, the *New York Daily News*, and on the MTA website. Online advertisements were placed in three leading maintenance of way periodicals: *Railway Age*, *Railway Track and Structures*, and *Progressive Railroading*. The RFP was also sent directly to a list of firms known to perform this type of work in the industry, including Vossloh Track Material, Inc. (“Vossloh”); Delta Railroad Construction (“Delta”); RailWorks Maintenance of Way (“RailWorks”), Plasser American Corporation (“Plasser”); and Loram.

On March 13, 2023, a proposal was received from Loram. Four other contractors submitted No Proposal Response Forms, indicating the following reasons:

- Vossloh: currently does not have the manpower available to meet MTA’s grinding needs
- Delta: currently does not have the technical resources to meet the contractual requirements
- RailWorks: unable to meet the MTA’s track and tunnel clearance restrictions
- Plasser: currently does not have the technical resources to meet the contractual requirements

On March 29, 2023, the MTA Selection Committee (“SC”), comprised of representatives from LIRR, MNR, and NYC Transit Maintenance of Way user groups, evaluated Loram’s proposal utilizing the criteria set forth in the RFP, which included: the contractor’s technical approach, qualifications, and experience in meeting the requirements of all three agencies. After a thorough evaluation and discussions of the proposal submitted for each agency, the SC unanimously determined that Loram (the incumbent) was technically qualified to perform the work. Loram’s proposal demonstrated successful experience in performing rail grinding services for all three agencies with significant resources. The SC made the recommendation to proceed with the procurement process. LIRR then entered into negotiations with Loram, addressing various cost-savings initiatives.

The agencies combined year-one estimate of \$11,266,000 (LIRR: \$2 million; MNR: \$866,000; NYC Transit: \$8.4 million) is based on previous program usage. Loram submitted hourly fixed rates for all the work to be completed in 2023. Its initial cost proposal (Year 1) for all three agencies was \$11,359,280 (LIRR: \$2,290,668; MNR: \$896,532; NYC Transit: \$8,172,080). Through negotiations, LIRR was able to secure a final price of \$11,244,788. This represents a 1 percent, (\$114,492) reduction in price from its initial offer. The total amount for all five years (two-year base with three 1-year options) is \$56,223,940. This reflects an approximate amount, as all rates for subsequent years (2024 + option years) will be adjusted in accordance with the price index formula, as set forth in the contract terms and conditions. Loram’s proposed pricing is consistent with that provided to the MTA in its most recent agreements with LIRR, MNR, and NYC Transit. Based on the aforementioned, the negotiated pricing is considered fair and reasonable, and the proposal from Loram provides the best value to the MTA.

The SC unanimously recommended award to Loram based on their qualifications, price, and significant resources; and ability to provide best value to the MTA.

In order to streamline processes and realize cost savings, the Agencies will make changes to their operations to maximize actual rail-grinding time in the form of better coordination with Loram. All three agencies have made the decision to explore alternatives to rail grinding. This may include rail milling services, which may be a cost-efficient supplement to rail grinding where practical.

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

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

D/M/WBE Information

The MTA Department of Diversity and Civil Rights (“DDCR”) has established a zero percent DBE goal for this contract. Loram Maintenance of Way, Inc. has not completed any MTA contracts with goals; therefore, no assessment of their MWDBE/SDVOB is available at this time.

Impact on Funding

Funding for this project is included in the LIRR and MNR Capital Program Budget. NYC Transit will be utilizing Operating funds for their portion of the contract.

Alternatives

None available. Currently, the Agencies do not possess the resources to perform the services associated with this contract. Additionally, all three agencies require this work, as Rail Grinding is a vital safety requirement to stop and reduce deformation due to use and friction on the railroad tracks by removing deformations and corrosion on the railway.

Recommendations

It is recommended that the MTA Board approve the award of Contract 403042 to Loram in the amount of \$56,223,940 for Rail Grinding Services.

**NYCT Committee
ACTIONS and PRESENTATIONS
SUMMARY for JULY 2023**

Responsible Department	Vendor Name	Total Amount	Summary of action
NYCT / MTA Bus	New Flyer of America, Inc.	\$4,800,000	Modification to the contract for the purchase of 60 electric buses in order to allow for the development and integration of an early warning detection system for potential thermal events on the high-voltage battery system, and additional time for testing.

New York City Transit Procurements

Louis Montanti, MTA Deputy Chief Procurement Officer – Procurement Operations

PROCUREMENTS

The Procurement Agenda this month includes 1 action for a proposed estimated expenditure of \$4.8M.

Subject Request for Authorization to Award Various Procurements					
Department MTA Procurement					
Department Head Name Lisette Camilo					
Department Head Signature					
Project Manager Name Rose Davis					
Board Action					
Order	To	Date	Approval	Info	Other
1	Committee	07/17/23			
2	Board	07/19/23			

July 13, 2023			
Department			
Department Head Name			
Department Head Signature			
Internal Approvals			
	Approval		Approval
X	President NYCT	<i>FLC</i>	Pres. MTA Bus/SVP DOB
X	SVP Subways	X	Diversity/Civil Rights
X	Deputy CFO	X	Law

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

PURPOSE

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

DISCUSSION

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

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

Procurements Requiring Majority Vote:

	<u># of</u> <u>Actions</u>	<u>\$ Amount</u>
Schedule I: Modifications to Purchase and Public Works Contracts	1	\$ 4.8 M
SUBTOTAL	1	\$ 4.8 M

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

TOTAL	1	\$ 4.8 M
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COMPETITIVE BIDDING REQUIREMENTS: The procurement actions in Schedules A, B, C, and D are subject to the competitive bidding requirements of PAL 1209 or 1265-a relating to contracts for the purchase of goods or public work. Procurement actions in the remaining Schedules are not subject to these requirements.

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

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

BOARD RESOLUTION

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

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

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

NOW, the Board resolves as follows:

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

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

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

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

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

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

JULY 2023

LIST OF COMPETITIVE PROCUREMENTS FOR BOARD APPROVAL

Procurements Requiring Majority Vote:

I. Modifications to Purchase and Public Work Contracts

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

- | | | |
|----------------------------|--------------------|--------------------------------------|
| 1. New Flyer | \$4,793,372 | <i>Staff Summary Attached</i> |
| 93 months | | |
| Contract# B40676R.1 | | |

Modification to the contract for the purchase of 60 low-floor 40-foot all electric buses, in order to extend the delivery schedule to allow New Flyer time, as required by NYC Transit, to develop, test, and install an early warning detection system for thermal events on each bus prior to delivery.

Schedule I: Modifications to Purchase and Public Work Contracts



Item Number:

Vendor Name (Location) New Flyer of America, Inc. (St. Cloud, Minnesota)
Description: Furnish and Deliver 60 Low-Floor 40-foot All-Electric Buses
Contract Term (including Options, if any) 93 Months from Notice of Award (inclusive of delivery of the buses and provision of warranty support)
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 type="checkbox"/> Operating <input checked="" type="checkbox"/> Capital <input checked="" type="checkbox"/> Federal <input type="checkbox"/> Other:
Requesting Department: Department of Buses, Frank Annicaro

Contract Number B40676R	AWO/Mod. # 1
Original Amount:	\$ 63,531,289
Option Amount:	\$ 0
Total Amount:	\$ 63,531,289
Prior Modifications:	\$ 0
Prior Budgetary Increases:	\$ 0
Current Amount:	\$ 63,531,289
This Request:	\$ 4,793,372
% of This Request to Current Amount:	7.54%
% of Modifications (including This Request) to Original Amount:	7.54%

Discussion:

NYC Transit is seeking Board approval to memorialize the modification to a competitively negotiated purchase contract with New Flyer of America, Inc. (“New Flyer”) in the total amount of \$4,793,372. The contractor was directed to execute this modification in November 2022. The changes covered by this modification include an extension to the delivery schedule to allow New Flyer time, as required by NYC Transit, to develop, test and install an early warning detection system for thermal events on each bus prior to delivery.

The base contract was approved by the Board in November 2021 and awarded to New Flyer in December 2021 in the amount of \$63,531,289. Delivery of the pilot buses was originally scheduled for September 2022, and delivery of the production buses was scheduled to begin in June 2023 and be completed in September 2023.

The schedule was revised by four months due to a force majeure, resulting from a disruption to a sub-supplier of the battery manufacturer, that occurred in January 2022. Subsequently, nine additional weeks were added to the schedule at the request of NYC Transit in April 2022, to accommodate additional testing requirements. These adjustments resulted in a revised schedule for the production buses to be delivered between November 2023 and June 2024 and were made with no additional cost to NYC Transit.

Following a thermal event in late July 2022 on an all-electric bus in Connecticut, NYC Transit, Department of Buses met with New Flyer to discuss the need for an early warning detection system for thermal events related to the high-voltage battery storage system to be installed on the 60 all-electric buses scheduled for delivery. It should be noted that no such system was commercially available at the time of award from any all-electric bus manufacturer in the United States. The parties agreed that such a system was necessary and needed to be developed immediately; New Flyer agreed to develop the new system and retrofit all 60 of the buses purchased under this contract at no cost. NYC Transit requested that the delivery of the buses be delayed until the new system was fully developed and tested rather than have the buses retrofit with the new system after delivery. New Flyer indicated that given the high rate of inflation, moving the delivery out would have a significant cost impact. Given the safety sensitive nature of the new system, Department of Buses demanded that the delivery be delayed. At the conclusion of the negotiations in November 2022, it was agreed that (1) the delivery schedule would be pushed out and elongated, per NYC Transit’s direction; (2) NYC Transit would compensate New Flyer at a rate of \$79,890 per bus for the schedule adjustment (no additional compensation would be provided in the event it took New Flyer longer to develop, test and install the new system); and (3) New Flyer would develop the required early warning detection system and install it on all the buses prior to delivery at no additional cost to NYC Transit. Delivery of the production buses is now scheduled to begin in March 2024 and be completed in September 2024.

The final pricing for this modification was agreed upon at the time of negotiation and has been reviewed and found to be fair and reasonable.

7/6/2023

Schedule I: Modifications to Purchase and Public Work Contracts



The contract resulting from this procurement is being evaluated to determine the necessity and appropriate scope of cybersecurity requirements, including any requirements under federal, state, and local law and regulations. Any applicable cybersecurity requirements, to the extent required, shall be included prior to award.

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

Impact on Funding

This procurement action will utilize Capital funding.



MTA Headquarters Procurements

Lisette Camilo, Chief Administrative Officer/Interim Chief Procurement Officer

PROCUREMENTS

The Procurement Agenda this month includes 2 actions for a proposed estimated expenditure of \$22.9M.

Subject	Request for Authorization to Award Various Procurements				
Department	MTA Procurement				
Department Head Name	Lisette Camilo				
Department Head Signature					
Project Manager Name	Rose Davis				
Board Action					
Order	To	Date	Approval	Info	Other
1	Committee	07/17/23			
2	Board	07/19/23			

July 13, 2023			
Department			
Department Head Name			
Department Head Signature			
Internal Approvals			
	Approval		Approval
	CAO		
	Legal		
	CFO		

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 MTA Headquarters Committee of these procurement actions.

DISCUSSION

MTA Headquarters proposes to award Noncompetitive procurements in the following categories: None

MTA Headquarters proposes to award Competitive procurements in the following categories:

<u>Procurements Requiring Majority Vote:</u>	<u># of Actions</u>	<u>\$ Amount</u>
Schedule F: Personal Service Contracts	2	\$ 4.7 M
SUBTOTAL	2	\$ 4.7 M

MTA Headquarters proposes to award Ratifications in the following categories:

<u>Schedules Requiring Two-Thirds Vote:</u>	<u># of Actions</u>	<u>\$ Amount</u>
Schedule D: Ratification of Completed Procurement Actions	1	\$ 18.2 M
SUBTOTAL	1	\$ 18.2 M
TOTAL	3	\$ 22.9 M

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

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

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

BOARD RESOLUTION

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

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

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

NOW, the Board resolves as follows:

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

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

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

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

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

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

Item Number 1-2			
Department, Department Head Name: Finance, Kevin Willens			
Internal Approvals			
Order	Approval	Order	Approval
1	Procurement	6	
2	Risk and Insurance Management		
3	DDCR		
4	Legal		
5	CFO		

SUMMARY INFORMATION	
Vendor Names: Alliant Insurance Services, Inc. Willis Towers Watson Northeast Inc.	Contract Nos. 900000000004407 900000000004408
Description Insurance Broker Services	
Total Amount: \$4,717,298	
Scope A (Alliant): \$3,415,894 Scope B (Willis): \$1,301,404	
Contract Term (including Options, if any) Five years with two 1-year options	
Option(s) included in Total Amount? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	
Renewal? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
Procurement Type <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Noncompetitive	
Solicitation Type <input checked="" type="checkbox"/> RFP <input type="checkbox"/> Bid <input type="checkbox"/> Other:	
Funding Source <input checked="" type="checkbox"/> Operating <input type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:	

Purpose

To obtain Board approval to award a competitively negotiated personal services contract to Alliant Insurance Services, Inc. (“Alliant”) for casualty brokerage and captive management services (Scope A); and to Willis Towers Watson Northeast Inc. (“WTW”) for property brokerage and forensic accounting services (Scope B) in support of the MTA’s All-Agency Risk Management Program for a term of five years with two 1-year Options in the not-to-exceed amounts of \$3,415,894 and \$1,301,404 for Scope A and Scope B, respectively.

Discussion

The MTA Risk and Insurance Management Department (“RIM”) is responsible for acquiring insurance and the administration of insured and self-insured programs of the MTA Agencies, as well as programs insured by First Mutual Transportation Assurance Company (“FMTAC”), the MTA’s wholly owned captive insurance company. The utilization of an insurance broker is necessary for RIM to place specialty coverages as well as other insurance programs on behalf of the Agencies. Those coverages include the All-Agency Excess Liability and Property Programs, Paratransit and Non-Revenue Automobile, Environmental, Fiduciary Liability, and Crime programs, as well as the commuter rails’ Station Liability and Force Account programs. In addition to the acquisition of insurance, services under this contract will include forensic accounting for disasters declared by the Federal Emergency Management Agency and/or property claims, coverage monitoring, policy review, claims services, risk management information system services, safety and loss control services, and captive manager services.

The current master broker services contract expires July 31, 2023. This competitive Request for Proposal (“RFP”) was publicly advertised and letters informing potential proposers of the availability of the RFP package were emailed to 40 firms. Alliant; Aon Risk Services Northeast Inc. (“Aon”); the incumbent Marsh USA LLC (“Marsh”); and WTW submitted proposals for both Scope A and Scope B. The Selection Committee (“SC”) was made up of representatives from RIM, Office of the Controller and the Department of Diversity and Civil Rights. Firms were evaluated based on their (1) critical analysis of the MTA’s insurance programs and recommendations for marketing, placing and renewal of insurance; (2) proposed cost of services; (3) proposed staff’s qualifications; (4) understanding of the MTA’s objectives and expectations; (5) responsiveness to the RFP and willingness to accept the MTA’s terms and conditions; (6) qualifications and past experience in handling transportation industry-related risks; (7) ability to identify and perform value-added services; and (8) diversity practices.

In accordance with the evaluation criteria, the SC unanimously recommended that Alliant, Marsh, and WTW be invited to oral presentations.

Following oral presentations, the SC was unanimous in inviting Alliant and WTW, but not Marsh, to negotiations for both Scope A and Scope B based on the short-listed proposers’ understanding of the MTA’s objectives and expectations, the quality of their proposed staff, the firms’ experience in working with other public sector and transportation clients and willingness to accept the MTA’s terms and conditions.

Staff Summary

Negotiations with Alliant and WTW focused on clarifying their respective initial cost proposals, reducing their proposed costs, and reaching agreements on any remaining exceptions to the MTA’s terms and conditions. The table below shows a summary of the initial base years price proposals.

	Scope A	Scope B
Alliant	\$2,422,771	\$1,857,030
WTW	\$7,557,581	\$1,025,405

Following negotiations, Alliant and WTW submitted their Best and Final Offers (“BAFOs”), which are summarized in the table below.

	Alliant		WTW	
	Scope A	Scope B	Scope A	Scope B
Base	\$2,417,005	\$1,818,081	\$2,887,033	\$922,306
Option	\$998,889	\$754,088	\$1,200,803	\$379,098
Total	\$3,415,894	\$2,572,169	\$4,087,836	\$1,301,404

Based on the BAFO submissions and in accordance with the evaluation criteria, the SC recommended that Alliant be awarded Scope A (\$3,415,894), and WTW be awarded Scope B (\$1,301,404). The awards to Alliant and WTW are expected to yield savings totaling an estimated \$4,500,162 over the base and option years compared to the broker fees paid to the incumbent, Marsh, under the current expiring agreement.

Additionally, cost mitigations were negotiated to cap the value of earned premium commissions by Alliant and WTW for insurance that is purchased offshore for Scope A at 5 percent (capped at \$125,000) and, for Scope B, 7.5 percent (capped at \$450,000). For Scope B, there is a 50/50 shared commission structure implemented between FMTAC and WTW on an annual basis for property and terrorism reinsurance placed through the broker’s affiliates in global markets, with FMTAC receiving the entire commission after the cap is reached.

The selected firms distinguished themselves with the respective qualifications, knowledge and experience of their proposed staff, analytical platforms, and tools to reduce the MTA’s insurance premiums, clear understanding of the MTA’s objectives and expectations, and expertise in the public/transportation industry.

Alliant and WTW have certified compliance with the MTA-approved cybersecurity terms and conditions and requirements.

Both Alliant and WTW have certified that pursuant to EO 16, they are not doing business in Russia.

D/M/WBE Information

The MTA Department of Diversity and Civil Rights has assigned goals of 15 percent MBE, 15 percent WBE, and 6 percent SDVOB. Alliant Insurance Services, Inc. and Willis Towers Watson Northeast Inc. have submitted MWBE/SDVOB utilization plans, which are currently under review. Alliant Insurance Services, Inc. and Willis Towers Watson Northeast Inc. have not recently completed any contracts with MWDBE/SDVOB goals; therefore, no assessment of their MWDBE performance is available at this time.

Impact on Funding

The total not-to-exceed costs of \$4,717,298 will be funded through the Risk and Insurance Management Department. Insurance premiums and brokerage commissions will not be paid from these agreements and are not included in the aforementioned total amount.

Alternatives

Do not contract for Master Broker Services. This alternative is not feasible. Failure to have these services will prohibit the MTA from accessing the commercial insurance marketplace needed for acquiring and maintaining insurance programs as well as other ancillary services that are utilized to protect the assets of the MTA and its Agencies.

Perform services in-house. This alternative is not feasible. The MTA does not have the staff to access the US and foreign commercial insurance marketplace without the involvement of an insurance broker.

JULY 2023

LIST OF RATIFICATIONS FOR BOARD APPROVAL

Procurements Requiring Two-Thirds Vote:

D. Ratification of Completed Procurement Actions

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

3. **The Research Foundation of the** **\$18,169,893** *Staff Summary Attached*
City of New York
60 months
Contract# 15860

Ratification of the declaration of an Immediate Operating Need to administer a pilot internship program retroactively for a period of five years.

Schedule D: Ratification of Completed Procurement Actions



Item Number: 3

Vendor Name (Location) The Research Foundation of the City of New York (New York, New York)	Contract Number 15860	Renewal? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Description MTA Intern Program	Total Amount: \$18,169,893	
Contract Terms (including Options, if any) 60 months	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 type="checkbox"/> No <input type="checkbox"/> n/a	Requesting Department: MTA Human Resources Hugo Pizarro	
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: Immediate Operating Need		

Discussion:

It is requested that the Board formally ratify the declaration of an Immediate Operating Need (“ION”) approved by the Chief Procurement Officer, MTA Procurement, waiving formal competitive bidding pursuant to Article III, Paragraph A, of the All-Agency Procurement Guidelines and Public Authorities Law 1209, subsection 9(a), and 1265-a, subsection 4(a) and approve an agreement with The Research Foundation of the City of New York (“RF CUNY”) to administer an internship program retroactively for a period of five years (September 1, 2022–August 31, 2027).

The City University of New York (“CUNY”) is the nation’s leading urban public university. It serves more than 275,000 degree-seeking students each year, making it the largest talent pipeline in New York City. CUNY has long been recognized as one of the most diverse systems in the nation. The RF CUNY administers the CUNY Internship Program administratively and fiscally, enabling a hands-on work experience for a cohort of undergraduate and graduate-level students across New York City. The MTA participated in RF CUNY’s 2022 Summer Intern Program, and due to its success, has chosen to implement a more expansive internship program. This program will expand students’ experience and exposure to the MTA in various disciplines over time and serve as a pipeline for future MTA employment opportunities. CUNY has more than 23 colleges and professional schools in the New York City area focusing on research in various disciplines. An organization of the MTA’s size must maintain an active and qualified workforce, which is the primary reason for seeking to establish a robust internship program with RF CUNY. RF CUNY offers various curriculum programs that include engineering, accounting, finance, information technology, business administration, statistics, and human resources, all a complement to many of the MTA’s urgent workforce needs and originating from a single educational institution. The program will prepare newly graduated engineers, architects, and project managers for roles within the MTA.

This contract has been evaluated through the trial implementation of the Summer Internship Program to determine the need for interns. The program’s success has prompted the MTA to continue working with RF CUNY to provide graduate and undergraduate interns over the next five years to help resolve the critical staffing needs that are currently being presented to the MTA. The normal procurement process would not enable the award of a contract with RF CUNY in time for the onset of the fall 2022 semester, therefore the ION was declared to allow for immediate award of the contract to continue the internship program without disruption.

Pricing for RF CUNY is based on a period of five years with an estimated 118 students per year. Hourly rates provided are comparable to the rates provided to city agencies across New York. Over the next four years, hourly rates for undergraduate students will increase in total by 5 percent, and the graduate student rate will increase in total by 9.5 percent. Interns working more than 19 hours per week receive statutory benefits and can participate in RF CUNY’s health benefit program. Indirect costs associated with this program have been approved by the NYC Mayor’s Office of Contract Services at a rate of 10 percent, which is utilized by city agencies participating in this program.

Schedule D: Ratification of Completed Procurement Actions



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

RF CUNY has acknowledged and certified its compliance with MTA cybersecurity requirements and MTA cybersecurity terms and conditions.

Impact on Funding

This procurement action will utilize Operating Funds.

JULY 2023
MTA REAL ESTATE ACTION ITEMS
FOR BOARD APPROVAL

ACTION ITEMS

METROPOLITAN TRANSPORTATION AUTHORITY

Modification to the existing policy for licensing, leasing or acquisition of property rights in support of MTA capital projects or ongoing operations

MTA NEW YORK CITY TRANSIT

Gun Hill Road development – RFP conditional designation

MTA METRO-NORTH RAILROAD

Master agreement with Amtrak to facilitate the acquisition of permanent easements in the Bronx and Queens in support of the Penn Station Access project

Acquisition of permanent easements from HD Development of Maryland, Inc. in Queens in support of the Penn Station Access project

Authorization to acquire property interests by negotiated settlement or eminent domain for the Claremont Substation project, Bronx, NY

Staff Summary

Subject MODIFICATION TO EXISTING REAL ESTATE POLICY
Department REAL ESTATE
Department Head Name DAVID FLORIO
Department Head Signature
Project Manager Name ARTURO ESPINOZA

Date JULY 19, 2023
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref. #

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance Committee	07/17/23	X		
2	Board	07/19/23	X		

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

AGENCY: All-agency

COMMENTS:

A policy permitting MTA Real Estate (“MTARE”) to license, lease, or acquire property rights in support of MTA capital projects or ongoing operations without Board approval was adopted on September 21, 2015. The policy allowed MTARE to directly conclude transactions when it is reasonably estimated that MTA’s aggregate obligation to pay compensation or reimbursement to the licensor or grantor will be less than \$15,000 (on a present value basis) over the term.

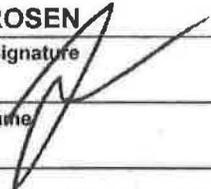
Approximately eight years later, instances have arisen where it was difficult to keep the compensation within the current \$15,000 limit. MTARE requests Board authorization to increase the compensation amount to \$100,000.

BE IT RESOLVED that the Board hereby authorizes the Chief Real Estate Transactions and Operations Officer of the MTA to negotiate and enter into agreements with third parties on behalf of MTA and its agencies for the acquisition of property rights through lease, license, or other form of acquisition without prior Board approval, subject to the following conditions:

1. Such acquisition shall be in support of MTA capital projects or ongoing operations.
2. It shall be reasonably estimated that the MTA’s aggregate compensation or cost reimbursement to the licensor or grantor shall be less than \$100,000 (on a present value basis) over the term.
3. Prior to the execution of any such agreement, (i) it will be approved by the MTA Legal Department and (ii) the MTA will comply with the applicable requirements of the State Environmental Quality Review Act (SEQRA).
4. MTARE will notify the Board of the terms of the agreement subsequent to the execution of the agreement.

Policy # 34

Staff Summary

Subject
Department REAL ESTATE
Department Head Name JEFFREY B. ROSEN
Department Head Signature 
Project Manager Name

Date SEPTEMBER 21, 2015
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref. #

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance Committee	9/21/15	X		
2	Board	9/24/15	X		

Internal Approvals			
Order	Approval	Order	Approval
			Legal RB
3	Chief of Staff 		
2	Chief Financial Officer 		

AGENCY: All-agency

PURPOSE: To obtain Board approval of a new policy to regulate the process MTA Real Estate ("MTARE") follows to enter into certain agreements as set forth below and in the attached resolution

COMMENTS:

In an effort to streamline and expedite the process by which MTA Real Estate ("MTARE") enters into real estate agreements, the MTA Board has approved a number of policies and procedures permitting agreements with third parties without prior Board approval.

MTARE is hereby proposing to add a new policy, as described below. Board approval of this policy will permit MTARE to execute certain transactions under circumstances where the compensation (including reimbursement of cost) to be paid by the MTA is under \$15,000.

More specifically, MTARE requests Board authorization to:

License, lease or acquire property rights, without prior Board approval, in support of MTA capital projects or ongoing operations when it is reasonably estimated that MTA's aggregate obligation to pay compensation or reimbursement to the licensor or grantor will be less than \$15,000 (on a present value basis) over the term.

Prior to the execution of any such agreement, (i) it will be approved by the MTA Legal Department and (ii) MTA will comply with the applicable requirements of the State Environmental Quality Review Act (SEQRA).

The policy also requires MTARE to notify the Board of the terms of the agreement subsequent to the execution of the agreement.

FOR REFERENCE PURPOSES ONLY

RESOLUTION

**BOARD OF THE
METROPOLITAN TRANSPORTATION AUTHORITY**

WHEREAS, the Real Estate Department (“RED”) of the Metropolitan Transportation Authority (“MTA”) is tasked with acquiring various real property rights and entering into leases, licenses, permits and other like agreements on behalf of itself and its operating agencies, and

WHEREAS, RED seeks to enter into such agreements as efficiently as possible while keeping the MTA Board apprised of its activities, and has therefore requested that the Board approve a new policy that will permit RED to execute certain transactions quickly under circumstances in which the estimated compensation and reimbursement costs are low:

NOW THEREFORE, BE IT RESOLVED that the Board of MTA hereby authorizes the MTA Director of Real Estate to negotiate and enter into agreements with third parties on behalf of MTA and its agencies for the acquisition of property rights through lease, license or other form of acquisition without prior Board approval, subject to the following conditions :

1. Such acquisition shall be in support of MTA capital projects or ongoing operations.
2. It shall be reasonably estimated that MTA’s aggregate obligation to pay compensation or cost reimbursement to the licensor or grantor shall be less than \$15,000 (on a present value basis) or more over the term.
3. Prior to the execution of any such agreement, (i) it will be approved by the MTA Legal Department and (ii) MTA will comply with the applicable requirements of the State Environmental Quality Review Act (SEQRA).
4. RED will notify the Board of the terms of the agreement subsequent to the execution of the agreement.

FOR REFERENCE PURPOSES ONLY

Staff Summary

Subject GUN HILL ROAD DEVELOPMENT - RFP CONDITIONAL DESIGNATION
Department TRANSIT ORIENTED DEVELOPMENT
Department Head Name ROBERT PALEY
Department Head Signature
Project Manager Name NICHOLAS ROBERTS

Date JULY 19, 2023
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref. #

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance Committee	07/17/23	X		
2	Board	07/19/23	X		

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

AGENCY/LESSOR: Metropolitan Transportation Authority (“MTA”) and MTA New York City Transit (“NYCT”)

DEVELOPER/LESSEE: Madison Capital HoldCo III LLC, a Delaware limited liability company doing business as Madison Capital, or an affiliate thereof in which Richard Wagman holds a controlling interest

LOCATION: Approximately 550,000 square feet of land (the “Development Site”) comprising the southern portion of the property located at 1824 Allerton Avenue, The Bronx, New York – Block 4804, Lot 100 (the “Property”)

ACTIVITY: Long-term ground leasing and development of the Development Site pursuant to a triple net lease (the “Ground Lease”) for a term of 99-years following completion of construction at the Development Site of a new multi-story warehouse and distribution facility comprising approximately 2,188,985 square feet of gross floor area (the “New Facility”), consistent with the existing M1-1 zoning of the Property, which will include an approximately 286,367 square foot facility (the “NYCT Facility”) for future use by NYCT as an electric bus charging facility, on the material terms set forth below

ACTION REQUESTED: Authorization to conditionally designate Madison Capital as the successful proposer to the RFP (described below) and negotiate and enter into a disposition and land development agreement with respect to the ground leasing and development of the Development Site by Madison Capital (the “LDDA”), including the terms and forms of the Ground Lease and any separate agreement for the construction and development of the NYCT Facility by Madison Capital (the “Development Agreement”) to the extent such terms are not included within the Ground Lease and such other material transaction documents necessary or desirable for the ground leasing and development of the Development Site, the utilization of the Property’s unused development rights at the Development Site, and the construction by Madison Capital of the NYCT Facility for NYCT’s use (collectively, the “Transaction Documents”), as more fully described below. Prior to entering into the LDDA, further MTA Board action will be sought to authorize and approve the execution and delivery of the LDDA, the consummation of the transactions thereunder and the execution and delivery of the Transaction Documents in accordance therewith.

FINANCE COMMITTEE MEETING

Gun Hill Road Development – RFP Conditional Designation (cont'd)

Page 2 of 3

COMPENSATION:

- (a) Base Rent: \$53,885,768 (net present value, discounted at 6%). The initial annual Base Rent of \$2,000,000 will escalate by 15% every 5 years during the term of the Ground Lease, and will be subject to additional CPI-based rent resets every 25 years following the rent commencement date during the term of the Ground Lease.
- (b) In-Kind Compensation: Developer will construct at its own expense within the New Facility the core and shell (with the required mechanical, electrical and plumbing systems in place) of the NYCT Facility, sized to accommodate 223 standard sized MTA buses, at an estimated cost of \$94,000,000.
- (c) Additional Compensation: The Developer will pay to MTA as additional rent under the Ground Lease (i) PILOT payments (i.e., payments in lieu of taxes) in an amount equal to the real estate taxes that would otherwise be payable by Madison Capital if the Property were not exempt from the imposition of real estate taxes, subject to an abatement that will mirror or replicate the abatement that would otherwise be available to Madison Capital in connection with the construction of the New Facility under the New York City Industrial & Commercial Abatement Program (ICAP) or such other available program as determined by MTA at the time the portion of the New Facility (other than the NYCT Facility) is put in service; and (ii) PILOST payments (i.e., payments in lieu of sales tax), in an amount equal to the sales taxes that Madison Capital would otherwise incur with respect to its construction costs but for MTA's/NYCT's exemption from such sales tax with respect to permanent improvements.

COMMENTS:

The Development Site comprises the southern portion of the 30+ acre Property owned in fee by NYCT. The northern portion of the Property is improved with NYCT's Gun Hill Bus Depot (the "Bus Depot"). The Property is bounded by the New England Thruway to the east, the intersection of the Hutchinson River Parkway and the New England Thruway to the south, and East Gun Hill Road to the west. In March 2022, TOD issued a request for proposals ("RFP") for a developer to redevelop the Development Site into a large-scale industrial / last mile distribution facility. The RFP made available approximately 1,048,327 square feet of zoning floor area ("ZFA") for the development of the Development Site, based on a combination of the Development Site's 550,000 square feet of available ZFA and the excess or unused ZFA associated with the Bus Depot. The RFP required respondents to propose projects consistent with the Property's "as-of-right" zoning designation. The RFP further required respondents to incorporate into their projects and construct at their own cost and expense the core and shell (with the required mechanical, electrical and plumbing systems in place) of the NYCT Facility, sized to accommodate 223 standard sized MTA buses.

TOD received "RFP Responses" from the following RFP respondents (collectively, the "RFP Respondents"):

- Madison Capital
- The Related Companies ("Related")
- The Davis Company
- Savanna
- Wildflower
- City Auto World
- Bronx Film, LLC ("Bronx Film")

An RFP selection committee was formed to vet the RFP Responses (the "Selection Committee"). The Selection Committee was comprised of TOD and NYCT representatives and based its analysis of the RFP Responses on the following "RFP Criteria":

- NYCT Facility design and feasibility

FINANCE COMMITTEE MEETING

Gun Hill Road Development – RFP Conditional Designation (cont'd)

- Ground rent proposal and feasibility
- Completeness and quality of overall response

The Selection Committee determined that the Bronx Film, City Auto World, Wildflower, and Savanna proposals were not competitive due to either their NYCT Facility design and/or ground rent proposal, and that Madison Capital, Related, and the Davis Companies should be shortlisted and invited for interviews (the “Shortlisted Respondents”). Following interviews with the Shortlisted Respondents, the Selection Committee designated Madison Capital and Related as the “RFP Finalists” as their responses to the RFP best combined thoughtful and (feasible) designs for the NYCT Facility with competitive ground rent proposals. The Selection Committee also determined that RFP Finalists had meaningfully more experience than the other RFP Respondents in delivering complex, large-scale projects in New York City involving public-private partnerships, including with the MTA. As such, the Selection Committee determined that Madison Capital and Related were the RFP Respondents best able to meet the RFP’s objectives and that TOD should commence targeted negotiations with both firms.

Through the fall of 2022, TOD negotiated extensively with the RFP Finalists, culminating in a request for Best and Final Offers (“BAFOs”) in December 2022. In advance of the BAFOs, Madison Capital made material improvements to its design for the NYCT Facility, including adding second points of ingress and egress and improving access from an adjacent New England Thruway service road, and Related made its ground rent proposal more competitive by improving the Base Rent and rent reset terms. At the conclusion of the BAFO process, the proposals submitted by Madison Capital and Related were valued at \$148M and \$129M, respectively, as detailed below:

BAFOs	Ground Rent ¹	NYCT Facility ²	Total Value
Madison Capital	\$54M	\$94M	\$148M
Related	\$29M	\$100M	\$129M

¹ Projected ground rent over 99-year lease term following completion of construction, discounted at 6%

² The proposers’ projected costs to build the NYCT Facility, per the scope and delivery definition provided by TOD/NYCT in the RFP

Having determined that the Madison Capital BAFO provided the highest economic value and that its improved NYCT Facility design satisfactorily addressed NYCT’s existing and future needs at the Bus Depot, TOD recommended that Madison Capital be conditionally designated the successful RFP proposer with the concurrence of senior leadership at MTA Construction & Development (“C&D”) and NYCT (Buses).

Based on the foregoing, TOD recommends the ground lease and development transaction as outlined above and requests the authorization of the Board to undertake the following actions:

- (1) Conditionally designate Madison Capital as the selected RFP proposer under the RFP; and
- (2) Negotiate and enter into the LDDA with Madison Capital on the above-described terms and conditions and such other terms and conditions as the Chief Development Officer or such officer’s designee deems appropriate or necessary, including the forms of the Ground Lease, the separate Development Agreement (if applicable) and the other material Transaction Documents to be attached thereto; provided that prior to entering into the LDDA, TOD will seek further Board authorization to consummate the transactions contemplated by the LDDA, including execution and delivery of the Ground Lease and the other Transaction Documents.

Staff Summary

Subject ACQUISITION OF PERMANENT EASEMENTS FROM AMTRAK IN BRONX & QUEENS IN SUPPORT OF THE PENN STATION ACCESS PROJECT
Department REAL ESTATE
Department Head Name DAVID FLORIO
Department Head Signature
Project Manager Name ANGELA SZU

Date JULY 19, 2023
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref. #

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance Committee	07/17/23	X		
2	Board	07/19/23	X		

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

AGENCY: MTA Metro-North Railroad (“Metro-North”)

GRANTOR: National Railroad Passenger Corporation (“Amtrak”)

LOCATIONS: Properties for four stations in the Bronx and two substations in Queens (“Facility” or “Facilities”):

- (1) Hunts Point Station (Bronx Block 2734, Lot 30 and Block 2741, Lots 1 & 66)
- (2) Parkchester-Van Nest Station (Bronx Block 4042 Lot 1)
- (3) Morris Park Station (Bronx Block 4226, Lot 1)
- (4) Co-op City Station (Bronx Block 4411, Lot 1 and Block 5131, Lot 1)
- (5) 48th Street (HG-01) DC Substation (Queens Block 119 Lot 32)
- (6) Gate (HG-02) DC Substation (Queens Block 1017, Lot 75, Block 1024 Lot 66, and Block 1113, Lot 36)

EASEMENT AREAS WITHIN THE LOCATIONS: Permanent easements (per 30% Design stage) at each Facility’s location are:

- (1) Hunts Point Station: 36,305± square feet
- (2) Parkchester-Van Nest Station: 51,375± square feet
- (3) Morris Park Station: 46,315± square feet
- (4) Co-op City Station: 43,361± square feet
- (5) 48th Street (HG-01) DC Substation: 10,550± square feet
- (6) Gate (HG-02) DC Substation: 53,584± square feet

ACTIVITY: Authorization to enter into a master agreement to facilitate acquisition of permanent easements on Amtrak property for the Penn Station Access Project (“PSA”)

COMPENSATION: Not to exceed \$28 million for all six Facilities. Should the size of the permanent easements change as designs advance to 100% design stage, the easement fee will be adjusted as appropriate on a pro-rata basis. If the total exceeds \$28 million, additional Board approval will be required.

ACTION REQUESTED: Authorization to enter into a master easement agreement

Staff Summary

FINANCE COMMITTEE MEETING

Acquisition of permanent easements from Amtrak in Bronx & Queens in support of the Penn Station Access project (Cont'd.)

COMMENTS:

PSA will be a new Metro-North link to Penn Station that will provide one-seat passenger rail service for Metro-North's New Haven Line customers. The new Metro-North service will run through the Bronx via Amtrak's Hell Gate Line, enter Queens via the Hell Gate Bridge, and connect to the LIRR Mainline at Harold Interlocking, from which it will access Penn Station. An upgrade to the power systems will be needed at various sites along the new Metro-North service corridor to provide adequate power for the expected increase in train traffic due to PSA. PSA's infrastructure improvements include construction of four new Metro-North stations in the Bronx, two new substations in the Bronx, two new substations in Queens, and other right-of-way augmentations.

In connection with PSA, a number of permanent easement acquisitions from Amtrak will be required for the four new Metro-North stations in the Bronx (Hunts Point, Parkchester-Van Nest, Morris Park, and Co-op City). The permanent easements will provide areas for platforms, stairways, walkways, and other station elements such as those required for Americans with Disabilities Act compliance. Permanent easement acquisitions from Amtrak will also be required for the two new 48th Street and Gate DC electrical substations in Queens.

Per the Design-Build Phase and Cost Share Agreement, approved by the MTA Board in December 2021, the MTA and Amtrak agreed to an alternate framework of enabling property right transfers upon the execution of a master easement agreement. Per the Cost Share Agreement, Amtrak agreed to grant to the MTA any permanent real estate interests required for PSA and MTA agreed to negotiate fair market value for any easements granted by Amtrak, with the fair market value of the Amtrak easements to be based on a mutually agreed to appraised values.

The easement fee for any Amtrak real estate interests granted will be credited toward the Amtrak Share of Joint Project Costs in lieu of direct payments by MTA to Amtrak. This alternate framework does not require agreement on total easement fee for all Facilities to be reached upfront, but instead allows for negotiation of the easement fee for each Facility to be sequenced and prioritized by PSA Design-Builder's construction phasing plan. This approach was driven by the need to enable MTA Real Estate to acquire critical property interests and rights from Amtrak in time to support the accelerated nature of the Design-Build project delivery method.

MTA Real Estate is in active negotiations with Amtrak to determine the easement fee for each property. After the master easement agreement is executed between Amtrak and the MTA, the MTA will continue to negotiate the easement fees, which are based on appraisals that are subject to review by another independent appraiser, until agreement on the total easement fee for all Facilities is reached. The total easement fee for all properties is expected to be \$28 million or less based on appraisals obtained to date for the permanent easements established at the 30% Design stage.

Since PSA has adopted the Design-Build project delivery method, changes to permanent easements established at the 30% Design stage are likely. Therefore, the master easement agreement will have a mechanism to adjust the easement fee for each Facility should the 30% Design stage permanent easements need to be revised or should additional permanent easements be required as designs advance to the 100% stage.

After negotiations with Amtrak have concluded, MTA Real Estate will inform the MTA Board what the easement fee is determined to be for each property as well as any adjustments to the easement fee resulting from any design refinements.

Based on the foregoing, MTA Real Estate requests authorization for the MTA to enter into a master easement agreement with Amtrak to acquire the aforesaid interests on the above-described terms and conditions.

Staff Summary

Subject ACQUISITION OF PERMANENT EASEMENTS FROM HD DEVELOPMENT OF MARYLAND, INC IN QUEENS IN SUPPORT OF THE PENN STATION ACCESS PROJECT
Department REAL ESTATE
Department Head Name DAVID FLORIO
Department Head Signature
Project Manager Name ANGELA SZU

Date JULY 19, 2023
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref. #

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance Committee	07/17/23	X		
2	Board	07/19/23	X		

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

AGENCY: MTA Metro-North Railroad (“Metro-North”)
GRANTOR: HD Development of Maryland, Inc., c/o Home Depot U.S.A., Inc. (“Home Depot”)
LOCATION: 50-02 Northern Boulevard, Queens, NY 11101 (Queens Block 120 Lot 50) (the “Property”)
ACTIVITY: Acquisition of permanent easements in support of the Penn Station Access Project
ACTION REQUESTED: Authorization to acquire permanent easements
TERM: Permanent
EASEMENT AREA: 11,343± square feet (exclusive) and 9,444± square feet (non-exclusive access)
COMPENSATION: \$1,955,000

COMMENTS:

Penn Station Access (“PSA”) is a new Metro-North link to Penn Station that will provide one-seat passenger rail service to Penn Station for MNR’s New Haven Line customers. In October 2021, the MTA Board authorized MTA Real Estate to proceed with property interest acquisitions in support of PSA by negotiated agreement or condemnation, with the terms of any negotiated agreement subject to further MTA Board approval.

The above-described permanent exclusive and non-exclusive easements are required for the new 48th Street DC electrical substation in Queens, which is needed to support the additional power demands associated with additional train traffic on the railroad right-of-way due to PSA. The substation improvements will be constructed within the exclusive easement areas, and the access easement is needed to ensure perpetual access for maintenance and should the substation need to be reconstructed, re-built or rehabilitated in the future.

In July 2022, MTA Real Estate extended a formal offer of \$1,930,000 to the Property owner upon completion of an independent appraisal of the required easements. After a period of good faith negotiations, MTA Real Estate has reached a negotiated price of \$1,955,000 for both easements, which is \$25,000 higher (approximately 1% increase) than the MTA’s original offer. Based on the recommendation of legal counsel, the negotiated compensation is supported by MTA’s appraisal as well as the change in market conditions relative to its effective date of valuation of February 15, 2022.

Staff Summary

FINANCE COMMITTEE MEETING

Acquisition of permanent easements from HD Development of Maryland, INC in Queens in support of the Penn Station Access project (Cont'd.)

Page 2 of 2

Based on the foregoing, MTA Real Estate requests authorization to acquire the permanent easements from HD Development of Maryland, Inc. on the above-described terms and conditions.

Subject ACQUISITION OF PROPERTY FOR THE CLAREMONT SUBSTATION PROJECT
Department REAL ESTATE
Department Head Name DAVID FLORIO
Department Head Signature
Project Manager Name JASON ORTIZ

Date JULY 19, 2023
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref. #

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance Committee	07/17/23	X		
2	Board	07/19/23	X		

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

AGENCY: MTA Metro-North Railroad (“Metro-North”)
SELLER: 1049 Ogden Realty Company, LLC
LOCATION: 3876-3880 Park Avenue, Bronx, NY 10457 (Block 2904, Lot 10)
ACTIVITY: Acquisition of property for a new electrical substation for Claremont Substation project
ACTION REQUESTED: Authorization to acquire property through negotiated agreement or eminent domain
COMPENSATION: To be determined via negotiation or condemnation

COMMENTS:

In connection with the Claremont Substation project, MTA Real Estate is seeking to acquire a property located at 3876-3880 Park Avenue, Bronx, NY 10457 (the “Property”). The Property currently contains approximately 7,405 square feet and contains a vacant three-story industrial building. Once acquired, the MTA will demolish the existing building to construct a new electrical substation in support of Metro-North operations on the Harlem Line. The Property satisfies the location and size requirements for construction of a substation, is free of occupants, and is currently listed for sale.

The MTA will endeavor to acquire the Property through a negotiated agreement. However, MTA Real Estate may not be able to reach agreement with the Seller and may be compelled to acquire the Property by eminent domain as no viable alternative sites have been identified. Thus, MTA Board approval is being sought for the MTA to begin taking steps to satisfy the requirements of Eminent Domain Procedure Law in order to preserve the MTA’s rights and lessen the potential for future delays to the Project and ensure the timely acquisition of the Property. If a negotiated agreement to acquire the Property is reached prior to the filing of condemnation papers with the court, the terms of any such agreement will be presented to the Finance Committee and MTA Board for further approval.

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