



Metropolitan Transportation Authority

# June 2024

**MTA Board Action Items**



# **MTA Board Meeting**

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

**Wednesday, 6/26/2024  
9:00 AM - 12:00 PM ET**

## **1. PUBLIC COMMENT PERIOD**

## **2. PRESENTATIONS**

## **3. EXECUTIVE SESSION**

## **4. APPROVAL OF BOARD RESOLUTION**

*June 2024 CBDTP Implementation - Staff Summary and Board Resolution - Page 4*

## **5. APPROVAL OF MINUTES**

### **MTA and MTA Agencies Regular Joint Committee and Board Meeting Minutes for May 22, 2024**

*MTA and MTA Agencies Regular Joint Committee and Board Meeting Minutes for May 22,  
2024 - Page 7*

## **6. COMMITTEE ON CAPITAL PROGRAM**

### **C&D Procurements**

*C&D Procurements - Page 16*

## **7. COMMITTEE ON METRO-NORTH RAILROAD & LONG ISLAND RAIL ROAD**

### **Procurements**

#### **i. MNR Procurements**

*MNR Procurement - Page 22*

#### **ii. LIRR Procurements**

*LIRR Procurement - Page 29*

## **8. COMMITTEE ON NYCT & BUS**

### **Procurements**

*Procurement Staff Summary - Page 36*

## **9. COMMITTEE ON MTA BRIDGES & TUNNELS OPERATIONS (no items)**

## **10. COMMITTEE ON FINANCE**

### **Action Item**

#### **i. 2024 New York State Public Work Enforcement Fund ("PWEF") Assessment**

*2024 New York State PWEF Assessment - Page 50*

### **Procurement Items**

*MTAHQ Procurements - Page 51*

### **Real Estate Items**

#### **i. Real Estate Agenda and Staff Summaries**

*Real Estate Agenda and Staff Summaries - Page 57*

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

# Staff Summary



<b>Subject</b>	Central Business District Tolling Program (CBDTP) Implementation
<b>Department</b>	Law
<b>Department Head Name</b>	Paul L. Friman
<b>Department Head Signature</b>	
<b>Project Manager Name</b>	Allison L. C. de Cerreño

<b>Date</b>	June 26, 2024
<b>Vendor Name</b>	N/A
<b>Contract Number</b>	N/A
<b>Contract Manager Name</b>	N/A
<b>Table of Contents Ref. #</b>	N/A

Board Action					
Order	To	Date	Approval	Info	Other
1	Board	6/26/24			

Internal Approvals			
Order	Approval	Order	Approval
3	President		VP Procurement
	General Counsel		VP Operations
2	Chief Operating Officer		VP Labor Relations
	VP Operations Support		VP & Chief Engineer

Internal Approval (cont.)							
Order	Approval	Order	Approval	Order	Approval	Order	Approval
	Senior Director, Policy & Operations Analysis		Chief Security Officer		Chief Maintenance Officer	1	VP ITS & Tolling
	Chief Information Officer		Chief Health & Safety Officer		Affirmative Action		Other

**PURPOSE:** To obtain the Board’s approval of the annexed Resolution which will (i) acknowledge that the pause in the implementation of the central business district tolling program (CBDTP) announced by New York State precludes MTA staff from implementing the program in June 2024, as directed by the Board’s March 2024 resolution; (ii) extend the date of implementation of the CBDTP from on or about June 2024 — the date anticipated in the Board’s prior resolution – until after such time as the required final agreement has been executed by all three Project Sponsors - Triborough Bridge and Tunnel Authority (TBTA), New York State Department of Transportation, and New York City Department of Transportation - and by the Federal Highway Administration (FHWA); and (iii) authorize and direct the President of TBTA or her designee to take such steps as may be necessary or desirable to implement the CBDTP until after such time as the required final agreement has been executed.

**DISCUSSION:** The MTA Reform and Traffic Mobility Act requires that TBTA, among other things, establish and operate a CBDTP; establish and charge variable tolls for vehicles entering or remaining in the CBD; and make rules and regulations for the establishment and collection of CBD tolls. On December 6, 2023, the Board authorized the President of TBTA and her designees to take requisite preliminary steps to implement a schedule of toll rates for use in such a program.

On March 27, 2024, the Board authorized that the CBDTP shall be implemented by TBTA in or about June 2024, and authorized and directed the President of TBTA or her designee to take such steps as may be necessary or desirable to implement the CBDTP in or about June 2024.

The legal name of MTA Bridges and Tunnels is Triborough Bridge and Tunnel Authority.

On June 5, 2024, New York State announced a pause in implementation of the CBDTP. The MTA Reform and Traffic Mobility Act remains in effect while the Program is paused.

On June 14, 2024, FHWA completed their Reevaluation process under the National Environmental Policy Act (NEPA) confirming that the tolling structure adopted by the Board in March 2024 complies with the Environmental Assessment, that no further evaluation is needed for the adopted tolling structure, and that the 2023 Finding of No Significant Impact (FONSI) remains valid.

The next and final step would be for the three Project Sponsors – TBTA, New York State Department of Transportation, and New York City Department of Transportation -- as well as FHWA, the federal agency of jurisdiction, to sign the Value Pricing Pilot Program (VPPP) tolling agreement.

By the attached Resolution the Board would extend the date of implementation of the CBDTP from in or about June 2024 until after such time as the required final agreement has been executed by the Project Sponsors and FHWA, as required by federal law and regulation.

Finally, the Board is asked to fully authorize and direct the President of TBTA or her designee to take such steps as may be necessary or desirable to implement the CBDTP until after such time as the required final agreement has been executed.

**IMPACT ON FUNDING:** MTA Reform and Traffic Mobility Act requires that TBTA establish and operate a CBDTP that will that, among other things, generate enough net annual revenue to fund \$15 billion for MTA's transit and commuter rail system capital projects.

**RECOMMENDATION:** It is recommended that the Board adopt and approve the attached Resolution.

## **RESOLUTION**

**WHEREAS**, on March 27, 2024, the Board authorized that the central business district tolling program (CBDTP) shall be implemented by the Authority in or about June 2024, and fully authorized and directed the President of the Authority or her designee to take such steps as may be necessary or desirable to implement the CBDTP in or about June 2024; and

**WHEREAS**, New York State has subsequently announced a pause to the implementation of the CBDTP; and

**WHEREAS**, the MTA Reform and Traffic Mobility Act of 2019 remains in effect while the Program is paused; and

**WHEREAS**, the Board has considered all of the above.

**NOW, THEREFORE**, upon motion duly made and seconded, the following resolution is adopted by the Board:

**RESOLVED** that the Board recognizes that the CBDTP will not be implemented in June 2024, due to the pause in the program; and be it further,

**RESOLVED**, that the date of implementation of the CBDTP is hereby extended from in or about June 2024 until after such time as the execution of the legally-required tolling agreement among the Project Sponsors - New York State Department of Transportation, New York City Department of Transportation, and Triborough Bridge and Tunnel Authority - and also by the Federal Highway Administration; and be it further,

**RESOLVED**, that the President of the Authority or her designee is hereby fully authorized and directed to take such steps as may be necessary or desirable to implement the CBDTP until after such time as the required final agreement has been executed.

June 26, 2024  
New York, New York

**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 Minutes  
Wednesday, May 22, 2024  
9:00 a.m.  
2 Broadway  
New York, NY 10004**

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

**Hon. Janno Lieber, Chair & CEO  
Hon. Andrew Albert  
Hon. Jamey Barbas  
Hon. Samuel Chu  
Hon. Michael Fleischer  
Hon. Daniel Garodnick  
Hon. Marc Herbst  
Hon. David Jones  
Hon. Meera Joshi  
Hon. Blanca Lopez  
Hon. David Mack  
Hon. Haeda B. Mihaltses  
Hon. Dr. John-Ross Rizzo  
Hon. John Samuelsen  
Hon. Isabel Midori Valdivia  
Hon. Neal Zuckerman**

The following Board Member was absent:

**Hon. Lisa Sorin**

The following alternate non-voting members were present:

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

Paige Graves, General Counsel, Laura Wiles, Chief of Staff, John McCarthy, Chief External Relations & Policy, Juliette Michaelson, Deputy Chief External Relations & Policy, Lisette Camilo, Chief Administrative Officer, Kevin Willens, Chief Financial Officer, Carl Hamann, Acting Chief Safety Officer, Richard Davey, President, NYCTA, Demetrius Crichlow, Sr. Vice President Subways, NYCT, Frank Annicaro, Sr. Vice President, NYCT DOB /MTA Bus Company, Catherine Rinaldi, President, Metro-North Railroad, Rob Free, President, LIRR, Catherine Sheridan, President, TBTA, Jamie Torres-Springer, President, MTA C&D, Anita L. Miller, Chief Labor Relations, Quemuel Arroyo, Chief Accessibility Officer, Shanifah Rieara, Senior Advisor for Communications and Policy/Chief Customer Officer, Cate Contino, Director, Special Projects & Strategic Initiatives, also attended the meeting.

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

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

Chair Lieber called to order the May 2024 Board meeting.

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):

Gian Pedulla, private citizen  
Jack Nierenberg, V.P., Passengers United  
Christopher Greif, private citizen  
Michael Ring, Disabled In Action (DIA)  
Charlton D'Souza, President, Passengers United\*

Miriam Fisher, private citizen\*  
Matty Buchys Hyland, private citizen\*  
Debra Greif, private citizen  
Tasha Lerebours, Center for Independence of the Disabled, New York (CIDNY)  
Jason Wagner, Sr. Transportation Researcher, NYC Budget  
Jennifer Van Dyck, Elevator Action Group  
Jason Anthony, LIRR Accessibility Task Force  
Aleta Dupree, private citizen\*  
Rhonda Hudson, private citizen\*  
Khalia Hayslett, private citizen\*  
Kathleen Collins, Disabled In Action  
Monique Johnson, Disabled In Action  
Lisa Daglian, Executive Director, PCAC  
Cameron Best, private citizen  
Joe Rappaport, Executive Director, Brooklyn Center for Independence of the Disabled (BCID)

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

Chair Lieber thanked all public speakers for their comments.

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

## **2. CHAIR LIEBER'S REMARKS.**

Chair Lieber thanked the public for their attendance and welcomed everyone to the May Board meeting.

Chair Lieber highlighted some MTA priorities:

- Restoring ridership allowing the city and the region to recover.
- Delivering frequent and reliable service to customers.
- Addressing safety in the transit system.

The Chair reported that efforts to increase ridership have resulted in consistent weekday subway ridership, reaching 4 million, supporting the City's return to office surge that has reached 80% of pre-COVID levels. Off-hour and weekend ridership on both subways and buses continues to be strong thanks in part to major increases in service in the past 18 months.

LIRR ridership increased almost 19% in April over the prior year, setting a new post-COVID record on May 14th—more than 260,000 customers. Last month was the highest monthly ridership since the opening of the Grand Central Madison terminal.

Metro-North ridership increased 18% from April 2023, setting two new post-COVID records during the week of May 6<sup>th</sup>, with continued growth.

Paratransit has seen the most growth, fueled by record customer satisfaction. Ridership is 20% higher than last year, with 40,000 daily customers.

Chair Lieber noted that the MTA Paratransit operation has almost as many customers, on a daily basis, as the entire Miami transit system and four times as many as Cleveland's RTA, making the paratransit system in New York a major transit operation by national standards.

With respect to service reliability, Chair Lieber highlighted some high-performance metrics:

- Buses: 96.4% service delivery—the highest in more than a year.
- Subways: 82% overall on-time performance in April.
- Metro-North: 98.7% on-time performance year-to-date.
- LIRR: 96.8% on-time performance, setting new records.

Chair Lieber reported, as noted by Chief Kemper on Monday, that crime in transit has decreased by 23% year over year. The Chair noted that transit crime accounts for just 2% of overall NYC crime but appears to get 72% of the coverage, and with the advent of cell phone cameras and the internet there will be high-profile incidents that will have an impact on riders' perception of safety. Chair Lieber stated that the attention given to subway crime is also a reminder of how important mass transit is to the city, and continued collaboration with NYPD is crucial to maintaining and improving safety perceptions.

Chair Lieber recapped some key achievements presented at the committee meetings on Monday:

- The successful implementation of the OMNY contactless fare payment system, avoiding major delays and costs.
- Real estate development projects, including the model projects in Westchester and Long Island, the One Vanderbilt project and various improvements around Grand Central Madison, efforts that demonstrate MTA's increasing commercial sophistication.

Chair Lieber noted presentations scheduled for today's meeting:

- On-Demand/E-Hail Phase 3 Program update, presented by Rachel Cohen, Director, Chief Accessibility Officer; and
- Fare and Toll Evasion Pilot Initiative, presented by Franck Joseph, Chief of Staff and Organizational Strategy, NYCT Subways, and Chantel Cabrera, Senior Director, Subways Coordination & Solutions, NYCT.

Chair Lieber acknowledged that today is the last Board meeting for MTA Auditor General Michele Woods, who is retiring after 30 years, and he announced the appointment of Monica Murray, as the new MTA Auditor General.

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.

**3. ON-DEMAND/E-HAIL PHASE 3 PROGRAM UPDATE.**

Rachel Cohen, Director, Chief Accessibility Officer, provided an update on the E-Hail/On-Demand Program and initiatives. Quemuel Arroyo, Chief Accessibility Officer, provided additional information relating to Paratransit and the On-Demand/E-Hail Program.

Refer to the video recording of the meeting produced by the MTA and maintained in MTA records for the details of Rachel Cohen's and Quemuel Arroyo's presentations, Chair Lieber's remarks and Board Members' questions and discussion.

**4. FARE AND TOLL EVASION PILOT INITIATIVE.**

Shanifah Rieara, Senior Advisor for Communications and Policy/Chief Customer Officer, introduced a video on fare and toll evasion initiatives.

Franck Joseph, Chief of Staff and Organizational Strategy, NYCT Subways, and Chantel Cabrera, Senior Director, Subways Coordination & Solutions, NYCT, briefed the Board on fare and toll evasion initiatives, enforcement, and solutions.

President Jamie Torres-Springer discussed long-term solutions and MTA C&D's efforts to combat fare and toll evasion.

Refer to the video recording of the meeting produced by the MTA and maintained in MTA records for the details of Franck Joseph's, Chantel Cabrera's and President Jamie Torres-Springer's presentations, and Chair Lieber's remarks and Board Members' questions 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 April 30, 2024.

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

**6. E-HAIL PROGRAM PHASE 3.**

Upon motion duly made and seconded, the Board approved:

Phase 3 of the E-Hail pilot program, scheduled to begin on July 1, 2024, with the transition of current Phase 2 customers to one of the two Phase 3 programs.

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

**7. TRIBOROUGH BRIDGE AND TUNNEL AUTHORITY.**

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

**8. JOINT CAPITAL PROGRAM, NEW YORK CITY TRANSIT, LONG ISLAND RAIL ROAD/METRO-NORTH RAILROAD COMMITTEE.**

Chair Lieber reported that he convened a joint meeting of the Capital Program, New York City Transit, Long Island Rail Road, and Metro North Railroad committees. The special joint committee of the whole reported that there were three procurement actions.

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

- 1) The modification of a contract with Cubic Transportation Systems Inc. for a credit of \$36 million.
- 2) The award of a non-competitive miscellaneous service contract in the amount of \$97 million to Masabi, LLC to continue administering the Mobile Ticketing Program for LIRR and Metro-North for a term of 7 years with one 5-year option.
- 3) The award of a non-competitive miscellaneous service contract in the amount of \$134 million to Scheidt & Bachmann USA for a term of 5.5 years with two 5-year options to replace and upgrade the fare collection solution for LIRR and Metro-North.

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

## 9. AUDIT COMMITTEE.

Board Member Jamey Barbas reported that there were two items for Board approval.

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

1. MTA 2023 Year-End Financial Statements
2. Investment Compliance Report

Refer to the Audit Committee meeting minutes of this date for the details of these items.

## 10. MTA COMMITTEE ON FINANCE.

### A. Action Items.

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

1. Grand Central Madison Passenger Facilities. MTA C&D, on behalf of the MTA Grand Central Madison Operating Company (“GCMC”), approved the award of a contract to George S. Hall, a publicly advertised and competitively solicited contract, for the operation and maintenance of the new Grand Central Madison Terminal and related facility assets in Manhattan and Queens, in the amount of \$420,588,215.48 for a duration of five years. The contract includes two 3-year extension options for an additional sum to be established in accordance with the contract terms, which can be exercised at GCMC’s sole discretion.
2. MTA 2024 Temporary Fare Promotions. Approved the launch of the temporary fare pilot promotions to (1) encourage more customers from Orange and Rockland Counties to take Metro-North Railroad services on the Harlem and Hudson Lines and to encourage discretionary ridership to and from Orange and Rockland Counties on Saturdays over the summer; and (2) to launch a temporary fare pilot program to encourage more discretionary travel on Saturdays during the summer on Metro-North Railroad and Long Island Rail Road.
3. Refunding of Build America Bonds. Approved the refunding of all or a portion of outstanding Build America Bonds and tax-exempt debt at the discretion of the Chief Financial Officer.
4. 2023 Annual Investment Report. Approved the submission of the 2023 Annual Investment Report, pursuant to Public Authorities Law §2925, and approved the revised MTA All-Agency Investment Guidelines.

B. Information Item.

1. 2023-2024 Station Maintenance Billing. The Board was advised of the submission of the station maintenance billings to New York City and the counties for the period of April 1, 2023 to March 31, 2024.

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.

**Administrative Action Item**

**Metro-North Railroad**

1. Approval of Determination and Findings, under the Eminent Domain Procedure Law, related to the acquisition of property interest for the Metro-North Claremont Substation Project, Bronx, N.Y.

**Transactional Action Items**

**Metropolitan Transportation Authority**

2. Lease agreement with Gotham Market Bites Corporation for the operation of a gourmet food retail store at 2 Broadway, New York, N.Y.
3. Amendment to license agreements with Compass Group USA, Inc. for the installation, operation, repair, replacement and maintenance of vending machines/micro-market concepts throughout the MTA system.

**Metro-North Railroad**

4. Permanent easement with the Tarrytown Municipal Housing Authority for vehicle parking adjacent to MNR's Tarrytown Station (portion of Section 1.70, Block 29, Lot 35 containing approximately 2,584 square feet), Tarrytown, N.Y.

**11. FIRST MUTUAL TRANSPORTATION ASSURANCE COMPANY (FMTAC).**

This meeting served as FMTAC's annual Board meeting. The Board was provided information concerning FMTAC's 2023 activities and operations.

**12. ADJOURNMENT.**

Upon motion duly made and seconded, the Board voted to adjourn the meeting at 11:24 a.m.

Respectfully submitted,

---

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

---

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

---

Mariel A. Thompson  
Assistant Secretary  
NYCT

---

Evan Eisland  
General Counsel and Secretary  
MTA C&D

---

Paul L. Friman  
General Counsel  
and Corporate Secretary  
TBTA

---

Victoria Clement  
Assistant Secretary  
MTAHQ

## **Contracts Department**

**Evan Eisland, Executive Vice President and General Counsel**

**PROCUREMENT PACKAGE  
June 2024**

## PROCUREMENTS

The Procurement Agenda this month includes 1 action for a proposed expenditure of \$2.9 M.

# Staff Summary

<b>Subject</b> Request Authorization for Several Procurement Actions					
<b>Contracts Department</b>					
Evan Eisland, Executive Vice President and General Counsel					
<b>Board Action</b>					
Order	To	Date	Approval	Info	Other
1	Capital Program Committee	6/24/24	X		
2	Board	6/26/24	X		

<b>Date:</b> June 12, 2024			
<b>Internal Approvals</b>			
	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 one procurement action and to inform the Capital Program Committee of this action.

## Discussion

MTA Construction & Development proposes to award the following action:

<u>Schedules Requiring Majority Vote</u>	<u># of Actions</u>	<u>\$</u>	<u>Amount</u>
K. Ratification of Completed Procurement Actions	1	\$	2,910,000
	<b>SUBTOTAL</b>	1	\$ 2,910,000
	<b>TOTAL</b>	<b>1</b>	<b>\$ 2,910,000</b>

## Budget Impact

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

## Recommendation

That the procurement action be approved as proposed. (The item is 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.

June 2024

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)

- |    |                                    |              |                               |
|----|------------------------------------|--------------|-------------------------------|
| 1. | LK Comstock<br>Contract No. P36721 | \$ 2,910,000 | <u>Staff Summary Attached</u> |
|----|------------------------------------|--------------|-------------------------------|

MTA Construction and Development requests that the Board ratify a modification for the replacement of the transformer and rectifier at the 62<sup>nd</sup> Road Substation.

# Staff Summary

## Schedule K: Ratification of Completed Procurement Actions

Item Number: 1

<b>Vendor Name (&amp; Location)</b> LK Comstock (Brooklyn, NY)
<b>Description</b> High Tension Component Bundle
<b>Contract Term (including Options, if any)</b> July 3, 2023 – July 2, 2025
<b>Option(s) included in Total Amount?</b> <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> n/a
<b>Procurement Type</b> <input type="checkbox"/> Competitive <input type="checkbox"/> Non-competitive
<b>Solicitation Type</b> <input type="checkbox"/> RFP <input type="checkbox"/> Bid <input checked="" type="checkbox"/> Other: Modification
<b>Funding Source</b> <input type="checkbox"/> Operating <input checked="" type="checkbox"/> Capital <input checked="" type="checkbox"/> Federal <input type="checkbox"/> Other:
<b>Requesting Dept/Div &amp; Dept/Div Head Name:</b> Delivery, Mark Roche, Deputy Chief Development Officer

<b>Contract Number</b> P36721	<b>AWO/Modification #</b> 12
<b>Original Amount:</b>	\$ 32,469,000
<b>Prior Modifications:</b>	\$ 1,300,629
<b>Prior Budgetary Increases:</b>	\$ 0
<b>Current Amount:</b>	\$ 33,769,629
<b>This Request:</b>	\$ <b>2,910,000</b>
<b>% of This Request to Current Amount:</b>	8.6%
<b>% of Modifications (including This Request) to Original Amount:</b>	13%

### Discussion:

This Contract provides for the rehabilitation of eight New York City Transit traction power substations in the Boroughs of Manhattan, Queens and the Bronx. MTA Construction and Development (“C&D”) requests that the Board ratify Modification No. 12, which provides for the replacement of the transformer and rectifier at the 62<sup>nd</sup> Road Substation in Queens.

This Contract provides for the replacement of high-tension switchgears in six of the eight substations being rehabilitated. To ensure that sufficient third rail power is always maintained during the performance of this work, adjacent substations must remain online.

The 62<sup>nd</sup> Road Substation is adjacent to two of the substations being rehabilitated and, therefore, must remain online during the work. This substation is currently offline because a transformer was damaged by a water leak, necessitating the replacement of the transformer. In order to fit the replacement transformer into the available space (the original transformer model is no longer available), the adjacent rectifier also needed to be replaced with smaller model. This modification provides for the removal and disposal of the existing rectifier and transformer and the installation of one 3000KW rectifier and one 27KV transformer. This work includes excavation and restoration of the 62<sup>nd</sup> Street roadway, electrical work to connect and energize the new equipment, environmental testing and equipment commissioning. In addition, an underground access hatch will be replaced to prevent future water leaks that could damage the new equipment.

In order to mitigate delays, authorization was obtained from the President of MTA C&D on April 22, 2024, for the Contractor to procure the equipment which had a lead time of approximately four months.

The Contractor submitted an initial cost proposal in the amount of \$4,329,401.40. Negotiations were held and agreement was reached on a total cost of \$2,910,000, which is considered fair and reasonable. This modification also includes a reservation of the parties’ rights regarding Excusable and Compensable Delay because the lead time for obtaining equipment and the need for cooperation from Con Ed for various aspects of the installation and commissioning of the equipment may cause delays that cannot be assessed at this time.



## **Metro-North Railroad Procurements**

**Omar Messado**, Assistant Deputy Chief Procurement Officer – MTA Office of the Chief Procurement Officer

## PROCUREMENTS

The Procurement Agenda this month includes 1 action for a proposed estimated expenditure of \$8.5M.

<b>Subject</b>	Request for Authorization to Award Various Procurements				
<b>Department</b>	MTA Procurement				
<b>Department Head Name</b>	Lisette Camilo				
<b>Department Head Signature</b>					
<b>Project Manager Name</b>	Rose Davis				
<b>Board Action</b>					
<b>Order</b>	<b>To</b>	<b>Date</b>	<b>Approval</b>	<b>Info</b>	<b>Other</b>
1	Committee	6/24/24			
2	Board	6/26/24			

June 20, 2024			
<b>Department</b>			
<b>Department Head Name</b>			
<b>Department Head Signature</b>			
<b>Internal Approvals</b>			
	<b>Approval</b>		<b>Approval</b>
	President		<i>CAR</i>
	SVP Operations Support		
	VP & General Counsel		Haley Stein HS
			Sofia Hubscher SH

<b>Internal Approvals (cont.)</b>							
<b>Order</b>	<b>Approval</b>	<b>Order</b>	<b>Approval</b>	<b>Order</b>	<b>Approval</b>	<b>Order</b>	<b>Approval</b>

**PURPOSE**

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

**DISCUSSION**

**Metro-North proposes to award Noncompetitive procurements in the following categories:**

Procurements Requiring Two Thirds Vote:	# of Actions	\$ Amount
Schedule A: Noncompetitive Purchases and Public Work Contracts	1	\$ 8.5 M
<b>SUBTOTAL</b>	<b>1</b>	<b>\$ 8.5 M</b>

**Metro-North proposes to award Competitive procurements in the following categories: None**

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

<b>TOTAL</b>	<b>1</b>	<b>\$ 8.5 M</b>
--------------	----------	-----------------

**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.

JUNE 2024

LIST OF NONCOMPETITIVE ITEMS FOR BOARD APPROVAL

*Procurements Requiring Two-Thirds Vote:*

**A. Noncompetitive Purchases and Public Work Contracts**

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

1. **Loram Maintenance of Way, Inc.**                      **\$8,449,068 (est.)**                      *Staff Summary Attached*  
**Three-year base w/ two 1-year Options**  
**Contract # 211929**

Award of a contract for contract for a Continuous Work Platform.

**Schedule A: Noncompetitive Purchases and Public Work Contracts**

**Item Number: 1**

<b>Vendor Name (Location)</b> Loram Maintenance of Way, Inc. (Hamel, Minnesota)	<b>Contract Number</b> 211929	<b>Renewal?</b> <input checked="" type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<b>Description</b> Continuous Work Platform Services	<b>Total Amount:</b> <b>\$8,449,068</b> (estimated) Three-Year Base = \$4,884,266 Two 1-Year Options = \$3,564,802	
<b>Contract Term (including Options, if any):</b> Three Years with two 1-year options	<b>Funding Source</b> <input checked="" type="checkbox"/> Operating <input type="checkbox"/> Capital <input type="checkbox"/> Federal <input checked="" type="checkbox"/> Other: CTDOT	
<b>Option(s) included in Total Amount?</b> <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> n/a	<b>Requesting Department</b> Maintenance of Way: Michael Loney, Vice President	
<b>Procurement Type</b> <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Noncompetitive		
<b>Solicitation Type</b> <input type="checkbox"/> RFP <input checked="" type="checkbox"/> Bid <input type="checkbox"/> Other:		

**Discussion:**

Metro-North Railroad (“MNR”) requests Board approval to award a three-year noncompetitive public work contract for a Continuous Work Platform (“CWP”) to Loram Maintenance of Way, Inc. (“Loram”) in the estimated quantity amount of \$8,449,068. The Board is also requested to authorize the MNR Assistant Deputy Chief Procurement Officer to approve the exercise of two 1-year options in the amount of \$3,564,802, pending the approval of funding in 2027.

The CWP is a self-propelled mobile platform consisting of eight gondola cars capable of quickly and efficiently performing a variety of wayside track maintenance activities, including heavy digging, rail and tie pickup, tie distribution and the placement of riprap. It is also equipped with an on-board excavator and has a total storage capacity of 350 tons. Material can be loaded throughout the full length of the CWP, thereby eliminating the need to switch out cars.

Loram’s CWP will be primarily used to perform work in MNR’s operating territory in the State of Connecticut, while the MNR-owned CWP will continue to be used to perform work in New York. The contractor is responsible for providing the CWP, labor, materials, tools, and maintenance necessary to perform the services April through October, based on a 10-hour/50-hour work week along MNR’s operating territory. The CWP will also be used to respond to emergency conditions as a result of inclement weather conditions.

In accordance with MTA Procurement Guidelines, an advertisement for the above-referenced services was publicly advertised in the *New York Post*, *New York State Contract Reporter*, *Daily Challenge*, and posted on the MTA website. Eighteen industry contractors received the Invitation for Bid documents. On December 8, 2023, a single bid was received from Loram.

Loram’s bid indicated the firm’s ability to perform the work. However, Loram took exception to several terms and conditions of the contract including cybersecurity requirements and its bid was therefore determined to be non-responsive. As there were no other viable options for the required service, MNR elected to negotiate with Loram. As such, MTA Board approval is being sought in accordance with the MTA All-Agency General Procurement Guidelines and Sections 1209 and 1265-a of the Public Authorities Law.

Loram submitted its Year 1 pricing with fixed rates totaling \$1,569,308. The MTA reviewed and evaluated the pricing to determine cost reasonableness against historical data (2017–2023 previous contract award) and the Consumer Price Index (“CPI”). Based on the aforementioned, the pricing submitted by Loram is considered to be fair and reasonable. All rates for the subsequent years will be adjusted in accordance with the CPI.

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

## Schedule A: Noncompetitive Purchases and Public Work Contracts

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

### **M/W/DBE Information**

The MTA Department of Diversity and Civil Rights has set zero percent MWBE/SDVOB goals on this contract due to the lack of subcontracting opportunities and MWBE/SDVOB firms in the marketplace. Loram Maintenance of Way, Inc. has not recently completed any MTA contracts with goals; therefore, no assessment of the performance is available at this time.

### **Impact on Funding**

This project will be funded by MNR's Operating budget and the Connecticut Department of Transportation ("CTDOT"). CTDOT will reimburse MNR 75 percent of the cost of the CWP service.

### **Alternatives**

None. MNR does not have the additional resources to provide these services.



# Long Island Rail Road Procurements

Jacqueline Waddell, Acting Assistant Deputy Chief Procurement Officer – LIRR Procurement

## PROCUREMENTS

The Procurement Agenda this month includes 1 action for a proposed estimated expenditure of \$44.6M.

<b>Subject</b> Request for Authorization to Award Various Procurements					
<b>Department</b> LIRR Procurement					
<b>Department Head Name</b> Jacqueline Waddell					
<b>Department Head Signature</b>					
<b>Project Manager Name</b> Rose Davis					
<b>Board Action</b>					
<b>Order</b>	<b>To</b>	<b>Date</b>	<b>Approval</b>	<b>Info</b>	<b>Other</b>
1	Committee	06/24/24			
2	Board	06/26/24			

June 20, 2024			
<b>Department</b>			
<b>Department Head Name</b>			
<b>Department Head Signature</b>			
<b>Internal Approvals</b>			
	<b>Approval</b>		<b>Approval</b>
1	VP – Maintenance of Way <i>Been 6/20/24</i>	2	LIRR General Counsel & Secretary <i>AS</i>
3	President <i>J.H.H.</i>		

<b>Internal Approvals (cont.)</b>							
<b>Order</b>	<b>Approval</b>	<b>Order</b>	<b>Approval</b>	<b>Order</b>	<b>Approval</b>	<b>Order</b>	<b>Approval</b>

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

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

<u>Procurements Requiring Two-Thirds Vote:</u>	<u># of Actions</u>	<u>\$ Amount</u>
Schedule A: Noncompetitive Purchases and Public Work Contracts		\$ 44.6 M
<b>SUBTOTAL</b>		<b>\$ 44.6 M</b>

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

**LIRR proposes to award Ratifications in the following categories: None**

<b>TOTAL</b>	<b>\$ 44.6 M</b>
--------------	------------------

**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.

**JUNE 2024**

**LIST OF NONCOMPETITIVE ITEMS FOR BOARD APPROVAL**

***Procurements Requiring Two-Thirds Vote:***

**A. Noncompetitive Purchases and Public Work Contracts**

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

1. **Loram Maintenance of Way, Inc.**                      \$44,567,430 (est.)  
**5-Years (3-year base + two 1-year Options)**  
**Contract # 439941**

*Staff Summary Attached*

Award of a contract for Rail Vacuum Services.

Item Number: 1

<b>Vendor Name (Location)</b> Loram Maintenance of Way, Inc (Hamel, Minnesota)
<b>Description</b> Joint-Agency Rail Vacuum Services (LIRR / MNR)
<b>Contract Term (including Options, if any)</b> 5-Years (3-year base + two 1-year Options)
<b>Option(s) included in Total Amount?</b> <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
<b>Procurement Type</b> <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Noncompetitive
<b>Solicitation Type</b> <input type="checkbox"/> RFP <input checked="" type="checkbox"/> Bid <input type="checkbox"/> Other:

<b>Contact Number</b> 439941	<b>Renewal?</b> <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
<b>Total Amount:</b> \$44,567,430 (estimate)  Three-Year Base = \$26,740,458 Two 1-Year Options = \$17,826,972	
<b>Funding Source</b> <input type="checkbox"/> Operating <input checked="" type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:	
<b>Requesting Department:</b> Engineering Maintenance of Way, Paul Dietlin	
<b>Contract Manager:</b> Procurement & Logistics, Jacqueline Waddell	

**Discussion:**

Long Island Rail Road (“LIRR”), on behalf of itself and Metro-North Railroad (“MNR”), collectively (the “Railroads”) seeks MTA Board approval to award a public work contract to Loram Maintenance of Way, Inc. (“Loram”) for Rail Vacuum Services. This contract is for a three-year base term with two 1-year options. This procurement was competitively solicited through an Invitation for Bids (“IFB”) process. Loram will provide Rail Vacuum services, equipment, personnel at various points along the agencies’ rights-of-way in the estimated quantity amount of \$44,567,430 (three-year base, \$26,740,458 + two 1-year Options, \$17,826,972). The Board is also requested to authorize the LIRR Assistant Deputy Chief Procurement Officer to approve the exercise of two 1-year options in the amount of \$17,826,972, pending the approval of funding in 2027.

Rail vacuum services are needed by the Railroads to excavate ballast, mud, debris, and other materials along the railway. Under this contract, Loram will provide self-propelled specialty excavating and material handling equipment to systematically remove a variety of materials from various locations in electrified territory, both catenary and third rail, without interference with electric operations. Additionally, the rail vacuum will remove ballast and other materials as directed by the Railroads. Loram is required to furnish all operating and supervisory personnel, equipment, material, machinery, vehicles, and transportation necessary to perform the work.

The IFB was publicly advertised in the *New York State Contract Reporter*, the *New York Daily News*, and posted on the MTA website. The IFB was also sent directly to a list of firms known to perform this type of work in the industry, including Harsco Rail, Plasser American Corp, and Loram Maintenance of Way, Inc.

On December 1, 2023, a single bid was received from Loram. “No Bid Responses” were received from the other firms, indicating that they did not have the manpower and the rail-bound equipment capable of meeting all technical requirements.

Loram’s bid indicated its ability to perform the work. However, Loram took exception to several terms and conditions of the contract, including cybersecurity requirements, and was determined to be non-responsive. LIRR chose to negotiate the procurement as there were no other viable options to having these required services provided for the Railroads. As such, MTA Board approval is being sought in accordance with the MTA All-Agency General Procurement Contract Guidelines and Sections 1265-a and 1209 of the Public Authorities Law.

Loram submitted its Year 1 fixed rate of \$8,913,486. The MTA reviewed and evaluated the pricing to determine cost reasonableness against historical data (2021–2023 previous contract awards) and the Consumer Price Index (“CPI”). An internal price analysis determined the rate to be in line with the CPI. Based on the aforementioned, the pricing submitted by Loram is considered to be fair and reasonable. All rates for the subsequent years will be adjusted in accordance with the CPI.

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.

**M/W/DBE Information**

The MTA Department of Diversity and Civil Rights (“DDCR”) has established a zero percent DBE goal for this contract. Loram 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.

**Alternatives**

None. The Railroads do not have the in-house expertise or resources to perform the services associated with this contract.

**Recommendations**

It is recommended that the MTA Board approve the award of Contract 439941 for Rail Vacuum Services to Loram in the amount of \$44,567,430.

# New York City Transit Procurements

**Louis Montanti**, MTA Deputy Chief Procurement Officer – Procurement Operations

## PROCUREMENTS

The Procurement Agenda this month includes 7 actions for a proposed estimated expenditure of \$335.9M.

<b>Subject</b>	Request for Authorization to Award Various Procurements				
<b>Department</b>	MTA Procurement				
<b>Department Head Name</b>	Lisette Camilo				
<b>Department Head Signature</b>	<i>Lisette Camilo</i>				
<b>Project Manager Name</b>	Rose Davis				
<b>Board Action</b>					
<b>Order</b>	<b>To</b>	<b>Date</b>	<b>Approval</b>	<b>Info</b>	<b>Other</b>
1	Committee	06/24/24			
2	Board	06/26/24			

June 21, 2024			
<b>Department</b>			
<b>Department Head Name</b>			
<b>Department Head Signature</b>			
<b>Internal Approvals</b>			
	<b>Approval</b>		<b>Approval</b>
	President NYCT	X	Pres. MTA Bus/SVP DOB
	Deputy CFO	X	SVP Subways
X	Law	X	Diversity/Civil Rights

<b>Internal Approvals (cont.)</b>							
<b>Order</b>	<b>Approval</b>	<b>Order</b>	<b>Approval</b>	<b>Order</b>	<b>Approval</b>	<b>Order</b>	<b>Approval</b>

**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:**  
Schedules Requiring Majority Vote:

	<u># of Actions</u>	<u>\$Amount</u>
Schedule G: Miscellaneous Service Contracts	2	\$ 18.1M
Schedule H: Modifications to Personal/Miscellaneous Service Contracts	1	\$ 7.4M
<b>SUBTOTAL</b>	<b>3</b>	<b>\$ 25.5M</b>

**NYC Transit proposes to award Competitive procurements in the following categories:**  
Schedules Requiring Majority Vote:

	<u># of Actions</u>	<u>\$Amount</u>
Schedule H: Modifications to Personal/Miscellaneous Service Contracts	4	\$ 310.4 M
<b>SUBTOTAL</b>	<b>4</b>	<b>\$ 310.4 M</b>

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

<b>TOTAL</b>	<b>7</b>	<b>\$ 335.9 M</b>
--------------	----------	-------------------

**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.

**JUNE 2024**

**LIST OF NONCOMPETITIVE PROCUREMENTS FOR BOARD APPROVAL**

**Procurements Requiring Majority Vote:**

**G. Miscellaneous Service Contracts**

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

1. **Clever Devices Ltd.** **\$4,524,799** *Staff Summary Attached*  
**Three-year base + two 5-year Options**  
**Contract# 451033**  
Award of a contract for the provision of maintenance and support services related to Digital Information Screen Systems installed on buses.
  
2. **Vianova Technologies GmbH** **\$13,554,242** *Staff Summary Attached*  
**Three-year base + five 2-year Options**  
**Contract# 451036**  
Award of a contract for the provision of maintenance and support services related to Digital Information Screen Systems installed on buses.

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

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

3. **Turtle & Hughes, Inc.** **\$7,380,000** *Staff Summary Attached*  
**Five years**  
**Contract# 6%24218.2**  
Contract for Sag Corrector Technical Support and Repair Services; Modification to exercise Options 1 and 2 to add additional five-year maintenance periods.

## Schedule G: Miscellaneous Service Contracts



Item Number:

<b>Vendor Name (Location)</b> Clever Devices Ltd (Woodbury, New York)	<b>Contract Number</b> 451033	<b>Renewal?</b> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<b>Description</b> Digital Information Screens Maintenance Service	<b>Total Estimated Amount:</b> <b>\$4,524,799 (Base + Options)</b>	
<b>Contract Term (including Options, if any):</b> <b>Thirteen Years</b> (Three-year base + five 2-year options)	Base Contract: \$1,789,018 Options: \$2,735,781	
<b>Option(s) included in Total Amount?</b> <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> n/a	<b>Funding Source</b> <input checked="" type="checkbox"/> Operating <input type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:	
<b>Procurement Type</b> <input type="checkbox"/> Competitive <input checked="" type="checkbox"/> Noncompetitive	<b>Requesting Department:</b> Department of Buses, Frank Annicaro	
<b>Solicitation Type</b> <input type="checkbox"/> RFP <input type="checkbox"/> Bid <input checked="" type="checkbox"/> Other: Sole-Source		

### Discussion:

NYC Transit requests that the Board waive formal competitive bidding due to the existence of a single responsible source and approve the award of a three-year miscellaneous service contract to Clever Devices Ltd (“Clever”) for the provision of maintenance and support services related to Digital Information Screen (“DIS”) Systems installed on buses. The base award will be in the total estimated amount of \$1,789,018. The Board is also requested to authorize the MTA Senior Director, Procurement Operations to approve the exercise of up to five 2-year option periods in the total estimated amount of \$2,735,781.

This contract will allow for the provision of maintenance and support services for Clever. The DIS System is designed to enhance the customer experience on buses by providing audio/visual route and next stop information, planned and unplanned service advisories, as well as geographic specific advertising on screens throughout the bus. As of May 2024, there are currently 4,568 buses with DIS Systems: 3,860 from Vianova Technologies GmbH (“Vianova”), 619 from Clever, and 89 from Luminator Technology Group (“Luminator”).

NYC Transit Department of Buses (“DOB”) conducted extensive research into DIS technologies. A Request for Information was advertised in October 2015 resulting in three test and evaluation contracts being awarded to Vianova, Strategic Mapping Inc. (“Strategic”), and Clever in 2016 for the installation of DIS systems on a total of 200 buses. These test and evaluation contracts: (1) allowed for each vendor’s DIS system to be evaluated to ensure it worked in the NYC Transit operating environment; (2) qualified Vianova, Strategic, and Clever for future new-bus procurements; (3) fostered competition; and (4) allowed DOB to develop a comprehensive specification for use in this procurement. Having deemed all three test and evaluations a success, DOB began including DIS on new bus procurements as well as retrofitting existing buses. It should be noted that Strategic has been removed as a qualified vendor, and DOB has added 89 systems from Luminator in order to test its DIS system.

As the Original Equipment Manufacturer warranties have begun to expire, this contract is required to ensure the continued operation of the Clever DIS Systems installed on the MTA’s bus fleet. It should be noted that Clever is the sole manufacturer of its DIS hardware and software and Clever does not have any authorized agents to provide the required items and services.

Clever submitted its initial proposal in the total estimated amount of \$4,591,562 (\$1,855,781 base and \$2,735,781 for options). Clever’s pricing included a daily DIS maintenance rate to provide hardware and software maintenance for DIS-equipped buses and hardware/labor pricing for non-warranty repairs. Negotiations were conducted with Clever, the Cost Price Analysis Unit (“CPAU”) and Procurement. Negotiations focused on Clever’s DIS maintenance pricing which averaged \$1.82/bus/day for the base term and \$1.96/bus/day for the first option term (2027–2028). Beginning in 2029, Clever’s DIS maintenance price drops to an average of \$1.09/bus/day as it transitions to a “Fix as Fail” approach; Clever will continue to provide maintenance for its DIS systems but due to an expected obsolescence of the current screens, pricing for screen replacement is unavailable at the current time.

Subsequent to negotiations, Clever provided a unilateral price concession by providing a 15 percent discount on spare parts pricing as well as reducing labor hours for professional service rates. Clever’s final proposal in the total estimated amount of \$4,524,799 (\$1,789,018 for the base and \$2,735,781 for the options) represents savings of \$66,763 or 3.6 percent from its initial proposal for the base. There are no projected savings during option years due to uncertainty with the screens. Through negotiations, the Cost-Price Analysis Unit found Clever’s pricing fair and reasonable.

## Schedule G: Miscellaneous Service Contracts



The NYC Transit Controller's Office performed a financial review of Clever and determined that it is financially qualified to perform the work of the contract.

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

The contract awarded to Clever resulting from this procurement was evaluated to determine the necessity and appropriate scope, if any, of cybersecurity requirements, including any requirements under federal, state, and local law and regulations. Cybersecurity language as agreed to by Clever and the Authority has been included in the contract terms and conditions.

### **M/W/DBE Information**

The MTA Department of Diversity and Civil Rights has established zero percent M/WBE and zero percent SDVOB goals on this contract due to the lack of subcontracting availability.

### **Impact on Funding**

These contracts will be funded with 100 percent MTA Operating funds.

### **Recommendation**

It is recommended that the Board waive formal competitive bidding due to the existence of a single responsible source and approve the award of a three-year miscellaneous service contract to Clever for the provision of maintenance and support services related to Clever DIS Systems. The base award will be in the total estimated amount of \$1,789,018. It is also recommended that the Board authorize the MTA Senior Director, Procurement Operations to approve the exercise of up to five 2-year option periods in the total estimated amount of \$2,735,781.

Item Number:

<b>Vendor Name (Location)</b> Vianova Technologies GmbH (Kaufbeuren, Germany)	<b>Contract Number</b> 451036	<b>Renewal?</b> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<b>Description</b> Digital Information Screen Maintenance	<b>Total Estimated Amount:</b> <b>\$13,554,242 (Base + Options)</b>	
<b>Contract Term (including Options, if any):</b> Thirteen Years (Three-year base + five 2-year options)	Base Contract: \$4,259,298 Options: \$9,294,944	
<b>Option(s) included in Total Amount?</b> <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> n/a	<b>Funding Source</b> <input checked="" type="checkbox"/> Operating <input type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:	
<b>Procurement Type</b> <input type="checkbox"/> Competitive <input checked="" type="checkbox"/> Noncompetitive	<b>Requesting Department:</b> Department of Buses, Frank Annicaro	
<b>Solicitation Type</b> <input type="checkbox"/> RFP <input type="checkbox"/> Bid <input checked="" type="checkbox"/> Other: Sole-Source		

**Discussion:**

NYC Transit requests that the Board waive formal competitive bidding due to the existence of a single responsible source and approve the award of a three-year miscellaneous service contract to Vianova Technologies GmbH (“Vianova”) for the provision of maintenance and support services related to Digital Information Screen (“DIS”) Systems installed on buses. The base award will be in the total estimated amount of \$4,259,298. The Board is also requested to authorize the MTA Senior Director, Procurement Operations to approve the exercise of up to five 2-year option periods in the total estimated amount of \$9,294,944.

This contract will allow for the provision of maintenance and support services for DIS Systems provided by Vianova. The DIS System is designed to enhance the customer experience on buses by providing audio/visual route and next stop information, planned and unplanned service advisories, as well as geographic specific advertising on screens throughout the bus. As of May 2024, there are currently 4,568 buses with DIS Systems: 3,860 from Vianova, 619 from Clever, and 89 from Luminator Technology Group (“Luminator”).

NYC Transit Department of Buses (“DOB”) has conducted extensive research into DIS technologies. A Request for Information was advertised in October 2015, resulting in three test and evaluation contracts being awarded in 2016 to Vianova, Strategic Mapping Inc. (“Strategic”), and Clever for the installation of DIS systems on a total of 200 buses. These test and evaluation contracts: (1) allowed for each vendor’s DIS system to be evaluated to ensure it worked in the NYC Transit operating environment, (2) qualified Vianova, Strategic, and Clever for future new-bus procurements, (3) fostered competition, and (4) allowed DOB to develop a comprehensive specification for use in this procurement. Having deemed all three test and evaluations a success, DOB began including DIS systems on new bus procurements as well as retrofitting existing buses. It should be noted that Strategic has been removed as a qualified vendor and DOB has added 89 systems from Luminator in order to test its DIS system.

As the Original Equipment Manufacturer warranty has begun to expire on these systems, this contract is required to ensure the continued operation of the Vianova DIS Systems installed on the MTA’s bus fleet. It should be noted that Vianova is the sole manufacturer of its DIS hardware and software, and Vianova does not have any authorized agents to provide the required items and services.

Vianova submitted its initial proposal in the total estimated amount of \$14,368,302 (\$4,492,424 base and \$9,875,878 options), which included a daily DIS maintenance rate to provide hardware and software maintenance for DIS system-equipped buses and hardware/labor pricing for non-warranty repairs. Negotiations were conducted with Vianova, the Cost Price Analysis Unit (“CPAU”), and Procurement. Negotiations focused on Vianova’s DIS maintenance price of \$1.70/bus/day which it agreed to hold for the entire contract period including all option periods (13 years total). Subsequent to negotiations, Vianova provided a unilateral price concession, bringing its price for DIS maintenance to \$1.60/bus/day for the entire contract including all option periods. Vianova’s final proposal in the total estimated amount of \$13,554,242 (\$4,259,298 for the base and \$9,294,944 for the options) represents a savings of \$233,126 or 5.2 percent from its initial proposal for the base and \$580,934 or 5.9 percent for the option periods. A total savings of \$814,060 or 5.7 percent will be achieved if all options are exercised. Through negotiations, CPAU found Vianova’s pricing fair and reasonable.

The NYC Transit Controller's Office performed a financial review of Vianova and determined that it is financially qualified to perform the work of the contract.

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

The contract awarded to Vianova resulting from this procurement was evaluated to determine the necessity and appropriate scope, if any, of cybersecurity requirements, including any requirements under federal, state, and local law and regulations. Vianova has certified compliance with the MTA's cybersecurity requirements.

**M/W/DBE Information**

The MTA Department of Diversity and Civil Rights (DDCR) has established zero percent M/WBE and zero percent SDVOB goals on this contract due to the lack of subcontracting availability.

**Impact on Funding**

These contracts will be funded with 100 percent MTA Operating funds.

**Recommendation**

It is recommended that the Board waive formal competitive bidding due to the existence of a single responsible source and approve the award of a three-year miscellaneous service contract to Vianova for the provision of maintenance and support services related to Vianova DIS Systems. The base award will be in the total estimated amount of \$4,259,298. It is also recommended that the Board authorize the MTA Senior Director, Procurement Operations to approve the exercise of up to five 2-year option periods in the total estimated amount of \$9,294,944.

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

<b>Vendor Name (Location)</b> Turtle & Hughes, Inc. (Linden, New Jersey)	
<b>Description:</b> Sag Corrector Technical Support & Repair Services	
<b>Contract Term (including Options, if any)</b> June 20, 2019–June 30, 2024	
<b>Option(s) included in Total Amount?</b> <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> n/a	
<b>Procurement Type</b> <input type="checkbox"/> Competitive <input checked="" type="checkbox"/> Noncompetitive	
<b>Solicitation Type</b> <input type="checkbox"/> RFP <input type="checkbox"/> Bid <input checked="" type="checkbox"/> Other: Sole-Source	
<b>Funding Source</b> <input checked="" type="checkbox"/> Operating <input type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:	
<b>Requesting Department:</b> NYC Transit Subways, Signals	

<b>Contract Number</b> 6%24218	<b>AWO/Mod. #</b> 2
<b>Original Amount:</b>	\$ 3,577,121
<b>Prior Modifications:</b>	\$ 0
<b>Prior Budgetary Increases:</b>	\$ 0
<b>Current Amount:</b>	\$ 3,577,121
<b>This Request:</b>	\$ 7,380,000 (estimated)
<b>% of This Request to Current Amount:</b>	206%
<b>% of Modifications (including This Request) to Original Amount:</b>	206%

**Discussion:**

NYC Transit is seeking Board approval to exercise Option 1 of the Sag Corrector Service Agreement for the Department of Subways awarded to Turtle & Hughes, Inc. (“T&H”) in order to add an additional five-year maintenance period. The estimated amount of this Option is \$3,540,000. The Board is also requested to authorize the Senior Director, Procurement Operations to approve the exercise of Option 2 in the amount of \$3,840,000 for a subsequent five-year period pending the approval of funding in 2029.

This contract addresses the continuing need to ensure a reliable and consistent supply of electrical power to the signal system. Reductions in power being supplied to the signal system in short durations are due to “sags” in supplied voltage. Sags in voltage cause signals to trip red and thus prevent the movement of trains. Specialty equipment designed to eliminate sags in voltage to the signal system were furnished and installed at 384 locations throughout NYC Transit’s subway system by Con Edison pursuant to a 2017 directive from the New York State Public Service Commission. These sag correctors were manufactured by Rockwell Automation (“Rockwell”) and were supplied by T&H as Rockwell’s sole distributor and service technician in the New York and mid-Atlantic region. T&H remains the only Rockwell-authorized service provider for troubleshooting and repair support for the equipment.

In September 2019, the Board ratified a contract award made pursuant to the declaration of an Immediate Operating Need requested by the Department of Subways and approved by the Vice President of Materiel for a Sag Corrector Service Agreement in the total estimated amount of \$3,577,121 to T&H for a period of five years funded through the Subway Action Plan. The contract included two 5-year Options: Option 1 is an additional five-year maintenance period (July 1, 2024–June 30, 2029) in the estimated amount of \$3,540,000; and Option 2 is an additional five-year maintenance period (July 1, 2029–June 30, 2034) in the estimated amount of \$3,840,000.

Under this contract, T&H shall provide (1) unlimited telephone and e-mail technical support; (2) off-site software / hardware engineering and support; (3) on-site technical support on an as-needed basis; and (4) all equipment parts, component parts supply, and warranty of all equipment parts for the duration of the contract term. T&H shall also provide training of in-house forces to perform essential maintenance and troubleshooting of the equipment. All the above are included at a firm-fixed all-inclusive monthly rate.

The pricing for these Options were negotiated and established as part of the base contract and have been found fair and reasonable.

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

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

In connection with a previous contract awarded to T&H, T&H was found to be responsible notwithstanding significant adverse information (“SAI”) pursuant to the All-Agency Responsibility Guidelines and such responsibility finding was approved by the MTA Chair & CEO in consultation with the MTA General Counsel in March 2019. No new SAI has been found relating to T&H and T&H has been found to be responsible.

**Impact on Funding**

This requirement will utilize Operating Funds available under the Subway Action Plan budget.

**JUNE 2024**

**LIST OF COMPETITIVE PROCUREMENTS FOR BOARD APPROVAL**

**Procurements Requiring Majority Vote:**

**H. Modifications to Personal Service Contracts and Miscellaneous Service Contracts Awarded as Contracts for Services**  
 (Staff Summaries required for items estimated to be greater than \$1,000,000.)

<p>4. ARRO Inc. \$0</p> <p>5. Corporate Transportation Group Ltd \$295,642,729</p> <p>6. Fejost LLC d/b/a Sentry Management Solutions \$5,981,555</p> <p>7. Bel-Linda d/b/a Islander Transportation \$8,732,804</p> <p>Five years, Options up to two years</p> <p>Contract #s 6%28441.6, 6%28439.9, 6%28440.8, 6%23299.5</p>	<p><i>Staff Summary Attached</i></p> <p>↓</p> <p>↓</p> <p>↓</p>
<p>Contract for the provision of Broker Car Service for Paratransit Access-A-Ride; modification to exercise Option years in order to add an extension period and extend the Staten Island service.</p>	

Schedule H: Modifications to Personal Service & Miscellaneous Service Contracts



Item Number: 4-7

<b>Vendor Names (Locations)</b> ARRO Inc. (New York, New York) Corporate Transportation Group Ltd. (Brooklyn, New York) Fejost LLC d/b/a Sentry Management Solutions (Bronx, New York) Bel-Linda d/b/a Islander Transportation (Staten Island, New York)	<b>Contract Numbers</b> 6%28441 6%28439 6%28440 6%23299	<b>AWO/Mod. #s</b> 6 9 8 5
<b>Description:</b>  Broker Car Service for Paratransit	<b>Original Amounts:</b> 6%28441 \$ 158,411,532 6%28439 \$ 160,806,656 6%28440 \$ 162,360,366 6%23299 \$ 10,163,549	
<b>Contract Term (including Options, if any)</b>  Five years; Options up to 2 years	<b>Prior Modifications:</b> 6%28441 \$ 5,332,719 6%28439 \$ 64,745,261 6%28440 \$ 12,431,934 6%23299 \$ 5,376,463	
<b>Option(s) included in Total Amount?</b>  <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> n/a	<b>Prior Budgetary Increases</b> 6%28441 \$ 0.00 6%28439 \$ 237,526,121 6%28440 \$ 0.00 6%23299 \$ 0.00	
<b>Procurement Type</b>  <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Noncompetitive	<b>Current Amounts:</b> 6%28441 \$ 163,744,251 6%28439 \$ 463,078,038 6%28440 \$ 174,792,300 6%23299 \$ 15,540,012	
<b>Solicitation Type</b>  <input type="checkbox"/> RFP <input type="checkbox"/> Bid <input checked="" type="checkbox"/> Other: Modification	<b>This Request:</b> (ARRO) 6%28441 \$ 0 (CTG) 6%28439 \$ 295,642,729 (Sentry) 6%28440 \$ 5,981,555 (Islander) 6%23299 \$ 8,732,804	
<b>Funding Source</b> <input checked="" type="checkbox"/> Operating <input type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:	<b>% of This Request to Current Amount:</b> 6%28441 0.00% 6%28439 63.84% 6%28440 3.42% 6%23299 56.20%	
<b>Requesting Department:</b>  Department of Paratransit, Rachel Cohen, Acting VP	<b>% of Modifications (including This Request) to Original Amount:</b> 6%28441 3.37% 6%28439 371.82% 6%28440 138.82% 6%23299 145.3%	

Discussion:

NYC Transit is seeking Board approval to exercise the Option years (August 1, 2024–July 31, 2026) of contracts 6%28441 with ARRO Inc. (“ARRO”), 6%28439 with Corporate Transportation Group Ltd. (“CTG”), and 6%28440 with Fejost, LLC d/b/a Sentry Management Solutions (“Sentry”) for the provision of Broker Car Service for Paratransit Access-A-Ride (“AAR”) service. A total estimated expenditure of \$521 million is anticipated during the option period. Therefore, funding is requested as follows: no additional funding is requested for ARRO, as the estimated expenditure for this extension period is \$47,572,977 and \$135,098,787 will be remaining in the contract on July 31, 2024; funding in the amount of \$295,642,729 is requested for CTG, as the estimated expenditure for this extension period is \$358,206,094 and \$62,563,365 will be remaining in the contract on July 31, 2024, and funding in the amount of \$5,981,555 is requested for Sentry, as the estimated expenditure for this extension period is \$115,221,663 and \$109,240,108 will be remaining in the contract on July 31, 2024. Additionally, NYC Transit seeks approval to extend contract 6%23299 with Bel-Linda d/b/a Islander Transportation (“Islander”) for the provision of Broker Car Service for AAR service on Staten Island for the same period in the amount of \$8,732,804, as \$655,723 will be remaining in the contract on July 31, 2024. The total estimated expenditure during the extension period is \$9,398,527.

NYC Transit provides AAR service utilizing two different approaches: dedicated service and non-dedicated service. Dedicated service providers are known as Primary Carriers whose only business is to transport NYC Transit AAR customers using NYC Transit–owned vehicles. Non-dedicated service providers, such as Brokers, perform AAR service in concert with their existing operations. The use of non-dedicated service provides cost and operational benefits to NYC Transit in that Paratransit does not directly bear the total responsibility for maintenance and operating costs, as is the case with dedicated service. The Broker model is also a fully Americans with Disabilities Act–compliant mode of paratransit transportation that utilizes contractor(s) to schedule and dispatch prearranged trips for AAR customers through the use of the contractor’s own vehicles and/or its non-dedicated subcontractor network of taxi, livery, and black car service providers.

In December 2020, a competitive Request for Proposals (“RFP”) was solicited, resulting in the awards of four Broker contracts on August 1, 2021, to ARRO, CTG, Sentry, and Greenpoint Transit LLC (“Greenpoint”) for a three-year base term with Options for up to an additional two years. Greenpoint was terminated for cause shortly after award, as the company dissolved. ARRO, CTG, and Sentry have been performing satisfactorily, notwithstanding the lasting adverse effects of the pandemic, with the assistance of an incentive program as described below. The current contracts expire July 31, 2024. These modifications will exercise the Options to extend the terms through July 31, 2026.

In November 2021, an Immediate Operating Need (“ION”) was declared to address Paratransit service issues based on the impacts of the COVID-19 pandemic; an industry-wide driver shortage and high inflation were affecting all NYC transportation providers. Broker performance was severely impacted as AAR service demand had already returned to 90 percent of pre-COVID levels by that time; on-time performance decreased, and Broker no-show rates increased when compared to the period before March 2020. The ION allowed Paratransit to address the Broker Car Service performance issues by introducing an incentive program intended to entice drivers to perform AAR trips at the same rates non-AAR trips were performed. The incentives had a positive impact on AAR performance, effectively counteracting industry-wide competition for drivers and cost inflation pressures, which continued throughout 2022 and 2023 and continue today. For this reason, incentives will be included in these options to enable the contractors to continue to competitively attract a reliable driver workforce and continue to maintain and improve performance as projected demand continues to increase.

Pricing for Broker Car Service is structured to provide rates based on zone-to-zone combinations, defined by intra- and inter-borough zip codes throughout the five boroughs. During the RFP process, proposers had the opportunity to provide different pricing for the Option period. The Option-year pricing was secured during negotiations at a weighted average cost per trip (“WACPT”) of \$31.43, slightly lower than the base years’ WACPT of \$31.55. MTA’s Cost/Price Unit performed an analysis of the Option period WACPT and deemed it to be fair and reasonable based on the marketplace average. It should be noted that with respect to the incentives, Paratransit’s finance team performed an internal analysis, which determined that without the current incentives program, Broker pricing falls far below the pricing charged by ride-share service providers such as Uber and Lyft.

While any broker service provider may perform trips in Staten Island, Islander, based in Staten Island, services Staten Island exclusively. Islander’s contract was awarded in 2019 during a competitive RFP that included a Class award exclusively for Staten Island Broker. The two-year Option was exercised in February 2022, and the contract was further extended through July 31, 2024, to expire coterminously with the other broker’s base contracts. This modification will further extend Islander’s contract through July 31, 2026, in order to maintain a coterminous expiration with the ARRO, CTG, and Sentry contracts. It is anticipated that a competitive renewal RFP for Broker Car Service will be released in 2025 and include a Class award exclusively for a Staten Island Broker, as it was successfully utilized in 2019.

Islander’s pricing was determined fair and reasonable and has been fixed for the duration of the base and option years (March 2019–February 2024) at a WACPT of \$23.95. An 18 percent price increase was negotiated for this extension period bringing the current WACPT within Staten Island to \$28.35. The MTA Cost/Price Unit performed an analysis on Islander’s proposed pricing for the extension period and deemed it to be fair and reasonable based on the marketplace average.

The NYC Transit Controller’s Office performed an updated financial analysis of all four contractors and found each to be financially qualified to perform the work.

**Schedule H: Modifications to Personal Service & Miscellaneous Service Contracts**

ARRO, CTG, Sentry, and Islander have certified that pursuant to EO 16, they are not doing business in Russia.

The contract awarded to ARRO resulting from this procurement was evaluated to determine the necessity and appropriate scope, if any, of cybersecurity requirements, including any requirements under federal, state, and local law and regulations. Cybersecurity language as agreed to by ARRO and the Authority has been included in the contract terms and conditions.

The contract awarded to CTG resulting from this procurement was evaluated to determine the necessity and appropriate scope, if any, of cybersecurity requirements, including any requirements under federal, state, and local law and regulations. Cybersecurity language as agreed to by CTG and the Authority has been included in the contract terms and conditions.

The contract awarded to Sentry resulting from this procurement was evaluated to determine the necessity and appropriate scope, if any, of cybersecurity requirements, including any requirements under federal, state, and local law and regulations. Cybersecurity language as agreed to by Sentry and the Authority has been included in the contract terms and conditions.

The contract awarded to Islander resulting from this procurement was evaluated to determine the necessity and appropriate scope, if any, of cybersecurity requirements, including any requirements under federal, state, and local law and regulations. Islander has certified compliance with the MTA's cybersecurity requirements.

**M/W/DBE Information**

M/WBE goals of 15 percent Minority and 15 percent Women-owned businesses were assigned to the ARRO, CTG, and Sentry contracts. Islander's contract was not assigned M/WBE goals due to insufficient firms on Staten Island to participate. Through ongoing MTA outreach efforts, 11 additional firms are currently NYS M/WBE certified. It should be noted that the award to Sentry in the amount of \$162.3 million was the first prime contract awarded to a NYS Certified MBE Broker service provider. And, with Procurement's encouragement, Islander became a NYS certified WBE firm in August 2021, making them the second M/WBE firm to hold a prime Paratransit Broker contract to date.

<b>Subject</b> 2024 New York State PWEF Assessment	<b>Date</b> June 24, 2024
<b>Department</b> Office of the Chief Financial Officer	<b>Vendor Name</b>
<b>Department Head Name</b> Kevin Willens, Chief Financial Officer	<b>Contract Number</b>
<b>Department Head Signature</b>	<b>Contract Manager Name</b>
<b>Project Manager Name</b> David Keller, Co-Deputy Chief, OMB	<b>Table of Contents Ref #</b>

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance Committee	6/24			
2	MTA Board	6/26			

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

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

**Purpose:** To authorize actions relating to the payment of the New York State assessment on the MTA and its constituent agencies for the Public Work Enforcement Fund (“PWEF”) for calendar year 2024.

**Discussion:** Chapter 511 of the Laws of 1995, as amended, requires State agencies and authorities to pay to the State Comptroller an assessment based on one-tenth of one percent of the value of public work (construction) contracts entered into (excluding rolling stock contracts). The assessments are deposited in the State Public Work Enforcement Fund to reimburse the State Department of Labor for its costs in enforcing the State’s prevailing wage law. The State and the MTA have entered into a simple annual estimate-and-settlement procedure agreement. Payments are made each year based on the estimated amount of public works contracts and are adjusted to reflect the actual experience from the prior year. The 2024 payment, therefore, is based on a 2024 estimate and an adjustment for the 2023 actual. MTA estimates the 2024 assessment to be \$1,608,341. In 2023, the estimated 2023 assessment of \$5,192,127 was more than the actual assessment of \$3,598,150 by \$1,593,977. This true-up of \$1,593,977 when deducted from the estimated 2024 assessment of \$1,608,341, requires a total payment of \$14,365.

**Financial Implications:** The 2024 MTAHQ Budget contains sufficient funds for this payment.

**Recommendation:** It is recommended the Board authorize staff to remit the 2024 PWEF assessment payment as adjusted for the 2023 actual assessment.



# MTA Headquarters Procurements

**Lisette Camilo**, Chief Administrative Officer/Interim Chief Procurement Officer

## PROCUREMENTS

The Procurement Agenda this month includes 1 action for a proposed estimated expenditure of \$5.0 M.

<b>Subject</b> Request for Authorization to Award Various Procurements					
<b>Department</b> MTA Procurement					
<b>Department Head Name</b> Lisette Camilo					
<b>Department Head Signature</b> <i>Lisette Camilo</i>					
<b>Project Manager Name</b> Rose Davis					
<b>Board Action</b>					
<b>Order</b>	<b>To</b>	<b>Date</b>	<b>Approval</b>	<b>Info</b>	<b>Other</b>
1	Committee	06/24/24			
2	Board	06/26/24			

June 21, 2024			
<b>Internal Approvals</b>			
	<b>Approval</b>		<b>Approval</b>
	CAO		
	Legal		
	CFO		

<b>Internal Approvals (cont.)</b>							
<b>Order</b>	<b>Approval</b>	<b>Order</b>	<b>Approval</b>	<b>Order</b>	<b>Approval</b>	<b>Order</b>	<b>Approval</b>

**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>Schedules Requiring Majority Vote:</u>	<u># of Actions</u>	<u>\$ Amount</u>
Schedule H: Modifications to Personal/Miscellaneous Service Contracts	1	\$ 5.0 M
<b>MTA Headquarters proposes to award Ratifications in the following categories: None</b>		
TOTAL	1	\$ 5.0 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.

**JUNE 2024**

**LIST OF COMPETITIVE PROCUREMENTS FOR BOARD APPROVAL**

***Procurements Requiring Majority Vote:***

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

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

- |    |   |             |                               |
|----|---|-------------|-------------------------------|
| 1. | TDX Construction Corporation<br>6.5 years<br>Contract #s 10200-01.6 | \$5,000,000 | <i>Staff Summary Attached</i> |
|----|---|-------------|-------------------------------|
- Contract for Small Business Mentoring Program management; modification to extend the contract for six months and add funding in the amount of \$5 million.

**Item Number: 1**

<b>Vendor Name (Location)</b> TDX Construction Corporation (Purchase, New York)
<b>Description:</b> Small Business Mentoring Program Management
<b>Contract Term (including Options, if any)</b> March 1, 2018–September 30, 2024
<b>Option(s) included in Total Amount?</b> <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> n/a
<b>Procurement Type</b> <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Noncompetitive
<b>Solicitation Type</b> <input checked="" type="checkbox"/> RFP <input type="checkbox"/> Bid <input type="checkbox"/> Other: Modification
<b>Funding Source</b> <input type="checkbox"/> Operating <input checked="" type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:
<b>Requesting Department:</b> MTA Procurement, Lisette Camilo, Acting CPO

<b>Contract Number</b> 10200-01	<b>AWO/Mod. #</b> 6
<b>Original Amount:</b>	\$ 43,058,640
<b>Prior Modifications:</b>	\$ 0
<b>Prior Budgetary Increases:</b>	\$ 0
<b>Current Amount:</b>	\$ 43,048,640
<b>This Request:</b>	5,000,000
<b>% of This Request to Current Amount:</b>	11.6%
<b>% of Modifications (including This Request) to Original Amount:</b>	11.6%

**Discussion:**

MTA Headquarters is seeking Board approval to extend the miscellaneous service contract awarded to TDX Construction Corporation (“TDX”) for management of the MTA Small Business Development Program (“SBDP”) for a period of up to six months (through March 31, 2025) and add funding in the amount of \$5 million. Under this contract TDX provides the Authority with services relating to the management of the SBDP. The purpose of the SBDP is to identify and qualify firms for enrollment into the MTA Small Business Mentorship Program (“SBMP”). Under the SBMP, which is managed by MTA Construction and Development, qualified organizations are trained and assisted in competing for larger and more complex MTA construction management projects.

The base contract was awarded in February 2018 in the amount of \$43,058,640. To date, there has been a total of five modifications: Mods. 1 and 2 were to adjust the contract language and overhead rates; Mods. 3 and 4 were to exercise Option Years 1–3; and Mod. 5 was to extend the contract for seven months beyond the Option years.

The purpose of the requested funding and extension are to (1) ensure that the mentoring program continues during the current Request for Proposal (“RFP”) process (concludes in Q3/Q4 2024) to award a replacement contract; and (2) provide ample transitioning time for vendors and ongoing projects currently managed by the incumbent, TDX, should a new vendor be selected. The amount of additional funding requested is based on the current rate of spend as well as the expectation that TDX will be utilized at a lesser service rate during any necessary contract transition period.

This RFP is unique because it combines, for the first time, SBMP and SBDP in one solicitation. Proposals have been received and are currently under review. It is expected that an award will be recommended to the Board in Q3/Q4 2024.

The price structure under the current contract was deemed fair and reasonable when awarded and will remain unchanged during the proposed extension. The total estimated cost of this extension is consistent with the rate of spend from previous years. Based on the foregoing, pricing for this extension is deemed fair and reasonable.

The MTA’s Cybersecurity Requirements were previously agreed to by TDX added to the contract via Mod. 5.

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

**Impact on Funding**

The Small Business Mentoring Project is funded by the MTA’s Capital Budget.

**JUNE 2024**  
**MTA REAL ESTATE**  
**ACTION ITEMS FOR BOARD APPROVAL**

**TRANSACTIONAL ACTION ITEMS**

MTA Metro-North Railroad

Lease with Airport Mart, Inc. for retail space in the Hartsdale Station Building in Hartsdale, NY

MTA Long Island Rail Road

License with North Ferry Company for the operation of a ferry terminal in Greenport, NY

# Staff Summary

<b>Subject</b> <b>LEASE WITH E HARTSDALE FOOD MART, INC. FOR THE MNR HARTSDALE STATION AT 223 EAST HARTSDALE AVENUE, HARTSDALE, NY</b>
<b>Department</b> <b>REAL ESTATE</b>
<b>Department Head Name</b> <b>DAVID FLORIO</b>
<b>Department Head Signature</b>
<b>Project Manager Name</b> <b>JASON ORTIZ</b>

<b>Date</b> <b>JUNE 26, 2024</b>
<b>Vendor Name</b>
<b>Contract Number</b>
<b>Contract Manager Name</b>
<b>Table of Contents Ref. #</b>

Board Action					
Order	To	Date	Approval	Info	Other
1	Metro-North Committee	06/24/24		X	
2	Finance Committee	06/24/24	X		
3	Board	06/26/24	X		

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

**AGENCY:** MTA Metro-North Railroad (“MNR”)  
**LESSEE:** E Hartsdale Food Mart, Inc., formed by Airport Mart, Inc. (“AMI”)  
**LOCATION:** 223 East Hartsdale Avenue, Hartsdale, NY 10530  
**PREMISES:** MNR Hartsdale station building ± 1,600 SF  
**USE:** Operation of a food and beverage convenience store  
**ACTION REQUESTED:** Authorization to enter into a lease agreement  
**COMPENSATION:** \$321,907.97 NPV at six percent (6%) for the ten (10) year term, with five percent (5%) annual escalations.

Term	Annual Base Rent	PSF	Escalation
Year 1	\$35,596.00	\$22.25	--
Year 2	\$37,375.80	\$23.36	5%
Year 3	\$39,244.59	\$24.53	5%
Year 4	\$41,206.82	\$25.75	5%
Year 5	\$43,267.16	\$27.04	5%
Year 6	\$45,430.52	\$28.39	5%
Year 7	\$47,702.04	\$29.81	5%
Year 8	\$50,087.15	\$31.30	5%
Year 9	\$52,591.50	\$32.87	5%
Year 10	\$55,221.08	\$34.51	5%

# Staff Summary

## FINANCE COMMITTEE MEETING

### LEASE AGREEMENT WITH AIRPORT MART, INC. FOR THE MNR HARTSDALE STATION AT 223 EAST HARTSDALE AVENUE, HARTSDALE, NY

#### COMMENTS:

MTA Real Estate issued a Request for Proposals (“RFP”) dated October 31, 2023, for the lease of the Premises. Three (3) proposals were received and are summarized below:

Proposer Name	Present Value at 6%
Airport Mart, Inc.	\$321,907.97
Hartsdale Gourmet Deli LLC	\$312,190.78
Coffee Labs Roasters, Inc.	\$249,564.11

The highest proposal and most compelling overall was submitted by AMI, who proposed a starting annual base rent of \$35,596 (\$22.25 psf) with five percent (5%) annual increases on a ten (10) year term. AMI plans to invest approximately \$300,000 in improvements to the Premises for its use. In AMI’s RFP submission, it demonstrated superior experience, financial capacity, and management through the following:

**Financial Strength** – AMI has the creditworthiness and financial strength to fully self-fund the improvements required from personal cash, as well as cash flow from existing operations. Credit and background investigations performed on Airport Mart, Inc. discovered no evidence of criminal conviction history, or other reputation issues. Airport Mart, Inc. has very good credit and sufficient financial resources to successfully complete the required improvements and compensation obligations.

**Business Plan** – AMI is proposing to deliver a broad selection of healthy food, daily-prepared, high-quality grab-and-go items, freshly brewed coffees, and a 24-7 operation led by highly trained personnel in a clean and welcoming environment. AMI’s logistics are managed from Purchase, NY, with its own commissary kitchen supporting its local food service outlets.

**Management Expertise** – AMI has been operational since 2006, running concession stores at the Westchester County Airport which remain open to present day. In addition, the ownership team has experience in the development, operation, and management of quick-service restaurants, convenience stores, and gas stations in a wide geographic area in a variety of high-traffic and transit environments including airports and highway service plazas. These franchises include some of the most popular chains in America including Shell, Mobil, BP, Dunkin' Donuts, Circle K and On the Run. Their experience in the food and beverage industry also included franchises of Blimpie, Vie de France, and TCBY.

**Improvements** – AMI proposes a complete renovation of the facility, in compliance with all the design guidelines. The interior design, fit out and carpentry will be customized for the historical nature of the Hartsdale Station Building, in a format that is warm, rustic, yet accessible and affordable. They have budgeted \$344,500 for the alterations and improvements.

Furthermore, as part of the lease agreement, AMI will be responsible for all maintenance of the Premises, with the exception of the structural elements of the station building. In addition, AMI will maintain the restrooms and the station seating area open to the public for the use and benefit of MNR customers during business hours.

MTA Real Estate solicited an appraisal from Goodman Marks for the market rental value of the Station Building on November 8, 2022, and the appraised rental value was \$44,800.00 per annum. While AMI’s rental offer was below this appraisal value, it had the highest bid and the best overall proposal including concept, experience, and financial capability.

Based on the foregoing, MTA Real Estate requests authorization to enter into a lease with E Hartsdale Food Mart, Inc. on behalf of MNR for the operation of a fast, fresh & healthy food & beverage concession and convenience store at the Hartsdale MNR Station Building.

# Staff Summary

<b>Subject</b> <b>LICENSE WITH NORTH FERRY CO., INC. FOR THE OPERATION OF A FERRY TERMINAL AT GREENPORT, NY</b>
<b>Department</b> <b>REAL ESTATE</b>
<b>Department Head Name</b> <b>DAVID FLORIO</b>
<b>Department Head Signature</b>
<b>Project Manager Name</b> <b>ROBERT GOLDBERG</b>

<b>Date</b> <b>JUNE 26, 2024</b>
<b>Vendor Name</b>
<b>Contract Number</b>
<b>Contract Manager Name</b>
<b>Table of Contents Ref. #</b>

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance Committee	06/24/24	X		
2	Board	06/26/24	X		

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

**AGENCY:** MTA Long Island Rail Road (“LIRR”)  
**LICENSEE:** North Ferry Co., Inc.  
**LOCATION:** South of Wiggins Street, adjacent to the Greenport Station, Greenport, NY  
**PREMISES:** Dock, bulkhead, ferry slips and ferry house consisting of 5,087± square feet.  
**TERM:** Ten (10) year term with a five (5) year option  
**USE:** Operation of a ferry service providing transportation between Greenport and Shelter Island  
**ACTION REQUESTED:** Approval of terms  
**COMPENSATION:**

Term	Fixed License Fees (Annual Rate)	Annual % Increase
Year 1	\$43,636.00	5%
Year 2	\$45,817.80	5%
Year 3	\$48,108.72	5%
Year 4	\$50,514.16	5%
Year 5	\$53,039.87	5%
Year 6	\$55,691.86	5%
Year 7	\$58,476.45	5%
Year 8	\$61,400.27	5%
Year 9	\$64,470.28	5%
Year 10	\$67,693.79	5%
(Five-year option - Year 11 – Year 15)		5%

# Staff Summary

## **FINANCE COMMITTEE MEETING LICENSE AGREEMENT WITH NORTH FERRY COMPANY FOR OPERATION OF A FERRY TERMINAL AT GREENPORT, NY**

Page 2 of 2

### COMMENTS:

North Ferry Company has requested a renewal of their July 2007 agreement for the Premises which expired on August 31, 2021, after a 15-year term. North Ferry company is a wholly owned subsidiary of the Shelter Island Heights Property Owners Corporation of Shelter Island and is made up of the Shelter Island residents. As such, they provide the only ferry service from Greenport to the north side of Shelter Island and have an exclusive license to operate from Suffolk County.

Compensation under the new license agreement is approximately \$8.58 per square foot which is above the fair market value as determined by an independent broker's opinion of value.

In addition, given that (1) there is no other ferry service from Greenport to Shelter Island, (2) North Ferry has an exclusive right/license from Suffolk County to provide ferry service from Shelter Island to Greenport, and (3) due to the nature of the use of the dock, ferry slips and bulkhead, it is reasonable to continue with a 10-year license term for the occupancy of North Ferry at this location.

Based on the foregoing, MTA Real Estate requests authorization to enter into a license agreement on behalf of the LIRR with North Ferry Company for the operation of its ferry terminal.