

MEETING AGENDA
METROPOLITAN TRANSPORTATION AUTHORITY BOARD
September 23, 2009 9:30 a.m.

347 Madison Avenue
 Fifth Floor Board Room
 New York, NY

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Date of next MTA Board meeting: Wednesday October 28, 2009 at 9:30 a.m.

The legal and popular names of the Metropolitan Transportation Authority operating agencies are used throughout this agenda package. The following table displays the official name and corresponding legal name for each agency.

<u>Popular</u>	<u>Legal Name</u>	<u>Abbreviation</u>
MTA New York City Transit	New York City Transit Authority	NYC Transit
MTA Long Island Rail Road	The Long Island Rail Road Company	LIRR
MTA Long Island Bus	Metropolitan Suburban Bus Authority	LI Bus
MTA Metro-North Railroad	Metro-North Commuter Railroad Company	MNR
MTA Bridges and Tunnels	Triborough Bridge and Tunnel Authority	B&T
MTA Capital Construction	MTA Capital Construction Company	MTA CC
MTA Bus Company	MTA Bus Company	MTA Bus

The Staten Island Rapid Transit Operating Authority is a subsidiary of the Metropolitan Transportation Authority. Its popular name is MTA Staten Island Railway, abbreviated as SIR.

Manhattan and Bronx Surface Transit Operating Authority, abbreviated MaBSTOA, is a subsidiary of the New York City Transit Authority.

Sections of the Board book are separated by blue pages and are color coded as follows:

<u>Section</u>	<u>Color</u>
Information and Action Items	White
Non-Competitive Procurements	Green
Competitive Procurements	Yellow
Ratifications	Red

**Minutes of the Joint
MTA Finance Committee and
Metropolitan Transportation Authority
Regular Board Meeting
347 Madison Avenue
New York, NY 10017**

**Wednesday, July 27, 2009
9:30 a.m.**

The following members were present:

**Hon. H. Dale Hemmerdinger, Chairman
Hon. David S. Mack, Vice Chairman
Hon. Andrew Albert
Hon. John H. Banks, III
Hon. Allen P. Cappelli
Hon. Donald Cecil
Hon. Doreen M. Frasca
Hon. Jeffrey A. Kay
Hon. Mark D. Lebow
Hon. Susan Metzger
Hon. Mark Page
Hon. Mitchell H. Pally
Hon. Norman Seabrook
Hon. James L. Sedore, Jr.
Hon. Nancy Shevell
Hon. Carl V. Wortendyke**

The following member was absent:

**Hon. Andrew M. Saul, Vice Chairman
Hon. Robert C. Bickford
Hon. Norman E. Brown**

Helena Williams, MTA Interim Executive Director and President of LIRR, Myrna Ramon, Chief of Staff, James B. Henly, General Counsel, Catherine A. Blue, Acting Corporate Secretary, Board Member James Blair, Board Member Ira Greenberg, Board Member Vincent Tessitore, Jr., Board Member Ed Watt, Howard H. Roberts, Jr., President of NYCTA, Howard Permut, President of Metro-North, Susan L. Kupferman, President of TBTA, John Hein, Exec. V.P. Regional Bus Operations, Office of Sr. V.P., NYCT Department of Buses, Michael Horodniceanu, President of MTA Capital Construction, and Douglas Sussman, Director, Community Affairs also attended the meeting

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

Company, the MTA Bus Company, and the First Mutual Transportation Assurance Company.

Unless otherwise indicated, these minutes reflect items on the agenda of the Board of the Metropolitan Transportation Authority, the Metropolitan Suburban Bus Authority, and the First Mutual Transportation Assurance Company. Refer to the agencies' minutes of this date for items on the agendas of the Boards of the other agencies.

Chairman Hemmerdinger called the meeting to order. The Chairman acknowledged a number of LIRR employees (April Lawson, Conductor; Deron Johnson, Engineer; Kim Gillis, Assistant Conductor; Robert Dibernardo, Collector 651; Lorraine Tarquinio, Collector 811; Christina Bodnar, Collector 812; Richard Marceau, Collector 813; Michael Davis, Collector 82; Michael Villano, Assistant Trainmaster at Penn Station; and Walter Imhoff Transportation Manager; and the following MTA Police Department employees: Lieutenant Henry Loeffel, P.O. Adam Gawronski, P.O. Nicholas Perrone, P.O. Marc Sekzer, and P.O. Joseph Szczepanski), for their life saving efforts and teamwork on June 19th which saved the life of Robert Cinque of East Hampton, who suffered a heart attack on his way to the US Open. Chairman Hemmerdinger commended the employees for their actions, thanked them for their dedication and commitment to serving the public, and on behalf of the Board, the Chairman presented them with a token of admiration and gratitude.

Chairman Hemmerdinger announced that Gary Dellaverson, MTA Chief Financial Officer, would be presenting the details of the Preliminary 2010 Budget and Financial Plan. The Chairman noted that in February, MTA had anticipated a 23% fare increase, but that legislation passed in May obviated the need for so large a fare increase and will help the MTA weather the economic downturn and regain solid fiscal footing. Chairman Hemmerdinger said that as a result of the Governor's and Legislature's commitment to funding the MTA, Mr. Dellaverson will present a mid-year update that shows the 2009 budget in balance, a preliminary budget for 2010 that is in balance and includes no fare increases or service cuts, and a four-year financial plan that is stable and manageable. The Chairman thanked Governor Paterson and his team for having stayed the course by championing the MTA's needs over the past few months. Chairman Hemmerdinger thanked the Board for their participation in the process and the agencies' Presidents and their staff for maintaining and continuing to make improvements to the system. Chairman Hemmerdinger also extended his appreciation to Helena Williams, Interim Executive Director, who he said for the past two months has worked hard at both MTA Headquarters and at the LIRR.

Helena Williams thanked the Chairman for his leadership in organizing the Board's efforts in Albany and she reflected upon the contributions and achievements made by the Chairman. Ms. Williams also thanked the Board members and the staff for their confidence and support and said that she is delighted to have the opportunity to serve as Interim Executive Director.

1. **PUBLIC SPEAKERS.** There were no public speakers addressing MTA agenda items. Refer to the MTA Agencies' minutes for the list of speakers.

2. **MINUTES.** Upon motion duly made and seconded, the Board approved the minutes of the regular Board meeting held on June 24, 2009.
3. **JOINT SESSION OF THE BOARD AND FINANCE COMMITTEE OF THE MTA FOR CHIEF FINANCIAL OFFICER'S PRESENTATION OF 2010 PRELIMINARY BUDGET AND 2010-2013 FINANCIAL PLAN.**

MTA CFO Dellaverson presented to the Finance Committee and Board the MTA July Mid-Year Forecast, 2010 Preliminary Budget and the 2010-2013 Financial Plan. Mr. Dellaverson explained that this presentation was for informational purposes and that the Board was not being asked to take any action at this time on the proposed Budget and Financial Plan.

Mr. Dellaverson reviewed the projected closing cash balance in the Financial Plan presented in February 2009: \$49 million in 2009, (\$290) million in 2010, (\$457) million in 2011, and (\$612) million in 2012. The 2009 Adopted Budget had been balanced only through large fare and toll increases and significant service reductions. The 23% fare/toll yield increase was \$704 million and \$1,183 million in 2009 and 2010 respectively. Additional actions to balance the budget totaled \$261 million in 2009 and \$401 million in 2010.

Mr. Dellaverson reviewed the legislation passed by New York State in May that is projected to provide MTA financial assistance of \$1.1 billion in 2009 and \$1.9 billion in 2010. Receipts in 2010 are forecast to be \$1,540 million from the Payroll Mobility Tax, \$27 million from the License Fees, \$182 million from the Vehicle Registration Fees, \$85 million from the Taxi Tax and \$35 million from the Auto Rental Fee. Since the first proceeds of those taxes will likely come to the MTA in October and November of 2009, the agency recently issued Revenue Anticipation Notes to keep its cash flow stable without relying on other types of borrowing.

In addition to the financial assistance provided by the May legislation, MTA Board also acted in May 2009 to change the scheduled fare/toll yield increase of 23% to a 10% fare/toll increase and restore planned reductions of scheduled service to the public.

Accordingly, the July Financial Plan recognizes these new revenue sources and the limited fare/toll increases recently adopted. The July Financial Plan also lowers forecasted revenues from real estate taxes, state dedicated taxes and utilization; allocates higher funding for additional pension expense; maintains existing service levels; and begins to provide additional funding for the Capital Program in the form of "Pay-As-You-Go Capital".

Mr. Dellaverson reviewed the impact of the worsening economy between the February and the July Plans. Plan-to-Plan changes in pension costs, Real Estate Transaction Taxes, utilization of the system and State Dedicated Taxes totaled (\$576) million in 2009, (\$532) million in 2010, (\$607) million in 2011, and (\$622) million in 2012. Mr. Dellaverson stated that the changes in State Dedicated Taxes incorporate the latest guidance from New York State Department of Budget. The

Plan-to-Plan changes in pension costs include a provision for losses in the assets of the MTA Defined Benefit Plans and MaBSTOA. The July Baseline has additional expenses to account for higher NYCERS costs based on a revised actuarial valuation. In addition, this Plan establishes a reserve for expected increases in NYCERS contributions (\$27 million in 2010 growing to \$189 million 2013). Those losses are expected in the NYCERS valuation for the City fiscal year 2009 with cash impacts beginning in late 2010.

Mr. Dellaverson presented a chart that compared actual real estate taxes from January through June in 2007, 2008 and 2009. He said the severe decline over that period presents a cautionary tale of relying too heavily on these volatile taxes. Over the past several years, the MTA had closely tracked and discussed the run-up in real estate tax collections and plotted them against what occurred during the run-up to 1987 and the subsequent market decline. As the economy worsened in 2007, the concern was that the decline in tax receipts would be as precipitous as it had been in 1987. Mr. Dellaverson said that in fact, the current situation is far worse. The decline has been faster and deeper than what occurred after the 1987 collapse in the real estate market. The estimates of real estate taxes in the July 2009 Financial Plan accordingly are down significantly from the February Plan. MTA continues to forecast these taxes in coordination with the City of New York, and at this time it is unclear when improvements can be expected in the market.

Turning to ridership, Mr. Dellaverson noted that the falloff in utilization since 2008 parallels the steep decline in employment growth in New York City. The July forecast is for ridership to begin to increase in 2010 as the economy improves.

Mr. Dellaverson reviewed the changes in the July Plan from the February Plan. The July baseline cash balance was (\$255) million in 2009, (\$52) million in 2010, (\$595) million in 2011, and (\$842) in 2012. After the cash carryover and gap closing programs, the July Plan net cash balance was \$29 million in 2009, \$39 million in 2010, \$1 million in 2011 and (\$352) million in 2012. Mr. Dellaverson also reviewed a number of items from the budget document.

In a final note, Mr. Dellaverson outlined the principal risks to the Financial Plan. These include risks of a regional economy that does not rebound as anticipated, energy price volatility; a labor arbitration ruling inconsistent with the Financial Plan; and revenues from new State taxes and fees that do not meet assumptions in the Financial Plan.

Mr. Dellaverson responded to questions from the Board members. Ms. Shevell asked about the MTA's success with its hedging policy. Mr. Dellaverson responded that the MTA hedges have lost some money; however, since two-thirds of the agency's position is unhedged, the MTA does come out ahead, which is the desired outcome of a hedging strategy.

Mr. Kay asked about the proposed federal legislative action. Mr. Dellaverson explained that the MTA has advanced a federal proposal that would remove commuter railroad employees from antiquated federal laws. Mr. Kay also asked if the 1.5% labor contribution is in addition to what is already in the base. Mr.

Dellaverson explained that the Agency baseline forecast included inflation of approximately 3%. This 1.5% labor contribution represents a reduction to the baseline that results in a net Financial Plan increase of 1.5%. Mr. Kay followed with a question about pay-as-you-go capital. Mr. Dellaverson responded that the MTA plans to begin in 2010 with a \$50 million contribution and that annual contributions would ramp up in \$50 million increments until a contribution of \$450 million is achieved in 2018. These monies will be necessary to support the first two years of the 2010-2014 Capital Program.

Mr. Watt asked if a portion of the Payroll Mobility Tax is being used to pay debt service. Mr. Dellaverson responded that in the current Financial Plan period, the payments are for pay-as-you-go capital.

Mr. Seabrook asked if there was a 4% raise projected for workers based on a 4% raise recently given to District Council 37 employees. Mr. Dellaverson responded that MTA had budgeted for ½ of CPI for one year followed by annual CPI increases thereafter.

Mr. Albert asked when the Car Rental and other surcharges begin. Mr. Dellaverson said that MTA expects to begin receiving collections in November.

Mr. Pally asked about the B&T holdbacks to fund its own capital program. Mr. Dellaverson stated that the B&T holdback will reduce the amount of operating subsidy to the MTA, but it is necessary for the proper maintenance of B&T facilities, including bridge re-decking. Mr. Pally also asked about two federal issues. One was the level of federal funding support for the MTA Capital Program and other was the likelihood that federal legislative actions concerning commuter railroad employees would occur. Mr. Dellaverson responded that the MTA Financial Plan makes assumptions of continuing support from the federal government and relief from federal mandates concerning railroad employees starting in 2010.

Ms. Frasca asked about the percent of the new Mobility Tax that the MTA plans to leverage. Mr. Dellaverson said that in the Plan period, there is no establishment of that credit. MTA will start to make judgments about that credit once there is more of a history respecting its collection. Ms. Frasca also asked whether the MTA has performed a risk assessment of the budget. Mr. Dellaverson said MTA will continue to identify risks and associated magnitude and return to the Board with its assessment.

4. COMMITTEE ON FINANCE.

A. Procurement Items. Upon motion duly made and seconded, the Board approved the following procurement items. The specifics are set forth in the attached staff summaries and documentation.

1. Real Time Services, Inc. – Jamaica Audio-Visual Training Room – No. 08243-0100. Approved the use of the Request for Proposal (RFP) process and the award of a competitive resultant contract for the purchase,

configuration and installation of system equipment for the provision of an audio-visual, remote-controlled MTA Police Department Training Room at Jamaica Center.

2. Willet Hauser Architectural Glass – Fabrication Services for Faceted AFT Installation – No. 09103-0100. Approved a competitive contract to provide fabrication services for AFT installation for the Ossining Station on Metro-North's Hudson Line.
 3. Liliana Porter – AFT Project – No. 09128-0100. Approved increased funding for a competitive contract for an AFT project at the Metro-North Scarborough Station.
 4. Various Contractors – Telecommunication Consulting Services – Nos. 08239-0100 thru -0800. Approved competitive contracts with Kingston Cole & Associates, Verizon Business Network Services, Inc. (on behalf of Federal Network Systems, LLC.), RCC Consultants, Inc., DVI Communications, Inc. (Federal Engineering, Inc. Joint Venture), Systra Engineering, Inc., Walsh-Lowe/Constantin Group, LLC (d/b/a Constantin Walsh-Lowe, LLC), New York State Technology Enterprise Corp. and ANS Advanced Network Services, LLC to assist MTAHQ, NYCT, MTAPD and Metro-North, on an as-needed basis, with various telecommunications-related work planned over the next three-year period.
 5. CorVel Healthcare Corporation – All-Agency Medical Bill Review and Payment Services – No. 08341-0100. Approved a competitive contract to provide medical bill review and payment services for MTAHQ and its agencies for five years, with an option to renew for two additional one-year periods.
 6. Extreme Lighting – Emergency Lighting and Specified Other Motor Vehicle Equipment – No. 09067-0100. Competitive contract to provide installation services for various equipment, such as emergency lighting, communication equipment, canine equipment and vehicle identification graphics for MTA Police Department and TBTA fleets of police vehicles.
5. **COMMITTEE ON MSBA.** Upon motion duly made and seconded, the Board approved the following procurement items. The specifics are set forth in the attached staff summary and documentation.
1. Thrift Auto Painting Co., Inc. – Structural Frame and Repairs - # E-3635. Approval to exercise the option to extend the term of a competitive contract with Thrift Auto Painting Co., Inc. for one year and to add additional funding.
 2. Citywide Sewer and Drain Service Corp. – Emergency Repairs to Sewer System - # E-3888. Ratification of a non-competitive contract for emergency construction repairs.

3. Polaris Laboratories, LLC – Bus Coolant Analysis - # E-3885. Ratification of a competitive contract for a bus coolant analysis program services for MSBA's fixed-route bus fleet.
6. **COMMITTEE ON CAP. CONSTR., PLANNING & REAL ESTATE**. Upon motion duly made and seconded, the Board approved the following Real Estate items. The specifics are set forth in the attached staff summaries and documentation. Refer to the minutes of the MTA Capital Construction Company for additional items related to this Committee.

New York City Transit Authority

1. License agreement with Bank of America for the installation and operation of automated teller machines at the 42nd and 8th Avenue Subway station (Unit 16, Mezzanine Level), New York, N.Y.
2. Negotiated acquisition of fee interest in and trade fixtures at 44 East 50th Street between Madison and Park Avenues (Block 1285, Lot 46) in support of the East Side Access Project, New York, N.Y.
3. Reservation of easement rights with Arverne by the Sea LLC for a perpetual easement for the operation, maintenance, repair and reconstruction of the elevated railroad structure and appurtenances connected to Beach 69th Street to Beach 73rd Street, the Far Rockaway Branch of the New York City Subway System in Rockaway Peninsula, Queens, N.Y.
4. A permanent easement with Lincoln Center for the Performing Arts, Inc. for a subway entrance at 66th Street, Lincoln Center Station, Broadway/7th Avenue Line, New York, N.Y.

Metro-North Railroad

5. License agreement with the Village of Croton-on-Hudson for the operation and maintenance of a roadway and bike path located on the west side of Metro-North's Hudson Line between the Half-Moon Bay Drive overpass and the pedestrian overpass immediately north of the old Brook Street grade crossing, Croton-on-Hudson, N.Y.
6. Modification to a lease agreement with Richard Viscomi as Guardian for Anthony Viscomi for warehouse space at 9 West Main Street, Elmsford, N.Y.
7. Approved a resolution to proceed with condemnation if necessary of the fee title in portions of the properties known as 401 and 441 East Fordham Road (Bock 3273, Lots 1 and 102), in support of the Bronx Stations/Capacity Improvement Project, Fordham Station, Bronx, N.Y.

8. Lease agreement with Solar Electric Systems, Inc. for the long-term net lease of portions of Metro-North's Harlem Line right-of-way adjacent to the Tuckahoe electrical substation building in Tuckahoe, N.Y.

Long Island Railroad

9. License agreement with Zoya Kapoor for the management and operation of retail stores located at 81-09 thru 81-21 Lefferts Blvd. and 81-12A thru 81-24 Lefferts Blvd., Kew Gardens, N.Y.
10. License agreement with the Village of Lynbrook for the installation of a clock tower and station beautification at the Lynbrook Station, Lynbrook, N.Y.
11. Construction and easement agreements with the Incorporated Village of Babylon, in conjunction with the construction and operation of a train car wash facility, on the north side of the Babylon Branch right-of-way, immediately east of the Babylon Station (Suffolk County Tax Map: District 0102, Section 007.00, Block 02.00, Lot 080.700), Babylon, N.Y.
12. Licensee agreement with National Grid Corporate Services LLC for the temporary relocation of LIRR's tracks and appurtenances, as part of a remediation project, located at Orinoco Drive and East Court, along the Montauk Branch right-of-way, West of the Bay Shore Station, Brightwaters, N.Y.
13. License agreement with National Grid Corporate Services LLC for access to LIRR property for remediation of contaminated soil on LIRR property located on a portion of LIRR Montauk Branch right-of-way, west of the Bay Shore Station, Brightwaters, N.Y.
14. Permanent Easement with the Town of Hempstead for access and expansion of a LIRR substation located in the Town of Hempstead (Section 55, Block 455 part of Lot 9), in conjunction with expansion and maintenance of LIRR's power substation site, Hempstead, N.Y.
15. Disposition of interest in an unused portion of LIRR property to East End Ventures, LLC located at 1 through 5 Ferry Road (District 903, Section 2, Block 2, Lots 4.2, 4.3 and 6), Sag Harbor, N.Y.

Metropolitan Transportation Authority

16. Amendment to a license agreement with Verizon-New York, Inc. for the provisioning, operations and maintenance of public pay telephones and associated advertising in the MTA system.

7. **OTHER BUSINESS.**

Overall Annual D/M/WBE Goals. Upon motion duly made and seconded, the Board reauthorized the MTA to establish a 17% goal for the utilization of Disadvantaged Business Enterprises in its agency-wide contracting activities on federal-assisted contracts and procurements and for MTA agency-wide activities on contracts and procurements subject to Article 15-A of the New York State Executive Law, a 10% goal for the utilization of Minority Business Enterprises and a 5% goal for the utilization for Women-owned Business Enterprises..

8. **EXECUTIVE SESSION.** Upon motion duly made and seconded, the Board voted to convene an executive session to consider a matter leading to the appointment, employment, promotion, demotion, discipline, suspension dismissal or removal of a person or corporation.

9. **PUBLIC SESSION RESUMED.** Upon motion duly made and seconded, the public session resumed.

Upon motion duly made and seconded, the Board voted to adjourn the meeting at 11:35 p.m.

Respectively submitted,

Victoria Clement
Assistant Secretary

Miriam Cukier
Secretary to the MTA
Finance Committee

**Minutes of Regular Board Meeting
MTA New York City Transit, Manhattan and Bronx Surface
Transit Operating Authority, MTA Bus Company
And
Staten Island Rapid Transit Operating Authority**

**Meeting Held At:
Metropolitan Transportation Authority
347 Madison Avenue
New York, NY 10017**

**Wednesday, July 27, 2009
9:30 a.m.**

The following members were present:

**Hon. H. Dale Hemmerdinger, Chairman
Hon. David S. Mack, Vice Chairman
Hon. Andrew Albert
Hon. John H. Banks, III
Hon. Allen P. Cappelli
Hon. Donald Cecil
Hon. Doreen M. Frasca
Hon. Jeffrey A. Kay
Hon. Mark D. Lebow
Hon. Susan Metzger
Hon. Mark Page
Hon. Mitchell H. Pally
Hon. Norman Seabrook
Hon. James L. Sedore, Jr.
Hon. Nancy Shevell
Hon. Carl V. Wortendyke**

The following member was absent:

**Hon. Andrew M. Saul, Vice Chairman
Hon. Robert C. Bickford
Hon. Norman E. Brown**

Helena Williams, MTA Interim Executive Director and President of LIRR, Myrna Ramon, Chief of Staff, James B. Henly, General Counsel, Catherine A. Blue, Acting Corporate Secretary, Board Member James Blair, Board Member Ira Greenberg, Board Member Vincent Tessitore, Jr., Board Member Ed Watt, Howard H. Roberts, Jr., President of NYCTA, Howard Permut, President of Metro-North, Susan L. Kupferman, President of TBTA, John Hein, Exec.V.P. Regional Bus Operations, Office of Sr. V.P., NYCT Department of Buses, Michael Horodniceanu, President of MTA Capital Construction, and Douglas Sussman, Director, Community Affairs also attended the meeting

The Board of the Metropolitan Transportation Authority also met as the Board of the New York City Transit Authority, the Manhattan and Bronx Surface Transit Operating Authority, the Staten Island Rapid Transit Operating Authority, and the MTA Bus Company.

1. **CHAIRMAN HEMMERDINGER CALLED THE MEETING TO ORDER**

Details of Chairman Hemmerdinger's opening statement are set forth in minutes recorded by the MTA, copies of which are on file with the records of the meeting of the Board of the NYC Transit/SIR/MTA Bus Company.

2. **PUBLIC COMMENT PERIOD**

Five public speakers addressed NYC Transit issues.

Claude Fort commented on implementation of the collective bargaining agreement between NYC Transit and DC-37.

Matthew Shotkin spoke about decreased weekend ridership.

George Haikalis urged the Board to solicit public input before acting on the capital program, as well as to implement an operating plan that better uses New York's regional rail system, including cooperation with neighboring states.

Emeric praised the well-designed NYC Transit system, highlighting the ease of use of the system, and suggested improvements to the MetroCard machines.

Stephan Thomas spoke in support of the NYC Transit and Transport Workers' Union arbitration award.

3. **MINUTES**

Upon motion duly made and seconded, the Board unanimously approved the minutes of the regular meeting of MTA New York City Transit, the Manhattan and Bronx Surface Transit Operating Authority, the Staten Island Railway Transit Operating Authority, and MTA Bus Company held on June 24, 2009.

4. **COMMITTEE ON NYC TRANSIT/SIR/MTA BUS COMPANY OPERATIONS**
New York City Transit

Action Item

Upon motion duly made and seconded, the Board approved a one-year renewals of retainer agreements between NYC Transit and per diem senior hearing officers who provide legal services to the Transit Adjudication Bureau.

Procurements

Non-Competitive Procurements: Upon motion duly made and seconded, the Board approved the non-competitive procurements requiring a majority vote (Schedules F, G and H in the Agenda).

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

Competitive Procurements: Upon motion duly made and seconded, the Board approved the competitive procurements requiring a two-thirds vote (Schedules B and C in the Agenda) and those requiring majority vote (Schedules F, G and I in the Agenda). Details of the above items are set forth in staff summaries, copies of which are on file with the records of the meeting of the Board of the NYC Transit/SIR/MTA Bus Company.

Procurement Ratifications: Upon motion duly made and seconded, the Board ratified the procurements requiring a majority vote (Schedule K in the Agenda). Details of the above items are set forth in staff summaries, copies of which are on file with the records of the meeting of the Board of the NYC Transit/SIR/MTA Bus Company.

MTA Bus Company

Procurements

Non-Competitive Procurements: Upon motion duly made and seconded, the Board approved the competitive procurements requiring a two-thirds vote (Schedule A in the Agenda) and those requiring majority vote (Schedules E and I in the Agenda).

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

Procurement Ratifications: None.

6. REAL ESTATE ITEMS New York City Transit

Upon motion duly made and seconded, the Board unanimously approved the following four (4) items pertaining to NYC Transit recommended to it by the Committee on MTA Capital Construction, Planning and Real Estate as set forth below:

1. License Agreement with Bank of America for the installation and operation of automated teller machines at unit 16, mezzanine level, 42nd Street station (Eighth Avenue line, A/C/E trains);
2. Negotiated Acquisition of Fee Interest in and Trade Fixtures at 44 East 50th Street (Manhattan Block 1285 lot 46) for East Side Access Project;
3. Preservation of Easement Rights with Arverne by the Sea LLC for a permanent easement between Beach 69 Street to Beach 73 Street for continuing operation of the Far Rockaway Branch of the New York City Subway System in Rockaway Peninsula, Queens, New York;
4. Approval of Terms for a Permanent Easement with Lincoln Center for the Performing Arts Inc., at the 66th Street-Lincoln Center Station, Manhattan, New York.

7. **OTHER BUSINESS**

Upon motion duly made and seconded, the Members reauthorized the MTA to establish a 17% goal for the utilization of Disadvantaged Business Enterprises in its Agency-wide contracting activities on federally-assisted contracts and procurements and a 10% goal for the utilization of Minority Business Enterprises and a 5% goal for the utilization of Women-owned Business Enterprises in MTA Agency-wide activities on contracts and procurements subject to New York State Executive Law, Article 15-A.

8. **EXECUTIVE SESSION**

Upon motion duly made and seconded, the Members unanimously voted to convene in Executive Session to consider a matter leading to the appointment, employment, promotion, demotion, discipline, suspension, dismissal or removal of a person or corporation. At the conclusion of the Executive Session, upon motion duly made and seconded, the Members unanimously voted to resume the public session.

9. **ADJOURMENT**

Upon motion duly made and seconded, the Members unanimously voted to adjourn the meeting at 11:35 a.m.

Respectfully submitted,



Gena Usenheimer
Assistant Secretary

**MINUTES OF MEETING OF THE BOARD OF
THE LONG ISLAND RAIL ROAD COMPANY**

**Meeting Held At
347 Madison Avenue
New York, New York
July 29, 2009
9:30 A.M.**

The following members were present:

Hon. H. Dale Hemmerdinger, Chairman
Hon. David S. Mack, Vice Chairman
Hon. Andrew Albert
Hon. John H. Banks, III
Hon. Hon. Allen E. Cappelli
Hon. Donald Cecil
Hon. Doreen M. Frasca
Hon. Jeffrey A. Kay
Hon. Mark D. Lebow
Hon. Susan Metzger
Hon. Mark Page
Hon. Mitchell H. Pally
Hon. Norman I. Seabrook
Hon. James L. Sedore, Jr.
Hon. Nancy Shevell
Hon. Carl V. Wortendyke

The following Members were absent:

Hon. Andrew M. Saul, Vice Chairman
Hon. Robert C. Bickford
Hon. Norman E. Brown

Helena Williams, Interim Executive Director, Myrna Ramon, Chief of Staff, James B. Henly, General Counsel, Catherine A. Blue, Acting Corporate Secretary, Board Member James F. Blair, Board Member Ira Greenberg, Board Member Vincent Tessitore, Jr., Board Member Ed Watt, Howard H. Roberts, Jr., President of NYCTA, Howard Permut, President of Metro-North, Susan L. Kupferman, President of TBTA, John Hein, Executive Vice-President Regional Bus Operations, Office of Sr. V.P. NYCT Department of Buses, Michael Horodniceanu, President of MTA Capital Construction, and Douglas Sussman, Director, Community Affairs, also attended the meeting.

1. CHAIRMAN'S REPORT

The Chairman **acknowledged** the efforts of 15 MTA employees who had assisted an LIRR passenger suffering from a heart attack while aboard a crowded train at Penn Station on June 19. Chairman Hemmerdinger, MTA Interim Executive Director Helena E. Williams and MTA Police Chief Michael Coan presented those employees present with a plaque in recognition of their good work and as a token of the Board's gratitude and admiration.

The Chairman announced that the mid-year update to the 2009 Budget, the Preliminary 2010 Budget and the four-year Financial Plan would be presented. He reported that the financial reports would show a balanced budget for 2009, a balanced preliminary budget for 2010 that includes no fare increases and no service cuts, and a four-year Financial Plan that is stable and manageable. He noted that this is a tremendous accomplishment and expressed his thanks to the State Legislature, the Governor and his team for funding the MTA during this economic downturn, and to the MTA board members for all their efforts in advocating for the MTA's needs. He also thanked Helena Williams in her capacity both as Interim Executive Director of the MTA and as President of the LIRR. President Williams thanked Chairman Hemmerdinger for his strong advocacy on behalf of the MTA's Board, staff and its customers. President Williams personally thanked Chairman Hemmerdinger for the opportunity to serve as the Interim Executive Director, expressing her appreciation for the Chairman's confidence and support.

Further details of the Chairman's Report are contained in the minutes of the meeting of the Board of the Metropolitan Transportation Authority held this day.

2. PUBLIC SPEAKERS

There were six (6) public speakers, two (2) of whom addressed LIRR issues. George Hycalis of the Institute for Regional and Urban Mobility urged the board to make better use of the region's commuter rail lines, remaking them into a regional rail system with frequent service, integrated fares and through running. Mr. Hycalis stated that the MTA should outline its plan for through operation at Penn Station, developing a comprehensive strategy for taking advantage of this unique resource. Mr. Hycalis also stated that a through service plan must be part of a three state planning process. He requested that MTA recognize the need for new Hudson River rail capacity that is fully integrated into the regional system. Mr. Hycalis further stated that MTA should reconsider its opposition to a plan that would allow New Jersey Transit to connect its new tunnels into existing tracks and platforms at Penn Station and then continue on to Grand Central.

Mr. Emeric, a 17-year-old tourist from Paris, commended the MTA on the train and subway system, noting that the system works well, with signage that is easy to read and well designed. He suggested that the tickets and the receipts from the Railroads' ticket vending machines be printed on different colored paper, in order to avoid confusion.

3. APPROVAL OF MINUTES

Upon motion duly made and seconded, the Board unanimously approved the minutes of the Board meeting held on June 22, 2009.

4. PRESENTATION OF CHIEF FINANCIAL OFFICER

The Chairman called on Gary Dellaverson, MTA Chief Financial Officer, to provide the July Financial Plan to the Joint Session of the Board and the Finance Committee. Mr. Dellaverson presented the July mid-year update to the 2009 Budget, the Preliminary 2010 Budget and the July Preliminary Four-

Year Financial Plan for the years 2010-2013. The details of Mr. Dellaverson's remarks and presentation, and his responses to questions posed by Board Members, are contained in and filed with the minutes of the meeting of the Board of the Metropolitan Transportation Authority held this day.

5. COMMITTEE ON FINANCE

Upon motion duly made and seconded the Board approved the Finance Committee items. Included among those items was a competitive procurement for an all-agency medical bill review and payment services contract with CorVel Healthcare Corporation. The details of these items are contained in the minutes of the meeting of the Metropolitan Transportation Authority held this day and the staff summaries and materials filed with those minutes.

6. COMMITTEE ON NEW YORK CITY TRANSIT AUTHORITY/MA BSTOA/SIR/MTA BUS OPERATIONS

Upon motion duly made and seconded, the Board approved items from the Committee on New York City Transit Authority/MA BSTOA/SIR/MTA Bus Operations. Among those items was a multi-agency contract with Northeast Lamp Recycling, Inc., for the handling, removal, transportation and recycling of various types of mercury-containing lamps in accordance with applicable federal, state and local laws. The details of these items are contained in the minutes of the MTA New York City Transit Authority, the Manhattan and Bronx Surface Transit Operating Authority, the MTA Bus Company, and the Staten Island Rapid Transit Operating Authority held this day and the staff summaries and materials filed with those minutes.

7. COMMITTEE ON LIRR/LI BUS OPERATIONS

David S. Mack, Chairman of the LIRR/LI Bus Committee, acknowledged and congratulated Chairman H. Dale Hemmerdinger for his leadership of the MTA Board during a difficult time.

Upon motion duly made and seconded, the Board approved the following LIRR procurements recommended to it by the Committee on LIRR/LI Bus Operations. There were no ratifications.

Competitive Procurements

- | | | |
|----|--|---|
| 1. | <p>TBD
 Competitive RFP
 Contract No. TBD</p> <p>LIRR requests approval to adopt a resolution declaring that competitive bidding is impractical or inappropriate because it is in the public interest to use the Request for Proposal (RFP) process to award a contract to design, manufacture, install and test a new Car Hoist and Body Support System for LIRR's Richmond Hill Maintenance Shop.</p> | <p>\$TBD</p> |
| 2. | <p>Intralogic Solutions, Inc.
 Competitive RFP
 Contract No. TBD</p> <p>LIRR requests MTA Board approval to award a five-year Public Work Contract to Intralogic Solutions, Inc. ("Intralogic") in an amount not-to-exceed \$270,233 to furnish, install, integrate and test an Intrusion Detection System (IDS) and a Network Video Distribution, Analysis and Recording (NVDAR) System at Bay Ridge Brooklyn and Hunters Point Avenue Queens for the LIRR Security Department. The contract amount also includes \$61,502 of maintenance and training services.</p> | <p>\$270,233
 Not-to-Exceed</p> |

3. **Kiewit Constructors, Inc.** **\$66,302,300**
Competitive RFP
Contract No. 6040
LIRR requests MTA Board approval to award a Design/Build Contract to Kiewit Constructors, Inc., in the amount of \$66,302,300, to rehabilitate a portion of the Atlantic Avenue Viaduct. Funding for the third party design/build construction of Phase IIA of the Atlantic Avenue Viaduct Rehabilitation is anticipated under the American Recovery & Reinvestment Act of 2009.
4. **Simmons Machine Tool Corp.** **\$998,785**
Competitive RFP **Fixed Amount**
Contract No. TBD
LIRR requests MTA Board approval to award a Contract to Simmons Machine Tool Corporation in the fixed amount of \$998,785 to design, deliver and install a new Double Ended Wheel Press (DEWP) at LIRR's Hillside Support Facility.
5. **Skanska USA Civil Northeast** **\$42,325,000**
Competitive RFP
Contract No. 6017
LIRR requests MTA Board approval to award a contract to Skanska USA Civil Northeast ("Skanska") in an amount of \$42,325,000 to provide construction services for the reconfiguration of LIRR's existing maintenance shops, inclusive of the removal of obsolete and outdated equipment, relocation of selected shop equipment, installation of new equipment, and installation of equipment utilities.
6. **Fortunato Sons Contracting, Inc.** **\$14,408,000**
Competitive RFP
Contract No. 6037
LIRR requests approval to award a Contract to Fortunato Sons Contracting, Inc. in the amount of \$14,408,000 to construct the Babylon Train Wash Facility. Funding for this project is anticipated under the American Recovery & Reinvestment Act of 2009.
7. **Kiewit Constructors, Inc.** **\$16,950,000**
Competitive RFP
Contract No. 6032
LIRR requests MTA Board approval to award a contract to Kiewit Constructors, Inc for the lump sum price of \$16,950,000 for the demolition and re-construction of Powell Creek and Hog Island Channel Bridges, both located in the Town of Hempstead, Nassau County, and for repair of the Dutch Kills Bridge, located in the Hunterspoint area of Queens County, New York.
8. **7th Avenue Trade Apparel/
G&K Services JV** **\$7,255,000**
Competitive RFP **Not-to-Exceed**
Contract No: BP02634
LIRR requests MTA Board approval to (i) extend the term of LIRR's contract with the joint venture of 7th Ave Trade Apparel and G&K Services for uniform services, by eleven months, from August 1, 2009 through June 30, 2010, to be coterminous with MTA New York City Transit's ("NYCT") uniform contract, and (ii) increase contract funding by \$1,250,000, from \$6,005,000 to a revised, not-to-exceed amount of \$7,255,000.

Non-Competitive Procurements

1. **James L. Howard** **\$200,000 - LIRR**
Sole Source **\$500,000 - MNR**
Contract No. TBD **\$700,000 Not-to-Exceed**
MTA Board approval is requested to award a Sole Source Contract to James L. Howard & Company, Inc. (Howard) for a three-year period in a total not-to exceed amount of \$700,000 (LIRR - \$200,000, and MNR - \$500,000) to provide various hardware (car door locks, latches, door checks, etc.) required to repair and maintain doors on LIRR and MNR fleets. Howard is the Original Equipment Manufacturer and sole responsible source for this material.

2. **J Manufacturing, Inc.** **\$45,000**
Sole Source **Not-to-Exceed**
Contract No. IT05484
LIRR requests MTA Board approval to award Sole Source Contract to J Manufacturing, Inc. ("J Mfg") for a fixed amount of \$45,000 to provide bar detectors, point rods, connecting rods, front rods, drop lugs, detector adapter blocks and throw rods (collectively known as movement rods and components), all to be retained as spares. J Mfg is the original manufacturer of the movement rods and components that are unique to the dimensions and location of each switch in the Union Hall Interlocking and the Queens Interlocking.

3. **Nordco, Inc.** **\$1,300,000 - LIRR**
Sole Source **\$ 210,000 - MNR**
Contract No. IT05426 **\$1,510,000 Not-to-Exceed**
Long Island Rail Road, on behalf of itself and Metro-North Railroad, requests MTA Board approval to award Contracts for a 36-month period to Nordco Inc. (Nordco) in an amount not-to-exceed \$1,510,000 for replacement parts required to operate and maintain various pieces of Nordco and Pyke track equipment.

4. **North American Signal System, LLC** **\$525,160**
Sole Source **Not-to-Exceed**
Contract No. IT05357
LIRR requests approval to award a three year Sole Source Blanket Purchase Order to North American Signal System LLC. (NAS) in the not-to-exceed amount of \$525,160. Under the BPO, NAS will furnish up to 76 Universal Data Analyzers (UDAs) as part of LIRR's program to upgrade and expand the existing Wayside Event Recorder Systems to a Centralized Event Monitoring System.

Details of the above items are set forth in staff summaries, copies of which are on file with the records of this meeting.

8. COMMITTEE ON METRO-NORTH RAILROAD OPERATIONS

Upon motion duly made and seconded, the Board unanimously approved Metro-North Committee items. Included among those items was a joint procurement on behalf of MNR, LIRR and NYCT for the award of a three-year non-competitive service contract with Railsim Software Support Services for network modeling and simulation software, software support and standard license use to allow the agencies to better analyze proposed modifications to service and /or infrastructure and evaluate traction power demand. The details of these items are contained in the minutes of the Metro-North Commuter Railroad Company held this day and the staff summaries and materials filed with those minutes.

9. OTHER MTA BUSINESS

Upon motion duly made and seconded, the Board unanimously authorized the adoption by MTA of a 17% goal for utilization of Disadvantaged Business Enterprises ("DBEs") in its Agency-wide contracting activities on federally-assisted contracts and procurements and a 10% goal for utilization of Minority Business Enterprises ("MBEs") and a 5% goal for the utilization of Women-owned Business Enterprises ("WBEs") in MTA Agency-wide contracting activities on contracts and procurements subject to New York State Executive Law, Article 15-A. The details and specifics relating to this item are contained in the staff summaries filed with the minutes of the Metropolitan Transportation Authority held this day.

10. REAL ESTATE

Upon motion duly made and seconded, the Board unanimously approved the following real estate action item referred to it by the Committee on Capital Construction, Planning and Real Estate:

- a. License Agreement with Zoya Kapoor for the management and operation of retail stores over the right of way on Lefferts Blvd., Kew Gardens, New York.
- b. License Agreement with the Village of Lynbrook for the installation of a clock tower and station beautification, at the Lynbrook Station, Lynbrook, New York.
- c. Construction and Easement Agreements with the Village of Babylon, in conjunction with the construction and operation of a train car wash facility, on the north side of the Babylon Branch Right of Way, immediately east of the Babylon Station, Babylon, New York.
- d. License Agreement with National Grid Corporate Services, LLC, as Licensor, for the temporary relocation of LIRR's tracks and appurtenances, as part of a remediation project, on the Montauk Branch right-of-way, Brightwaters, New York.
- e. License Agreement with National Grid Corporate Services, LLC, as Licensee, for access to perform remediation work on a portion of the Montauk Branch right of way, Brightwaters, New York.
- f. Permanent Easement with the Town of Hempstead, for access and expansion of a LIRR substation, west of the Hempstead Station, Hempstead, New York.
- g. Disposition of interest in an unused portion of LIRR property to East End Ventures, LLC, at Ferry Road, Sag Harbor, New York.

Details of the above action items are set forth in staff summaries, copies of which are on file with records of this meeting.

11. EXECUTIVE SESSION

Upon motion duly made and seconded, the Board voted to convene an executive session to consider a matter leading to the appointment, employment, promotion, demotion, discipline, suspension, dismissal or removal of a particular person or corporation.

12. PUBLIC SESSION

Upon motion duly made and seconded the public session resumed.

13. ADJOURNMENT

Upon motion duly made and seconded, the Board unanimously voted to adjourn the meeting. The meeting was adjourned at 12:30 P.M.

Respectfully submitted,

A handwritten signature in cursive script, reading "Catherine A. Rinaldi", written over a horizontal line.

Catherine A. Rinaldi
Secretary

Minutes of the Regular Meeting
Metro-North Commuter Railroad Company

Wednesday, July 27, 2009
9:30 a.m.

The following members were present:

Hon. H. Dale Hemmerdinger, Chairman
Hon. David S. Mack, Vice Chairman
Hon. Andrew Albert
Hon. John H. Banks, III
Hon. Allen P. Cappelli
Hon. Donald Cecil
Hon. Doreen M. Frasca
Hon. Jeffrey A. Kay
Hon. Mark D. Lebow
Hon. Susan Metzger
Hon. Mark Page
Hon. Mitchell H. Pally
Hon. Norman Seabrook
Hon. James L. Sedore, Jr.
Hon. Nancy Shevell
Hon. Carl V. Wortendyke

The following member was absent:

Hon. Andrew M. Saul, Vice Chairman
Hon. Robert C. Bickford
Hon. Norman E. Brown

Helena Williams, MTA Interim Executive Director and President of LIRR, Myrna Ramon, Chief of Staff, James B. Henly, General Counsel, Catherine A. Blue, Acting Corporate Secretary, Board Member James Blair, Board Member Ira Greenberg, Board Member Vincent Tessitore, Jr., Board Member Ed Watt, Howard H. Roberts, Jr., President of NYCTA, Howard Permut, President of Metro-North, Susan L. Kupferman, President of TBTA, John Hein, Exec.V.P. Regional Bus Operations, Office of Sr. V.P., NYCT Department of Buses, Michael Horodniceanu, President of MTA Capital Construction, and Douglas Sussman, Director, Community Affairs also attended the meeting

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

1. Chairman's Remarks – The details of Chairman Hemmerdinger's remarks are contained in the minutes of the Board of the Metropolitan Transportation Authority held this day.

2. Public Comment:

There were six public speakers. The details of the comments made are contained in the minutes of the meeting of the Board of the Metropolitan Transportation Authority held this day.

3. Approval of Minutes – Upon motion duly made and seconded, the minutes of the June 24, 2009 meeting were unanimously approved.

4. CFO's Presentation: The Board met in a joint session of the Board and Finance Committee during which Mr. Dellaverson presented the 2009 Mid-Year Forecast, MTA 2010 Preliminary Budget and July Financial Plan 2010-2013. The details of the presentation are contained in the minutes of the meeting of the Board of Metropolitan Transportation Authority held this day and the presentation filed with those minutes.

5. Committee on Finance:

The Board voted on MTA HQ procurements. Among the items approved by the Board were three competitive personal service contracts requiring majority vote to (1) award a contract to White Hauser Architectural Glass for fabrication services for AFT installation for Ossining Station on Metro-North's Hudson Line, (2) gain approval to amend the contract amount on a contract with Liliana Porter for an AFT art project at Scarborough Station, and (3) to award a multi-agency contract to eight consultants on an as-needed basis for various telecommunications-related work for a three-year period. The details of the above items are contained in the minutes of the meeting of the Board of Metropolitan Transportation Authority held this day and the staff summaries and reports filed with those minutes.

6. Committee on Transit Operations

The Board voted on transit items. Among the items approved by the Board was a competitive miscellaneous service contract requiring majority vote to award a multi-agency contract to Northeast Lamp Recycling, Inc. for the handling, removal, transportation and recycling of various types of mercury-containing lamps in accordance with the Resources Conservation and Recovery Act (RCRA). The details of the above item are contained in the minutes of the Committee on Transit Operations and the staff summaries and reports filed with those minutes.

7. Committee on LIRR/LI Bus Operations:

The Board voted on LIRR items. Among the items approved by the Board was a non-competitive purchase and public works contract requiring two-thirds vote to award a contract to James L. Howard & Company, Inc. for a three-year period to provide various hardware required to repair and maintain doors on LIRR and MNR

fleets. The details of the above item are contained in the minutes of the Committee on LIRR/LI Bus Operations and the staff summaries and reports filed with those minutes.

8. Committee on LIRR/LI Bus Operations:

The Board voted on LIRR/LI Bus items. Among the items approved by the Board was a competitive miscellaneous procurement contract requiring majority vote to award a multi-agency procurement to EMC² Corporation for the maintenance, support, expansion and upgrade of Storage Area Networks (SANS) for a five-year period. The details of the above items are contained in the minutes of the Committee on LIRR/LI Bus Operations and the staff summaries and reports filed with those minutes.

9. Committee on Metro-North Railroad Operations:

Mr. Sedore reported that Metro-North's east of Hudson on-time performance in June 2009 was 98.1%.

Procurements:

Upon motion duly made and seconded, the Board unanimously approved the following non-competitive procurements requiring two-thirds vote by the Board.

Non-Competitive Purchases and Public Work Contracts

- Stanley Vidmar Storage Technologies – Purchase and installation of adjustable racking system.

Upon motion duly made and seconded, the Board unanimously approved the following non-competitive procurements requiring majority vote by the Board.

Personal Service Contracts

- Systra Engineering, Inc. – Software support services and software engineering services related to Railsim Software.

Miscellaneous Service Contracts

- Applied Power Systems, Inc. – Repair & return of APS IGBT stack inverters.
- PHW, Inc. – Design, fabrication and delivery of the M-4 railcar cab signal system.

Upon motion duly made and seconded, the Board unanimously approved the following competitive procurements requiring two-thirds vote by the Board.

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

- Furnish pre-wired signal houses and cases, Danbury Line (Norwalk, CT to Danbury, CT).

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

- Progress Rail Services (PRS) – Overhaul of west of Hudson F40 locomotives.
- F.J. Sciame Construction Co., Inc. – Design/build services for Grand Central Terminal employees' facility.

Upon motion duly made and seconded, the Board unanimously approved the following competitive procurements requiring majority vote by the Board.

Personal Service Contracts

- STV Incorporated – Construction support services – Cortlandt Station parking and intermodal access improvements.
- WSP Sells – Construction supv. & inspection svces. – Superstructure replacement of the Park Avenue Bridge in Mount Vernon, NY.
- Martin A. Krieger – Title VI and National Transit Database Section 15 consultant.

Modifications to Purchase and Public Work Contracts

- Brookville Locomotive – Furnish and deliver switcher/shuttle locomotives.

Upon motion duly made and seconded, the Board unanimously approved the following ratification requiring majority vote by the Board.

Ratification of Completed Procurement Actions

- ARINC, Inc. – Upgrade of the SCADA system.

Staff summaries and reports setting forth the details of the above items are filed with the records of this meeting.

10. Committee on MTA Capital Construction, Planning & Real Estate

The Board voted on MTA Capital Construction, Planning and Real Estate items.

Upon motion duly made and seconded, the Board, among other items, unanimously approved the following real estate items recommended to it by the Committee on MTA Capital Construction, Planning & Real Estate:

- License Agreement with the Village of Croton-on-Hudson for the operation and maintenance of a roadway and pedestrian trail in Croton-on-Hudson, New York.
- Lease modification agreement with Richard Viscomi, as guardian for Anthony Viscomi, for warehouse space at 9 West Main St., Elmsford, New York.
- Approval to proceed with condemnation if necessary of the fee title in portions of the properties known as 401 and 441 East Fordham Road (Block 3273, portion of Lots 1 and 102), Bronx, New York, in support of the Bronx Stations I Capacity Improvement (Fordham Station) Project.
- Lease Agreement with Solar Electric Systems, Inc., for the long-term net lease of two parcels adjacent to the former electrical substation building in Tuckahoe, New York.

Staff summaries setting forth the details of the above items are filed with the records of this meeting.

11. Executive Session: Upon motion duly made and seconded, the Board unanimously voted to convene in Executive Session. The details of the executive session are contained in the minutes of the Board of the Metropolitan Transportation Authority held this day. Upon motion duly made and seconded, the Committee unanimously voted to re-convene in public session.
12. Next Meeting - September 23, 2009 at 9:30 a.m.
13. Upon motion duly made and seconded, the Board unanimously voted to adjourn the meeting at 11:35 a.m.

Respectfully submitted,


Linda Montarino
Assistant Secretary

Minutes of the Regular Meeting
Triborough Bridge and Tunnel Authority
July 27, 2009

Meeting Held at
347 Madison Avenue
New York, New York 10017

9:30 A.M.

The following members were present:

Hon. H. Dale Hemmerdinger, Chairman
Hon. David S. Mack, Vice Chairman
Hon. Andrew Albert
Hon. John H. Banks, III
Hon. Allen P. Cappelli
Hon. Donald Cecil
Hon. Doreen M. Frasca
Hon. Jeffrey A. Kay
Hon. Mark D. LeBow, Esq.
Hon. Susan Metzger
Hon. Mark Page
Hon. Mitchell H. Pally
Hon. Norman Seabrook
Hon. James E. Sedore, Jr
Hon. Nancy Shevell
Hon. Carl V. Wortendyke

The following members were absent:

Hon. Andrew M. Saul, Vice Chairman
Hon. Robert C. Bickford
Hon. Norman E. Brown

Helena E. Williams, Interim Executive Director and President of Long Island Rail Road; James B. Henly, General Counsel, MTA; Catherine Blue, Acting Corporate Secretary; Myrna Ramon, Chief of Staff; Board Member James Blair; Board Member Ira Greenberg; Board Member Vincent Tessitore, Jr.; Board Member Edward Watt; John Hein, Exec. Vice President Regional Bus Office of the Senior Vice President, New York City Transit Department of Buses; Michael F. Horodniceanu, President MTA Capital Construction Company; Susan L. Kupferman, President MTA Bridges and Tunnels; Howard R. Permut, President, Metro-North Commuter Railroad; Howard H. Roberts, Jr., President, New York City Transit; Operations, and Douglas R. Sussman, Director, Community Affairs, MTA also attended the meeting.

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

Chairman's Opening Remarks

Chairman Hemmerdinger stated that Mr. Gary Dellaverson, MTA Chief Financial Officer, would present the 2010 Preliminary Budget and July Financial Plan 2010 – 2013 to a joint session of the MTA Board and Committee on Finance.

The details of Chairman Hemmerdinger's additional comments are contained in the minutes of the Board of the Metropolitan Transportation Authority and the agencies' minutes of this date.

Helena E. Williams, Interim Executive Director, commended Chairman Hemmerdinger on his service to the MTA and Board. Further details of Ms. Williams' remarks are contained in the minutes of the Board of the Metropolitan Transportation Authority.

1. Public Speakers

There were six public speakers. None of the speakers commented on issues regarding the Triborough Bridge and Tunnel Authority. The subject matter of the public comments is contained in the minutes of the meeting of the Board of the Metropolitan Transportation Authority.

2. Approval of the Minutes of the Board Meeting June 24, 2009

The Minutes of the meeting held on June 24, 2009 were unanimously approved.

3. Joint Session of the MTA Board and the Committee on Finance

MTA Chief Financial Officer, Gary Dellaverson, discussed the February 2009 Financial Plan, and presented to the Board the MTA 2010 Preliminary Budget and July Financial Plan 2010-2013.

The details of Mr. Dellaverson's presentation are contained in the minutes of the Board of the Metropolitan Transportation Authority and the materials discussed in his presentation are filed with the Minutes of that meeting.

Commissioner Pally stated that the assumption for 2011 and forward is that funding for TBTA's capital plan will be higher than it has been, and since TBTA gets first call on revenues for its capital program, there will be less money available from TBTA for support to mass transit. Mr. Dellaverson stated that this is correct.

4. Committee on Finance

Upon a motion duly made and seconded the MTA Board approved the following joint procurement item with the MTA and B&T. The contract with Extreme Lighting (Contract No. 09067-0100) is for the installation, removal and repair of emergency lighting, communication and graphic equipment on B&T's patrol vehicles. This is a three year contract and B&T's portion is \$91,000.

The details of the above item are contained in the minutes of the MTA and the staff summary and reports filed with those minutes.

5. Committee on Transit Operations

Upon a motion duly made and seconded, the Board approved a modification to a contract with New York City Transit and Hewlett Packard Company for hardware and software

maintenance which will provide a 6% discount to various MTA agencies including B&T.

The details of the above item are contained in the minutes of the Committee on Transit Operations and the staff summary and reports filed with those minutes.

6. **Committee for MTA Bridges and Tunnels Operations**

Procurements

Vice Chairman Mack stated that there are no non-competitive procurements this month.

Competitive Procurements

Vice Chairman Mack stated that there are four competitive procurements totaling \$10.508 million.

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

Personal Service Contracts

BCC Associates, Inc.	Contract No. PSC-08-2832 Provide revenue processing services.	\$8,334,984.00
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**Modifications to Personal Service Contracts and Miscellaneous
Service Contracts Awarded as Contracts for Services**

Highway Locksmiths, Inc.	Contract No. 04-ISD-2722X (B&T) 05130-0100 (MTA) Contractor to provide locksmith services on an as-needed basis for B&T and MTA.	\$274,188.00 (B&T) <u>\$104,106.70 (MTA)</u> \$378,294.70
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Modifications to Purchase & Public Works Contracts

Conti of New York, LLC	Contract No. BW-89 Add funding to continue the as-needed deck and roadway repair work under Contract BW-89, Replacement of the Bronx Approach and Miscellaneous Repairs to the Queens Approach at the Bronx-Whitestone Bridge.	\$750,000.00
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Modifications to Miscellaneous Procurement Contracts

Transdyn, Inc.	Contract No. 00-TD-2571	\$1,044,660.00
	Additional enhancements so new functionality can be added to the Advanced Traffic Management Incident, Detect, Evaluate, Act, System (ATM IDEAS).	

Ratifications

Vice Chairman Mack stated that there is one ratification in the amount of \$49.160 million.

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

Ratification of Completed Procurement Actions

American Bridge Company	Contract No. TBB Task 39/C52077	\$49,159,750.00
	Contract award for miscellaneous structural improvements at the RFK Bridge and amend the contract to revise lane closure requirements.	

7. **Executive Session**

Upon a motion duly made and seconded, the Board voted to convene in Executive Session to discuss issues that did not pertain to the Triborough Bridge and Tunnel Authority.

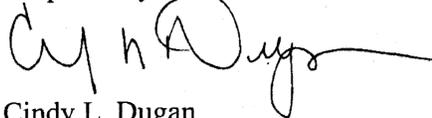
8. **Public Session**

Upon a motion duly made and seconded, the Board unanimously voted to re-convene in Public Session.

9. **Adjournment**

Upon a motion duly made and seconded, the Board unanimously voted to adjourn the Meeting at 11:35 a.m.

Respectfully submitted,



Cindy L. Dugan
Assistant Secretary

**Regular Board Meeting
MTA Capital Construction Company
347 Madison Avenue
New York, NY 10017
Wednesday, July 27, 2009
9:30 a.m.**

The following members were present:

Hon. H. Dale Hemmerdinger, Chairman

Hon. David S. Mack, Vice Chairman

Hon. Andrew Albert

Hon. John H. Banks, III

Hon. Allen P. Cappelli

Hon. Donald Cecil

Hon. Doreen M. Frasca

Hon. Jeffrey A. Kay

Hon. Mark D. Lebow

Hon. Susan Metzger

Hon. Mark Page

Hon. Mitchell H. Pally

Hon. Norman Seabrook

Hon. James L. Sedore, Jr.

Hon. Nancy Shevell

Hon. Carl V. Wortendyke

The following member was absent:

Hon. Andrew M. Saul, Vice Chairman

Hon. Robert C. Bickford

Hon. Norman E. Brown

Helena Williams, MTA Interim Executive Director and President of LIRR, Myrna Ramon, Chief of Staff, James B. Henly, General Counsel, Catherine A. Blue, Acting Corporate Secretary, Board Member James Blair, Board Member Ira Greenberg, Board Member Vincent Tessitore, Jr., Board Member Ed Watt, Howard H. Roberts, Jr., President of NYCTA, Howard Permut, President of Metro-North, Susan L. Kupferman, President of TBTA, John Hein, Exec.V.P. Regional Bus Operations, Office of Sr. V.P., NYCT Department of Buses, Michael Horodniceanu, President of MTA Capital Construction, and Douglas Sussman, Director, Community Affairs also attended the meeting

Chairman Hemmerdinger called the meeting to order.

Public Comment Period

There were no public speakers on any issues regarding MTA Capital Construction.

Approval of Minutes

Upon motion duly made and seconded, the MTA Board unanimously approved the minutes of the regular Board meeting held on June 24, 2009.

MTA Capital Construction Company Action Items

Upon motion duly made, the Committee approved a sublease and license agreement with the Port Authority for the installation of three columns associated with World Trade Center site development within the New York City Transit World Trade Center E Subway Station. The Port Authority has budgeted \$150M for its design and construction of the Cortlandt 1 Line Station reconstruction and will advance \$70 million to the MTA to fund improvements along the Church Street Corridor adjacent to the World Trade Center. MTA will reimburse the funds as part of its 2010-2014 Proposed Capital Program.

MTA Capital Construction Company Procurements

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

- A non-competitive contract with Encom Systems to manufacture and deliver emergency telephones for installation as replacements in the East River Tunnels
- Authorization to use the competitive Request for Proposal (RFP) process for a Second Avenue Subway contract to construct the 72nd Street Station cavern and entrances and G3/G4 tunnels to the existing 63rd Street/Lexington Avenue Station
- A competitive indefinite quantity contract with various vendors for design consultant services
- A competitive indefinite quantity contract with various vendors for independent testing and laboratory services
- A modification to the 7 Line Extension design services contract with PB Americas
- A modification to the East Side Access Harold Structure Part I contract with Perini Corporation
- A modification to the East Side Access Manhattan Tunnels contract with Dragados/Judlau JV
- A modification to the East Side Access Manhattan Structures Part 1 contract with Dragados/Judlau JV
- A ratification of a modification to the Fulton Street Transit Center design services contract with Ove Arup & Partners Consulting Engineers.

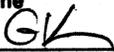
Adjournment

Upon motion duly made and seconded, the MTA Board voted to adjourn the public meeting.

Respectfully submitted,

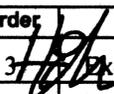
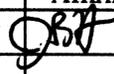
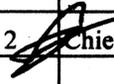
Miriam Cukier, Secretary

Staff Summary

Subject Proposed 2010-2014 MTA Capital Program
Department Administration
Department Head Name Linda Kleinbaum
Department Head Signature 
Project Manager Name Gregory Kullberg 

Date September 14, 2009
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref #

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance	9/21	X		
2	Board	9/23	X		

Internal Approvals			
Order	Approval	Order	Approval
3 	Exec Director/CEO		Affirmative Action
	Chief of Staff	1 	Legal
2 	Chief Financial Officer		IST&P
	Procurement		Other

Purpose:

To request MTA Board review of the MTA's Proposed \$28.1 billion 2010-2014 Capital Program and authorize its submission to the MTA Capital Program Review Board (CPRB) in accordance with PAL 1269-b (exclusive of the Bridges and Tunnels program, which does not require CPRB review).

Discussion:

The Proposed MTA 2010-2014 Capital Program continues the MTA's remarkable transportation legacy, which has supported the economic success of the region and is critical to our future growth. Beginning with the State Legislature's historic investment program in 1982 through to the current 2005-2009 Capital Program, the MTA has invested more than \$78 billion in six successive programs that have restored this region's critical transportation network that was once on the brink of collapse.

As with prior programs, the proposed \$28.1 billion plan continues to be guided by two principles -- rebuilding the infrastructure and expanding the system. The Proposed 2010-2014 Program focuses first and foremost on rebuilding the MTA's core infrastructure through its four operating agencies. Many of the proposed investments repair and replace fundamental components of the transit system and, wherever possible, replace obsolete or inefficient infrastructure with smart investments, such as new technologies and innovative services. These rebuilding investments are complemented by investments to expand the system to meet growing regional demand. The MTA's expansion plan includes the completion of our two critical, ongoing projects (East Side Access and Second Avenue Subway) and the analysis of a number of new initiatives. See separate 2010-2014 Capital Program document dated September 23, 2009.

The core elements of this program reflect the core plan developed for the Proposed 2008-2013 Program that was submitted in response to the Congestion Pricing legislation. However, since the proposed 2010-2014 program does not benefit from the revenues that were anticipated as a result of congestion pricing, it does not include "tier 3" investments for additional expansion projects. The size of the proposed core 2008-2013 Program was based on the 2005-2009 Capital Program increased by construction inflation. To that was added the amount needed to finish the mega projects. These same assumptions were applied to size the proposed 2010-2014 Capital Program that informed the discussions with the state legislature and led to their approval of new financial resources for the MTA, including revenues to support bonds for two years of funding for a program of that size.

MTA staff provided briefings on the proposed program to key stakeholders including legislative staff, board members, the Permanent Citizens Advisory Committee and its various Riders Councils, representatives of the region's transit and environmental advocacy groups and representatives of the building trades. On August 7, the proposed program and the briefing document were also made available on the website. Comments were received from these sources and responses are being submitted to all and will be available on the MTA website; these responses note changes that will be made to the proposed program as well.

Impacts on Funding:

Fully funding the 2010-2014 Capital Program is critical to the health of the MTA's infrastructure, the regional economy and New York's quality of life. The proposed plan includes funding assumptions from our local, state and federal government partners, including more than \$8 billion of assumed federal funding, \$6 billion of new bonds supported by the recurring revenues approved earlier this year by the State Legislature, and \$500 million assumed from the City of New York. Asset Sales/Pay-As-You-Go Capital/Other Internal Sources total another \$600 million. In combination, these revenue sources fund two years of capital work in this program and leave a \$9.9 billion funding gap that must be filled in order to complete the program of investments, so as to maintain the pace of our rebuilding effort and complete the mega projects.

Alternatives:

The proposed Capital Program assumes funding sources that support two of the five years of the program, with nearly a \$10 billion gap remaining. We will work with the state legislature to identify the additional resources needed to achieve full funding of the plan. In the alternative, the gap can be overcome by reducing the size of the proposed program, a fare increase above that necessary to balance the operating budget, or a combination of these options. However, a smaller program will not keep pace with state of good repair and normal replacement investments nor meet the growth needs of the region.

Recommendation:

MTA Board review the Proposed 2010-2014 MTA Capital Program at its September 23, 2009 Board meeting and authorize its submission to the CPRB in accordance with state law that provides for MTA submission to CPRB by October 1, 2009.

Staff Summary



Subject Loan from federal Railroad Rehabilitation & Improvement Program						Date September 4, 2009			
Department Finance						Vendor Name			
Department Head Name Gary J. Dellaverson						Contract Number			
Department Head Signature 						Contract Manager Signature			
Project Manager Name									
Board Action						Internal Approval			
Order	To	Date	Approval	Info	Other	Order	Approval	Order	Approval
1	LI	9/16/09		X		1	DED/Administration		DED/General Counsel
2	MNR	9/21/09		X		2	DED/Corporate Affairs and Communications		Executive Director
3	Finance	9/21/09	X			3	LIRR President		
4	Board	9/23/09	X			4	Metro-North President		

PURPOSE: To obtain authorization to file a loan application with the Federal Railroad Administration (“FRA”) on behalf of Long Island Rail Road (“LIRR”) and Metro-North Railroad (“MNR”) (collectively, “the Railroads”) in connection with the installation of Positive Train Control (“PTC”) on both systems.

BACKGROUND: In October of last year, Congress passed the Rail Safety Improvement Act of 2008 (“Act”), which requires, among other things, the development of an implementation plan by April 2010 for the installation of PTC on all commuter railroad main-line tracks. PTC is a technology that is intended to prevent train-to-train collisions, over-speed derailments, and injuries to workers as the result of unauthorized incursions by a train. Full implementation of PTC on main-line tracks not otherwise subject to an exemption is required by December 31, 2015. FRA is in the process of finalizing regulations to implement the Act. The sum of \$50 million was appropriated in connection with the Act; however, as the costs of PTC are greatly in excess of this appropriation, this federal mandate is essentially unfunded.

In May, the Board approved an increase in the LIRR’s General Engineering Contract (“GEC”) award limit from authorized amount of \$70 million to \$110 million to support a joint solicitation by LIRR and MNR (with LIRR acting as lead agency) for a consultant to assist them with preparing a PTC implementation plan by the April 2010 deadline. The May Staff Summary is attached hereto. A contract was awarded to a joint venture consisting of SYSTRA and AECOMM last month.

The Railroads have prepared the following estimates of their total PTC funding requirements for the next five fiscal years:

Federal Fiscal Year	LIRR	Metro-North	Total
10/2008-9/2009	\$9,701,250	\$3,923,000	\$13,624,250
10/2009-9/2010	\$108,204,500	\$13,546,000	\$121,750,500
10/2010-9/2011	\$228,250,750	\$151,470,000	\$379,720,750
10/2011-10/2012	\$52,367,250	\$11,794,000	\$64,161,250
10/2012-9/2013	\$16,209,375	\$94,959,000	\$111,168,375
Total	\$414,733,125	\$275,692,000	\$690,425,375

Because the Act does not provide funding for the PTC mandate, and, further, because of concerns that the PTC-related funding requirements may significantly strain the 2010-2014 Capital Program, the Railroads have investigated the availability of other federal funding sources to support the installation of PTC by the deadlines set forth in the Act. The Railroads are partnering with the State Department of Transportation to file a pre-application for a grant to cover PTC design costs under the federal high-speed rail program. However, even if these grant funds are awarded, they will cover only about

\$16 million of Metro-North's expenses and \$9 million of LIRR's expenses. The PTC project will also be included in the list of Capital Projects for which public hearings for both railroads will be held this fall in order to make the project eligible for annual FTA formula grant funding. At this time, however, it does not appear that existing grant programs will come close to covering the entire expense of implementing PTC.

In addition to federal grant programs, the federal Railroad Rehabilitation and Improvement Financing ("RRIF") Program provides direct loans and loan guarantees to support the development of railroad infrastructure. Under this Program, the FRA Administrator has \$35 billion available for direct loans and loan guarantees to support a number of rail initiatives, including the acquisition, improvement or rehabilitation of rail equipment or facilities. Direct loans can fund up to 100 percent of a qualified railroad project. The repayment obligation may extend up to 35 years, and the interest rate would be equal to the government's cost of borrowing. MTA and the Railroads are eligible to participate in the RRIF Program. Approval for participation in the Program does not obligate MTA to borrow the money.

MTA is seeking authorization to apply for loans on behalf of the Railroads to cover their PTC-related expenses. FRA will require MTA to pay an "investigation charge" of approximately \$130,000 to cover the cost of retaining a financial adviser to assist in reviewing the application. Fifty percent of the investigation charge would be due when the loan application is filed. Assuming that the loan application is approved, MTA would proceed with drawing down the loan proceeds only after analyzing whether the cost of the loan was at least as advantageous as financing PTC through other means.

The 2010-2014 Capital Program submission includes \$550 million for PTC. In order to be able to obtain the RRIF loan proceeds, MTA will need to identify a source of funding for repayment of the loan. It is expected that the costs of PTC will exceed the amount currently included in the 2010-2014 Capital Program. The balance would need to come either from other sources or from the ensuing Capital Program. MTA will not draw down loan proceeds before the 2010-2014 Capital Program is approved by CPRB and will not draw down amounts in excess of the amount included in the approved Capital Program.

ALTERNATIVES: The Board could choose not to authorize MTA to seek a direct loan from the federal RRIF Program. In such event, MTA would need to look to other sources to be able to meet the aggressive 2015 deadline for PTC.

RECOMMENDATION: That the Board authorize the MTA, on behalf of LIRR and MNR, to apply for a direct loan to cover costs related to the design and implementation of PTC.

Staff Summary

Subject Request for Authorization to Award Various Procurements
Department Administration
Department Head Name Linda Kleinbaum
Department Head Signature 
Division Head Name Clifford Shockley 

Date September 8, 2009
Vendor Name Various
Contract Number Various
Contract Manager Name Various
Table of Contents Ref #

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance	9/21/09			
2	Board	9/23/09			

Internal Approvals			
Order	Approval	Order	Approval
			Office of Civil Rights
	Executive Director		Legal
3	Budgets & Financial Mgmt.		EITG
1	Procurement 	2	Administration 

PURPOSE:

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

DISCUSSION:

MTAHQ proposes to award Non-competitive procurements in the following categories: # of Actions \$ Amount
None - 0 -

MTAHQ proposes to award Competitive procurements in the following categories:

Schedules Requiring Majority Vote

Schedule F: Personal Service Contracts	2	\$2,643,800
Schedule G: Miscellaneous Service Contracts	2	\$ 570,022
Schedule J: Modifications to Miscellaneous Procurement Contracts	1	\$ 131,100
SUBTOTAL	5	\$3,344,922

MTAHQ presents the following procurement actions for Ratification:

TOTAL	5	\$3,344,922
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BUDGET IMPACT: The purchases/contracts will result in obligating MTAHQ operating and capital funds in the amount listed. Funds are available in the current MTAHQ operating/capital budgets for this purpose.

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

BOARD RESOLUTION

METROPOLITAN TRANSPORTATION AUTHORITY

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

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

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

NOW, upon the recommendation of the Executive Director, the Board resolves as follows:

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

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

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

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

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

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

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

LIST OF PROCUREMENTS FOR BOARD APPROVAL, SEPTEMBER 2009
COMPETITIVE PROCUREMENTS

METROPOLITAN TRANSPORTATION AUTHORITY

Procurements Requiring Majority Vote:

F. Personal Service Contracts

Page

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

- | | | |
|----|--|-------------------------------------|
| 1. | Colleen P. Gray
Assistance with the Administration of the
Yardi Real Estate Information Software System
Contract No. 08336-0100 | \$243,800
(not-to-exceed) |
|----|--|-------------------------------------|

Competitively negotiated – 2 proposals – 36 months

The Consultant will assist MTA in maintaining the operational reliability of the Yardi proprietary Real Estate Information Software System. The services will include: testing and installation of software upgrades; report writing; customized user training and system support; documentation of features and reports; and preparation of specifications for new tables, screen and reports as may be necessary to meet the business needs of MTA's Real Estate Department. The consultant's proposed hourly rate of \$195 was reduced through negotiations to an hourly rate of \$150, a reduction of \$45/hr. or 23.08%. The negotiated rate of \$150/hr. is the same rate under the current three-year contract. As a result of these negotiations, the proposed amount of \$307,340 for the services was reduced to a not-to-exceed amount of \$243,800, resulting in a savings of \$63,540 or 20.67%. Based on these negotiations, the not-to-exceed cost of \$243,800 for the services is considered fair and reasonable.

- | | | | |
|----|---|--|-------------------------------|
| 2. | Administrative and Record-keeping Services
In Connection with the Operation of the MTA
Flexible Spending Account (FSA) and
Commuter Benefits Administration (CBA) Plans
Contract Nos. 09060-0100 and -0200 | \$1,800,000 (FSA)
\$ 600,000 (CBA)
(not-to-exceed) | <u>Staff Summary Attached</u> |
| | a. P&A Administrative Services, Inc. [for the FSA Plan] | | |
| | b. TransitCenter, Inc. [for the CBA Plan] | | |

47

Competitively negotiated – 10 proposals – 60 months

Contractors to provide Administrative and Record-keeping Services in connection with the operation of a voluntary tax-favored program, which is operated for the benefit of employees of the MTA and its subsidiaries and affiliates. The program is authorized under two sections of the Internal Revenue Code, i.e., Section 125 for the Flexible Spending Account (FSA) Plan for Dependent Care and Health Care and Section 132(f) for the Commuter Benefits Administration (CBA) Plan. The plans allow employees to pay for qualified dependent care, health care and transportation expenses using pre-tax monies that are contributed through automatic payroll deductions. The negotiated sliding-scale fee for FSA services, which ranges from \$3.90/month to \$3.50/month based on the number of participants, is \$.20 or 4.8% lower (on the top-end rate of \$3.90 on the scale) than the flat monthly fee of \$4.10 under the current contract. The negotiated fixed monthly fee of \$3.25 for CBA services is the same fee negotiated five years ago for the existing contract with TransitCenter, Inc. Based on the above, the negotiated fees are deemed fair and reasonable and are the most favored customer pricing of the two firms.

METROPOLITAN TRANSPORTATION AUTHORITY
COMPETITIVE PROCUREMENTS

G. Miscellaneous Service Contracts

(Staff Summaries required for all items greater than: \$100K Sole Source; \$250K Other Non-Competitive; \$1M RFP;
No Staff Summary required if Sealed Bid Procurement)

- 3-4. **T. R. Joy & Associates, Inc.** **\$570,022***
Installation, Maintenance & Repair (not-to-exceed)
Of Security and Burglar Alarm Systems
For MTA Police Dept. and MTA Headquarters
Contract Nos. 09082-0100 and 09082-0200

Sealed bids/Single Bidder – 36 months

Contractor to furnish all labor, material and equipment necessary to provide as-needed maintenance of security systems, as well as day-to-day monitoring of 17 central burglar alarm systems for the MTA Police Department (MTAPD) and MTA Headquarters (MTAHQ). The systems include but are not limited to closed circuit televisions, card access systems, and any upgrades to security and/or security-related systems. *The total amount of \$570,022 consists of \$174,870 for MTAPD and \$395,152 for MTAHQ. MTAHQ's contract amount of \$395,152 includes \$296,212 for upgrading the existing access control and video surveillance systems throughout the Madison Avenue buildings, and for user training. The negotiated hourly rate of \$85 for straight time reflects a savings of \$5 or 5.5% off the proposed hourly rate of \$90, and represents an average annual increase of 2.1% over the current contract rate of \$80/hr. The rate of \$115/hr. for overtime (if required) remains the same as the current contract. The negotiated rate of \$85/hr. is the Vendor's most favored customer pricing and will remain fixed for the three-year term of the contract. In addition, this hourly rate is lower than the rates that the City of New York and the Federal Government are currently paying for these services. Based on the above factors, the negotiated hourly rates are deemed fair and reasonable.

J. Modifications to Miscellaneous Procurement Contracts

(Approves/Staff Summaries required for individuals change orders greater than \$250K. Approvals without staff summaries required for change orders greater than 15% of previously approved amount which are also at least \$50K)

5. **Eastern Communications, Ltd.** **\$82,900 (MTAPD)**
Maintenance and Repair of Voice Communications, **\$48,200 (MTA B&T)**
Mobile Data and Vehicle Warning Systems for
MTAPD and MTA Bridges and Tunnels
Contract No. 05049-0100, C/O # 2

Base plus previous change order = \$252,300 (MTAPD) and \$144,760 (MTA B&T)

Increase funding to extend the contract period by one year from October 1, 2009 through September 30, 2010 to allow the contractor to continue providing maintenance and repair services for voice communications, mobile data and vehicle warning systems equipment required on a day-to-day basis, as well as emergency and unscheduled work on an as-needed basis, for the MTA Police Department's and MTA Bridges and Tunnel's public safety and communications systems. MTA has determined that it is more economical to exercise the one-year option to continue these services under the same terms and conditions established in the competitively-awarded base agreement with Eastern Communications rather than issuing a new contract riding New York State's competitively-awarded Contracts No. PT62493 and PS62494. The hourly rate of \$80 for maintenance and repair services under the 2006 base agreement is \$14 or 14.89% lower than the hourly rate of \$94 for service technicians under the New York State contracts.

Staff Summary

Schedule F: Personal Service Contracts

Item Number:					
Dept & Dept Head Name: MTA Deferred Compensation Committee/Michael Jaszcar					
Division & Division Head Name: <i>Michael Jaszcar</i>					
Board Reviews					
Order	To	Date	Approval	Info	Other
1	Finance	9/21/09			
2	Board	9/23/09			
Internal Approvals					
Order	Approval	Order	Approval		
1	Procurement <i>OH</i>	3	Office of Civil Rights <i>MR</i>		
2	Deferred Compensation <i>OH</i>	4	Legal <i>OH</i>		
		5	Budgets & Financial Mgmt. <i>J.M.Z.</i>		

SUMMARY INFORMATION	
Vendor Name: P&A Administrative Services, Inc. and TransitCenter, Inc.	Contract Number: 09060-0100 & 0200
Description: Administrative & Record-keeping Services for Flexible Spending Account and Commuter Benefit Admin. Plans	
Total Amount: P&A Admin. Svces. – \$1,800,000; TransitCenter – \$600,000	
Contract Term (including Options, if any) January 1, 2010 thru December 31, 2015	
Option(s) included in Total Amount? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
Renewal? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
Procurement Type: <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Non-competitive	
Solicitation Type: <input checked="" type="checkbox"/> RFP <input type="checkbox"/> Bid <input type="checkbox"/> Other:	
Funding Source: <input type="checkbox"/> Operating <input type="checkbox"/> Capital <input type="checkbox"/> Federal <input checked="" type="checkbox"/> Other: Assets, interest and forfeitures of Plans.	

Narrative

I. PURPOSE/RECOMMENDATION

To recommend that the Board approve the award of two competitively negotiated, All-agency personal services contracts to: i) P&A Administrative Services, Inc (P&A) for Administrative and Record-keeping Services in connection with operation of the MTA Flexible Spending Account (FSA) and ii) TransitCenter, Inc. for operation of the Commuter Benefits Administration (CBA) Plan. Both contracts will be for a period of five (5) years from January 1, 2010 through December 31, 2015 for total not-to-exceed amounts of \$1,800,000 for P&A and \$600,000 for TransitCenter.

II. DISCUSSION

Since January 1990, the MTA Deferred Compensation Committee has operated a voluntary tax-favored program authorized under two sections of the Internal Revenue Code, i.e., Section 125: the Flexible Spending Account for Dependent Care and Health Care, and Section 132(f): the Commuter Benefits Administration Plan. Both portions of this tax-favored program are operated for the benefit of employees of the MTA and its subsidiaries and affiliates. The program allows employees to pay for qualified health care, dependent care and transportation expenses using pre-tax monies that are deducted from their salaries through automatic payroll deductions. Approximately 8,500 employees currently participate in the FSA and CBA plans. The existing contract for the FSA portion of the program was competitively awarded with Board approval in September 2004 to WageWorks, Inc. and will expire on December 31, 2009, while the contract for the CBA portion was competitively awarded with Board approval in October 2004 to TransitCenter, Inc. and will expire on December 31, 2009.

In order to continue the services for these plans, a new Request for Proposals (RFP) was publicly advertised in April 2009 and letters advising potential proposers of the RFP's availability were mailed to a combined list of 58 firms, of which nine were MBE/WBE firms. The successful proposer(s) must be prepared to provide all administrative services required for the successful operation of the FSA and/or the CBA plan as well as all record-keeping services for both plans. Accordingly, the RFP requested proposers to submit separate proposals for the FSA and CBA plans. Ten (10) firms submitted proposals, of which eight submitted proposals for both the FSA and the CBA services and the other two submitted proposals for the CBA services only.

In June 2009, the Selection Committee, which included human resource and technology representatives from MTA Headquarters, B&T, LIRR, MNR, LI Bus, MTA Bus, NYC Transit and the Business Service Center, evaluated the proposals and recommended that four of the firms (P&A, WageWorks, FBMC (for FSA) and WageWorks and TransitCenter (for CBA) be invited to make oral presentations.

Upon conclusion of the oral presentations, the Selection Committee determined that the following two firms were the most technically qualified and best suited firms to perform the services identified by the RFP: P&A for performing the FSA services and TransitCenter for performing the CBA services. MTA has conducted a responsibility review and other due diligence on the two proposed awardees and has deemed them to be responsible for award.

P&A proposed a flat monthly fee of \$3.90 for the FSA services. This fee was negotiated to a sliding scale, based on the number of participants, starting from \$3.90/month and decreasing in four steps to \$3.50/month for over 14,000 participants. The existing contract for these services has a flat monthly fee of \$4.10; hence, the top rate of \$3.90/month negotiated for the new contract is \$0.20 or 4.8% lower than the flat rate of \$4.10 for the existing contract. TransitCenter's proposed monthly fee of \$3.35 was negotiated down to a fixed fee of \$3.25/month, a decrease of \$0.10 or 3.0%. This negotiated, fixed monthly fee of \$3.25 is the same as the fee for these services under the existing five-year contract. The pricing negotiated with P&A and TransitCenter is each firm's most favored customer pricing. Based on the above, the monthly fees negotiated for these services are deemed fair and reasonable.

As in prior years, employee participation in each Plan is expected to increase. Hence, for the FSA Plan, an annual average of 7,700 participants is projected over the life of the contract, resulting in a total not-to-exceed amount of \$1,800,000 for the five-year period from utilizing the top monthly per-participant fee of \$3.90. For the CBA program, an average annual participation level of 3,100 is projected, resulting in a total not-to-exceed amount of \$600,000 for the five-year period, utilizing the fixed monthly participant fee of \$3.25.

III. D/M/WBE INFORMATION

The MTA Office of Civil Rights did not establish any D/M/WBE goals for these contracts.

IV. IMPACT ON FUNDING

Based on past experience, there will continue to be no cost to the MTA for the FSA Plan because the fees are covered by plan forfeitures and interest earned on funds. For the transportation benefits plan (CBA), MTA and the agencies pay the fees from operating funds.

V. ALTERNATIVE

Do not continue the FSA and CBA Plans. This is not a practical alternative. These voluntary programs have been favorably accepted by both non-represented and represented employees, and the FSA Plan is administered at no cost to the MTA and its agencies.

Subject	Request for Authorization to Award Various Procurements
Department	Materiel
Department Head Name	Stanley J. Grill
Department Head Signature	<i>Stanley Grill</i>
Project Manager Name	Rose Davis

September 4, 2009
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref #

Board Action					
Order	To	Date	Approval	Info	Other
1	Committee	9/21/09			
2	Board	9/23/09			

Internal Approvals			
	Approval		Approval
	President <i>A. H. H. R.</i>	X	Capital Construction Co.
	Executive VP <i>M. C.</i>	X	Subways
X	Capital Prog. Management	X	Buses
	Law	X	Off. Of Civil Rights

Internal Approvals (cont.)							
Order	Approval	Order	Approval	Order	Approval	Order	Approval
	MTA Bus Co.						

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 Non-Competitive procurements in the following categories:

Schedules Requiring Two Thirds Vote:		# of Actions	\$ Amount
Schedule A: Non-Competitive Purchases and Public Work Contracts		3	\$ 12.1 M
• Cummins Allison Corp.	\$.02 M		
• Landa Corporation	\$.08 M		
• Motor Coach Industries	\$ 12.0 M		
Schedules Requiring Majority Vote			
Schedule F: Personal Service Contracts		1	\$.8 M
• Siemens Transportation Systems	\$.8 M		
Schedule I: Modification to Purchase and Public Work Contracts		1	\$ 1.1 M
• Plasser American Corporation	\$ 1.1 M		
SUBTOTAL		5	\$ 14.0 M

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

Schedules Requiring Two-Thirds Vote:

	<u># of Actions</u>	<u>\$ Amount</u>
Schedule A: Informal Competitive Purchases and Public Work Contracts	1	\$.04 M
SUBTOTAL	1	\$.04 M

Schedules Requiring Majority Vote

Schedule F: Personal Service Contracts	6	\$ 38.2 M
Schedule G: Miscellaneous Service Contracts	4	\$ 7.0 M
Schedule H: Modifications to Personal/Miscellaneous Service Contracts	3	\$ 6.0 M
Schedule I: Modifications to Purchase and Public Works Contracts	1	\$.4 M
Schedule L: Budget Adjustments to Estimated Quantity Contracts	1	\$.4 M
SUBTOTAL	13	\$ 52.0 M

NYC Transit proposes to award Ratifications in the following categories:

Schedules Requiring Two-Thirds Vote:

Schedule D: Ratification of Completed Procurement Actions	1	\$ 1.0 M
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Schedules Requiring Majority Vote:

Schedule K: Ratification of Completed Procurement Actions:	1	\$.3 M
SUBTOTAL	2	\$ 1.3 M
TOTAL	23	\$ 67.3 M

BUDGET IMPACT: The purchases/contracts will result in obligating NYC Transit 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 Section 1265-a and 1209 of the Public Authorities Law and the All Agency Procurement Guidelines, the Board authorizes the award of certain non-competitive purchase and public work contracts, and the solicitation and award of request for proposals in regard to purchase and public work contracts; and

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

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

NOW, upon the recommendation of the Executive Director, the Board resolves as follows:

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

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

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

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

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

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

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

SEPTEMBER 2009

LIST OF NON-COMPETITIVE PROCUREMENTS FOR BOARD APPROVAL

Procurements Requiring Two-Thirds Vote:

Page

A. Non-Competitive Purchases and Public Work Contracts

(Staff Summaries required for all items greater than: \$100K Sole Source; \$250K Other Non-Competitive.) Note – in the following solicitations, NYC Transit attempted to secure a price reduction. No other substantive negotiations were held except as indicated for individual solicitations.

- 1. Cummins Allison Corp. \$18,731.00**
Sole Source
Req. # U-A183709

It is requested that the Board declare competitive bidding impractical or inappropriate pursuant to Public Authorities Law §1209, subsection 9(b) due to the existence of a single responsible source and approve the non-competitive purchase of two JetSort coin sorters. The coin sorters will be used to process coins from NYC Transit, MTA Bus, and Long Island Bus locations, as well as meet the increased volume of coins being generated by the new fare structure. Currently there are six coin sorters that are being used at their maximum capacity. As a result of the new fare, the number of coins being collected and processed has increased by approximately 20 percent. Cummins-Allison Corporation manufactures the majority of equipment used by the Division of Revenue Control and to assure compatibility of fleet and minimize training, continued purchase of this equipment is requested. An ad seeking competing products elicited no response. A request for a price concession was unsuccessful. Cummins stated that their unit pricing includes an overall discount of 22% off their list prices. The coin sorters have a one-year parts and labor warranty. Upon the warranty expiration, repairs will be performed by the Division of Revenue Control in-house personnel. The final price was found fair and reasonable and reflects a 1.4% increase from the prior purchase in 2005.

- 2. Landa Corporation \$84,240.00 (Est.)**
Sole Source
Req. # R-000WB496

It is requested that the Board declare competitive bidding impractical or inappropriate pursuant to Public Authorities Law §1209, subsection 9(b) due to the existence of a single responsible source and approve the award of a twenty-seven month estimated quantity contract guaranteeing the purchase of 240 stub lock assemblies. NYC Transit's Automatic Fare Collection (AFC) Maintenance Department utilizes stub lock assemblies in the Keene vacuum probe as a theft prevention device and this material is part of AFC's 2009/2010 maintenance requirements. The vacuum probe is a device that is inserted into the bus fare box coin chamber to retrieve the fare box deposit coins. The stub assembly keeps the Keene probe locked into position and prevents anyone from opening the probe during the coin vacuuming extraction process. The previous contract was awarded to Landa Corporation in 2008 for a one time purchase of 240 pieces at \$175.50 each. A price comparison shows that there has been no change in the price of these previously purchased items. A request for a price concession was unsuccessful; however, Landa stated that the quoted price is the lowest current price available. NYC Transit is the only entity that uses this material. The price was found to be fair and reasonable.

- 3. Motor Coach Industries \$12,000,000.00 (Est.)** Staff Summary Attached
Sole Source – Three-year omnibus
 Purchase of inventory and non-inventory bus parts.

SEPTEMBER 2009

LIST OF NON-COMPETITIVE PROCUREMENTS FOR BOARD APPROVAL

Procurements Requiring Majority Vote:

Page

F. Personal Service Contracts

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

4. **Siemens Transportation Systems, Inc.** \$750,000.00 (Est.)
Non-Competitive – Five-year contract
Contract #CMM-1612

Staff Summary Attached

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Software and systems support services for Communications Based Train Control System, Canarsie Line.

I. Modifications to Purchase and Public Work Contracts

(Staff Summaries required for individual change orders greater than \$250K. Approval without Staff Summary required for change orders greater than 15% of the adjusted contract amount which are also at least \$50K.)

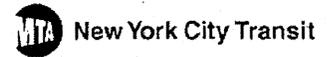
5. **Plasser American Corporation** \$1,116,697.00
Contract #R-34152.5

Staff Summary Attached

59

Modification to the contract for the purchase and delivery of two state-of-the-art Track Geometry Rail Inspection Cars, in order to implement an Automated Visual Track Inspection System and extend the term of the contract.

Schedule A: Non-Competitive Purchases and Public Work Contracts



Item Number: 3

Vendor Name (& Location) Motor Coach Industries Service Parts (Schaumburg, IL)	Contract Number NONE	Renewal? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Description Purchase of non-inventory and inventory bus parts	Total Amount: NYC Transit: \$8,000,000.00 (Est.) \$12,000,000.00 (Est.) MTA Bus: \$4,000,000.00 (Est.)	
Contract Term (including Options, if any) Three years	Funding Source <input checked="" type="checkbox"/> Operating <input type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:	
Option(s) included in Total Amount? <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> n/a	Requesting Dept/Div & Dept/Div Head Name: Division of Materiel, Stanley J. Grill	
Procurement Type <input type="checkbox"/> Competitive <input checked="" type="checkbox"/> Non-competitive		
Solicitation Type <input type="checkbox"/> RFP <input type="checkbox"/> Bid <input checked="" type="checkbox"/> Other: Sole Source		

Discussion:

This omnibus approval will cover items identified as obtainable only from Motor Coach Industries Service Parts (MCISP) and will eliminate the need to advertise and prepare individual procurement staff summaries for board approval for each procurement over the \$15,000 small purchase threshold. There are approximately 12,957 items covered by this approval for the purchase of bus parts supplied by MCISP. These items are identified as obtainable only from MCISP for the following reasons: sole pre-qualified source on the Qualified Products List, and not available from any distributors or other sources; publicly advertised within a twelve month period without an acceptable alternate supplier; or proprietary to MCISP. These items are advertised a minimum of once every twelve months to seek competition. These sole source parts will be purchased on an as-required basis. NYC Transit and MTA Bus currently have 1,508 buses representing approximately 24.2% of the entire bus fleet in which MCISP serves as the sole aftermarket distributor for items identified as sole source to MCI or TMC. In April 2007, the Board granted NYC Transit the current omnibus approval for \$6,000,000, which expires in May 2010, however, the current approval is nearly exhausted. Of the total amount requested, \$8,000,000 is for NYC Transit and \$4,000,000 is for MTA Bus. Procurement performed a price analysis on previously purchased sole-source items and found that the annual weighted average price increase is 3.6% over three years. Excluding several unique outliers, the average increase was 2.95%, which is in line with various relevant Producer Price Indices which ranged from 1.5% to 3.1% during the same period. Each item released from the omnibus approval will be subject to a price or cost analysis and Procurement will determine whether the price offered is fair and reasonable.

Staff Summary

Item Number 4					
Division & Division Head Name: VP Materiel, Stanley J. Grill					
<i>Stanley Grill</i>					
Board Reviews					
Order	To	Date	Approval	Info	Other
Internal Approvals					
Order	Approval	Order	Approval		
1	Materiel <i>MD</i>	6	X Budget (Capital)		
2	X Law	7	X Civil Rights		
3	X Cap. Program Mgmt	8	X TIS		
4	X Subways	9	Executive VP <i>MFC</i>		
5	X Budget (OMB)	10	President <i>MD</i>		

SUMMARY INFORMATION	
Vendor Name Siemens Transportation Systems, Inc.	Contract Number CMM-1612
Description Software and Systems Support Services For Communications Based Train Control ("CBTC") System, Canarsie Line	
Total Amount \$750,000	
Contract Term (including Options, if any) 5 Years	
Option(s) included in Total Amount? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
Renewal? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
Procurement Type <input type="checkbox"/> Competitive <input checked="" type="checkbox"/> Non-competitive	
Solicitation Type <input type="checkbox"/> RFP <input type="checkbox"/> Bid <input checked="" type="checkbox"/> Other: Sole Source	
Funding Source <input checked="" type="checkbox"/> Operating <input checked="" type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:	

Narrative

I. PURPOSE/RECOMMENDATION

To obtain Board approval to award a non-competitive five year contract to Siemens Transportation Systems, Inc. ("STS") to provide software and systems support for the Communications Based Train Control ("CBTC") system on the Canarsie Line. The contract is comprised of two parts: the first part ("routine maintenance assistance services") will provide on-call coverage for performance of day-to-day corrective measures in the amount of \$250,000 (non-capital) related to software, hardware and system problems encountered during day-to-day operations. The second part, ("engineering and systems support services") provides software modifications to the CBTC system on an as-needed task order basis in the amount of \$500,000 (capital). The combined total estimated contract amount is \$750,000.

II. DISCUSSION

In December 1999 Contract S-32701 was awarded to a joint venture of STS, Union Switch and Signal, Inc., and RWKS/Comstock (the CBTC JV) to design, furnish and install equipment and material required to implement a complete CBTC system on the Canarsie Line. Key functions of the CBTC system include support of the CBTC subsystems located at the Rail Control Center; CBTC subsystems located in equipment rooms and the wayside as distributed throughout the NYCT Canarsie (L) Line; CBTC subsystems which are located on trains; the Data Communications systems networks which link all the CBTC wayside and carborne subsystems, all hardware, software, databases and firmware comprising these systems and subsystems and all training and associated documentation. CBTC achieved substantial completion in November 2006. The Department of Subways, Division of MOW/Engineering has requested this five year contract to ensure timely access to the needed support for changes to the system that develop in the course of normal transit operations. Generally, the support is necessitated by changes made by NYCT to the Auxiliary Wayside System that will require corresponding changes to CBTC and CBTC-related systems. A non-competitive award to STS is requested for the following reasons:

- CBTC software applications include STS proprietary code. The CBTC system includes some "vital" software, meaning that the safe performance of the system is dependent upon the correctness and proper functioning of the software;
- STS designed the CBTC software system that is configured to NYCT signaling procedures and rules;
- CBTC is a complex system and the technical knowledge and skills required for design modifications is currently limited to STS personnel.

Routine maintenance assistance services may include field surveys, incident investigations such as brakes in emergency analysis, troubleshooting and provision of on the job training. Engineering and systems support services not included in routine maintenance assistance services will be provided under task orders. This contract is for software maintenance and in the near future the Board will be requested to approve a hardware maintenance contract with STS.

STS submitted a proposal which included proposed labor rates for billing 3 categories of work:

1) routine maintenance assistance services on a time and material basis; 2) two types of task orders - separately negotiated and pre-priced and 3) a fixed monthly maintenance payment. STS also proposed changes to the Terms and Conditions and the Scope of Work.

Negotiations commenced with the understanding that labor rates could only be finalized following conclusion of an MTA Audit. Negotiations focused on contract terms and conditions, scope of work, project management, labor rates and pricing for the pre-priced task orders. NYCT and STS agreed to routine maintenance assistance on a time and material basis and to 2 types of task orders. The first type of task order is separately negotiated and awarded by Procurement and is for the implementation of hardware and software upgrades resulting from design and field changes to the CBTC systems. The second type of task order, awarded by MOW, is pre-priced. The negotiated unit prices for these task orders are contained in the contract and are based upon pre-determined hours, titles and tasks for the most frequently performed types of modifications. This allows common modifications to be performed rapidly without going through the task evaluation and preliminary engineering phases required for stand-alone negotiated task orders. NYCT and STS also agreed to a monthly maintenance payment of \$5,000 subject to an annual escalation of 3.5%. Payments made to this account will be credited upon the award of either routine maintenance assistance services and/or task orders on a rolling 13-month basis. The contract contains a drawdown amount of \$250,000 for maintenance assistance services and \$500,000 for both types of task orders combined. All work will be based on agreed upon labor rates and terms and conditions established in the contract. MTA Office of Audit performed an audit review of the labor rates included in the contract and a cost analysis was performed as STS was the only qualified performer. The rates agreed to are within 2% of the MTA Audit recommended fully loaded labor rates and were concurred with by Audit. Based upon the foregoing, Procurement considers the pricing to be fair and reasonable as supported by the results of the cost analysis and the MTA Audit. MOW concurs.

In an April 27, 2007 memorandum, approval was requested and received from the MTA Executive Director to find STS responsible, notwithstanding Significant Adverse Information (SAI) regarding Siemens AG, the parent company of Siemens Corporation USA, for the award of future contracts assuming no new SAI is discovered. STS is a subsidiary of Siemens Corporation USA. Several contracts were subsequently awarded to STS (including CMM-1467, S-32687 and S-32740 related to ATS and CBTC) as no new SAI was discovered. Since the SAI memo of April 2007, background checks followed the ongoing investigations of Siemens AG in jurisdictions worldwide. In December 2008, Siemens AG and three of its subsidiaries settled charges brought by law enforcement officials in Germany and the United States Department of Justice ("DOJ"). Recently, matters of a civil nature have arisen with Siemens Medical Solutions, a second tier American subsidiary of Siemens AG, that have nothing to do with STS or SAI. There are no other known issues related to STS that constitute SAI within the meaning of the MTA All Agency Guidelines. STS has been found fully responsible for this award. MOW concurs that the firm is technically qualified for award of this contract.

III. D/M/WBE INFORMATION

Based on the Scope of Work and lack of subcontracting opportunities, the MBE/WBE goals are 0% MBE and 0% WBE.

IV. CAPITAL PROGRAM REPORTING

This contract has been reviewed for compliance with the requirements of the 1986 legislation applicable to Capital Contract Awards and necessary inputs have been secured from responsible functional departments.

V. IMPACT ON FUNDING

Funds for the routine maintenance assistance services are available in the Department of Subways Operating Budget under Account No. 808.02, Responsibility Center No. 2403, Function No. 840. Funds for the task orders are available under Department of Subways Capital Budget under Account No. 808.25, Responsibility Center No. 2403, Function No. 840 and Job Number 16126. A WAR Certificate will be requested for the tasks. Task orders will not be executed until a WAR Certificate has been received.

VI. ALTERNATIVES

Perform the work using in-house personnel. NYCT lacks the requisite staff or expertise to perform the full scope of the requirements.

VII. RECOMMENDATION

It is recommended that the Board approve the award as described in the "Purpose" section.

Schedule I: Modifications to Purchase and Public Work Contracts



Item Number: 5

Vendor Name (& Location) Plasser American Corporation (Chesapeake, VA)	
Description Furnish two state-of-the-art Track Geometry Rail Inspection Cars	
Contract Term (including Options, if any) December 29, 2004 – December 31, 2009	
Option(s) included in Total Amount? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> n/a	
Procurement Type <input type="checkbox"/> Competitive <input checked="" type="checkbox"/> Non-competitive	
Solicitation Type <input type="checkbox"/> RFP <input type="checkbox"/> Bid <input checked="" type="checkbox"/> Other: Modification	
Funding Source <input type="checkbox"/> Operating <input checked="" type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:	
Requesting Dept/Div & Dept/Div Head Name: Department of Subways, Steve A. Feil	

Contract Number R-34152	AWO/Modification # 5
Original Amount:	\$ 9,610,963.00
Prior Modifications:	\$ 11,582,858.00
Prior Budgetary Increases:	\$ 0
Current Amount:	\$ 21,193,821.00
This Request:	\$ 1,116,697.00
% of This Request to Current Amount:	5.3%
% of Modifications (including This Request) to Original Amount:	132.1%

Discussion:

In December 2004, the Board approved this contract with Plasser American Corporation (Plasser) for the purchase and delivery of two state-of-the art track geometry inspection cars (TGC3 & TGC4) in the amount of \$19,233,821. However, since there were insufficient capital funds at the time of award to purchase the second car (TGC4), the contract was awarded in the amount of \$9,610,963 for the purchase of TGC3. In January 2006, the Board approved Mod. #1 to exercise the contract option and purchase the second car, TGC4, in the amount of \$9,622,858. A track geometry inspection car (referred to as a TGC) is a computerized, self-propelled rail vehicle that measures several track geometry parameters including rail wear and corrugation; tunnel and platform clearances; and third rail gauge and height. TGCs identify some problem conditions at an early stage so that preventive measures can be taken to, among other things, forestall subway car derailments. The request for this modification originates from the Department of Subways' interest in two valuable additional systems (RailView and HeadView) that can be installed on its track geometry car TGC4, and which potentially offer a significant improvement in NYC Transit's track inspection process. These systems are sometimes referred to as RailCheck and HeadCheck systems. The HeadView system shall be able to clearly visualize head checks, i.e. fine surface cracks, hairline cracks or any other anomalies on the running surface of the running rails, including the gauge side of the rail. The RailView system shall be able to clearly visualize anomalies in the surface of the running rails, missing fastening elements and cracked or damaged crossies with a field of vision that completely includes both running rails and the area of the crossie between the running rails. This project, which is considered to be a pilot program for Subways' Track division, is termed the Automated Visual Track Inspection System and will digitally record well-illuminated video images of the track, including the top view of the base of the rail, from the TGC4 inspection car while operating at normal transit speeds. Currently the Track Department utilizes track inspectors who manually inspect and note anomalies to the roadbed. The installation of this equipment, which is anticipated to require no more than nineteen months to accomplish, will inaugurate a pilot project with a duration of approximately one year to directly compare the results of this new system with the efforts of our track inspectors to determine the effectiveness of the two different approaches. If the pilot program testing of these systems is successful, it will provide track inspectors with high-tech inspection tools that offer more detailed, accurate and consistent inspection data to facilitate the review of recorded data in an office environment. Finally, it will serve to reduce the need for walking active tracks and the associated flagging activities and provide a new track inspection process that can be continually improved and is more objective and measurable. It should be understood that the equipment installed on this single car is not adequate to perform the inspection function currently performed by all our track inspectors for our entire subway system. If the pilot program is deemed successful, a number of similarly equipped additional vehicles would need to be purchased and deployed to implement the program throughout the subway system. Plasser's initial price for these two systems was \$1,165,455. Following negotiations, the lump sum of \$1,116,697 was agreed upon and is considered fair and reasonable. A net savings of \$48,758 was achieved.

SEPTEMBER 2009

LIST OF COMPETITIVE PROCUREMENTS FOR BOARD APPROVAL

Procurements Requiring Two-Thirds Vote:

Page

A. Informal Competitive Purchases and Public Work Contracts

(Staff Summaries required for all items greater than: \$100K Sole Source; \$250K Other Non-Competitive.) Note – in the following solicitations, NYC Transit attempted to secure a price reduction. No other substantive negotiations were held except as indicated for individual solicitations.

- | | | | |
|---|-------------|-------------------------------|----|
| 1. Atlantic Tool Systems, Inc.
Bid # 75679
Twenty-Seven month contract
Purchase of an abrasive sanding disc. | \$38,384.00 | <u>Staff Summary Attached</u> | 65 |
|---|-------------|-------------------------------|----|

Procurements Requiring Majority Vote:

F. Personal Service Contracts

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

- | | | | |
|--|---------------------|-------------------------------|----|
| 2. Shaw Environmental & Infrastructure Engineering of New York, PC
Five Proposals – Forty-month contract
Contract #CM-1386
Construction management services for the design and construction of the Mother Clara Hale Bus Depot. | \$4,137,045.00 | <u>Staff Summary Attached</u> | 67 |
| 3. AON Consulting, Inc. | \$900,000.00 (Est.) | <u>Staff Summary Attached</u> | 69 |
| 4. The Segal Company (Eastern States), Inc. | \$900,000.00 (Est.) | | |
| 5. Mercer Health & Benefit, LLC
Ten Proposals – Five-year contract
Contract #CMM-1567 A,B,C
Employee Benefits Consulting Services. | \$900,000.00 (Est.) | | |
| 6. B&H Engineering, P.C.
Seven Proposals – Two-year contract, with one-year option
Contract #CMM-1558 | \$390,307.00 (NTE) | | |

This contract is for the inspection of 27 SIRTOA street bridges, a concrete viaduct and a concrete culvert that support the two tracks of SIRTOA from St. George Ferry Terminal to Tottenville Station. Each inspection shall focus on the condition, ability to function, safety and maintenance of each structure. An inspection for each location will include load rating analysis, inventory data and bridge certification. A one step Request for Proposal (RFP) process was utilized for this procurement. An advertisement resulted in seven submittals. The selection committee reviewed the submittals and selected three firms B&H, Henningson, Durham & Richardson (“HDR”) and AI Engineering, Inc. (AIE) for negotiations. After negotiations best and final offers were submitted by the three firms as follows: B&H \$258,020, HDR \$263,780 and AIE \$294,929. The NYC Transit estimate was \$280,000. B&H was selected unanimously based on their technical competence and lower cost. It is requested that the Board approve the contract in the amount of \$258,020, plus the one-year option amount of \$132,287, for a total of \$390,307. The option can be exercised by the Assistant Chief Procurement Officer. The base contract rates for B&H represent an approximate annual increase of 3.0% from the previous contract. The one year option pricing of \$132,287 also includes a 3% escalation and the rates will be reviewed against the marketplace for reasonableness prior to the exercise of the option. B&H has 17 years of relevant experience and has performed satisfactorily during inspections of the Manhattan, Triborough and Brooklyn Bridges.

SEPTEMBER 2009

LIST OF COMPETITIVE PROCUREMENTS FOR BOARD APPROVAL

			<u>Page</u>
F. <u>Personal Service Contracts Cont'd</u>			
7.	PB Americas, Inc. Contract #CMM-1570 Consultant contract for worldwide technical inspection services.	\$31,000,000.00 (Est.)	<u>Staff Summary Attached</u> 71
G. <u>Miscellaneous Service Contracts</u> (Staff Summaries required for all items greater than: \$100K Sole Source; \$250K Other Non-Competitive; \$1M RFP; No Staff Summary required if sealed bid procurement.)			
8.	JPMorgan Chase, N.A.	\$6,680,459.00 (Est.)	<u>Staff Summary Attached</u> 73
9.	U.S. Bank, N.A. Six Proposals – Three-year contract, with two-year option Contract #07H9748 A,B Cash management and deposit services.	\$50,000.00 (Est.)	
10.	Lighthouse International Three Bids/Low Bidder – Three-year contract Contract #08L0032 Contract for the recording and distribution of Paratransit Materials.	\$224,405.00 (Est.)	<u>Staff Summary Attached</u> 74
11.	Safety-Kleen Systems, Inc. Five Bids/Low Bidder – Five-year contract Contract # 08J0007 This is a multi-agency contract for the system-wide removal, handling, transportation and recycling/disposal of waste antifreeze in accordance with federal, state and local laws and regulations as required by each participating agency. NYC Transit, MTA Bus (MTAB) and Long Island Bus (LIB) require the services of a contractor for removal and recycling/disposal of waste antifreeze from their respective bus fleets. The previous procurement for the disposal of non-hazardous industrial waste contained multiple line items, including waste antifreeze. The Division of Materiel's Asset Recovery Unit, based on their in-depth knowledge of the recycling market, determined that better pricing could be obtained by bidding antifreeze removal as a stand alone award. This resulted in a reduced unit price of \$0.15 per gallon for five years, approximately 86% less than the previous unit price of \$1.06 per gallon. Safety Kleen explained the reason why their price was so competitive is that because their trucks contain dual recovery systems and these are the same vehicles used to remove waste from parts cleaning tanks at NYC Transit's locations that they can remove waste antifreeze for only \$0.15 per gallon. Safety Kleen then recycles the waste antifreeze and sells it under their brand name. Safety Kleen is one of the leaders in re-refining technology and claims to be committed to protecting the environment while protecting their client's bottom line. Accordingly, they were able to offer very aggressive pricing, while bidders #2 through #5 submitted unit prices that ranged from \$0.46 per gallon to as high as \$1.08 per gallon from the incumbent. Based on the aforementioned reasons, Safety Kleen's bid price was found fair and reasonable. NYC Transit's strategic approach to recycling in this procurement will realize savings in excess of \$500K. In applying each agency's estimated usage, the award amounts for the participating agencies are as follows: NYC Transit \$52,500; MTAB \$33,750, and LIB \$2,250.	\$88,500.00 (Est.)	

SEPTEMBER 2009

LIST OF COMPETITIVE PROCUREMENTS FOR BOARD APPROVAL

			<u>Page</u>
H. <u>Modifications to Personal Service Contracts and Miscellaneous Service Contracts Awarded as Contracts for Services</u>			
<i>(Approvals/Staff Summaries required for substantial change orders and change orders that cause the original contract to equal or exceed the monetary or durational threshold required for Board approval.)</i>			
12. Gruzen Samton, LLC	\$1,902,875.00	<i><u>Staff Summary Attached</u></i>	75
Contract #CM-1213.1			
Modification to the contract to provide design services for ADA accessibility at the 71 st Street – Continental Avenue Station, in order to extend the contract term and provide additional design services.			
13. Urbahn Associates Inc.	\$797,243.00	<i><u>Staff Summary Attached</u></i>	76
d/b/a Urbahn Architects			
Contract #CM-1330.7			
Modification to the contract to provide design services for the rehabilitation of 12 stations and an elevated structure on the West End Line, in order to exercise a modified option.			
14. StrataGen Systems, Inc.	\$3,305,199.00	<i><u>Staff Summary Attached</u></i>	77
Contract #04F8952.2			
Modification to the contract to provide a new software engine for the ADEPT software utilized by Paratransit, in order to purchase and install an Interactive Voice Response System.			
I. <u>Modifications to Purchase and Public Work Contracts</u>			
<i>(Staff Summaries required for individual change orders greater than \$250K. Approval without Staff Summary required for change orders greater than 15% of the adjusted contract amount which are also at least \$50K.)</i>			
15. Granite Construction Northeast, Inc.	\$393,008.00	<i><u>Staff Summary Attached</u></i>	78
Contract #A-35870.1			
Modification to the Rehabilitation of Five Stations on the Brighton Line contract, in order to expand the “talk-back” system.			

SEPTEMBER 2009

LIST OF COMPETITIVE PROCUREMENTS FOR BOARD APPROVAL

L. Budget Adjustments to Estimated Quantity Contracts

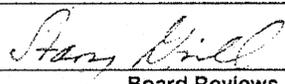
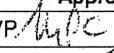
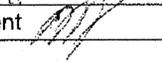
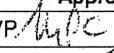
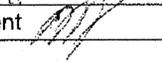
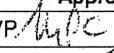
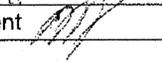
(Expenditures which are anticipated to exceed the lesser of \$250,000 or \$50,000 in the event such expenditures exceed 15% of the adjusted contract budget, including any contract modifications.)

<p>16. Atlantic Detroit Diesel-Allison Contract # 06H9494 Dec. 24, 2006 – Dec. 23, 2009</p>	<p>Original Amount:</p> <p>Prior Modifications:</p> <p>Prior Budgetary Increases:</p> <p>Current Amount:</p> <p>This Request:</p> <p>% of This Request to Current Amount:</p> <p>% of Modifications (including This Request) to Original Amount:</p>	<p>\$ 2,653,600</p> <p>\$ 0</p> <p>\$ 0</p> <hr/> <p>\$ 2,653,600</p> <p>\$ 439,356</p> <p>16.6%</p> <p>16.6%</p>
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Discussion

The contract provides cleaning services for the Diesel Particulate Filters (DPF) that are a component of the exhaust systems on diesel powered and diesel electric hybrid buses. Through a catalytic regeneration process activated by the heat of the exhaust, the DPF captures particulate matter from the exhaust stream that periodically requires cleaning through the application of high pressure air and baking at high temperatures. Additional funds are required to provide continuous coverage until the expiration as the average monthly expenditure is approximately \$100K. This \$439K budget adjustment added to the \$164K balance remaining in the contract as of July 2009 will permit continued cleaning until the expiration at which time a new competitively bid contract already in progress is anticipated to be awarded.

Staff Summary

Item Number 1 Division & Division Head Name: VP Materiel, Stanley J. Grill Division Head Signature & Date <div style="text-align: center; margin-top: 10px;">  Board Reviews </div> <table border="1" style="width: 100%; border-collapse: collapse; margin-top: 5px;"> <thead> <tr> <th style="width: 10%;">Order</th> <th style="width: 15%;">To</th> <th style="width: 10%;">Date</th> <th style="width: 15%;">Approval</th> <th style="width: 10%;">Info</th> <th style="width: 10%;">Other</th> </tr> </thead> <tbody> <tr><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td></tr> </tbody> </table> <div style="text-align: center; margin-top: 5px;"> Internal Approvals </div> <table border="1" style="width: 100%; border-collapse: collapse; margin-top: 5px;"> <thead> <tr> <th style="width: 10%;">Order</th> <th style="width: 20%;">Approval</th> <th style="width: 10%;">Order</th> <th style="width: 20%;">Approval</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>Materiel, CLO</td> <td>4</td> <td>EVP. </td> </tr> <tr> <td>2</td> <td>Materiel, CPO</td> <td>5</td> <td>President </td> </tr> <tr> <td>3</td> <td>X Law</td> <td> </td> <td> </td> </tr> </tbody> </table>						Order	To	Date	Approval	Info	Other																			Order	Approval	Order	Approval	1	Materiel, CLO	4	EVP. 	2	Materiel, CPO	5	President 	3	X Law			SUMMARY INFORMATION <table border="1" style="width: 100%; border-collapse: collapse; margin-top: 5px;"> <tr> <td style="width: 70%;">Vendor Name Atlantic Tool Systems, Inc.</td> <td style="width: 30%;">Contract Number 75679</td> </tr> <tr> <td colspan="2">Description NYC Transit #48-24-3425, Abrasive Sanding Disc</td> </tr> <tr> <td colspan="2">Total Amount \$38,384.00</td> </tr> <tr> <td colspan="2">Contract Term (including Options, if any) September 2009-December 2011</td> </tr> <tr> <td>Option(s) included in Total Amount?</td> <td><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</td> </tr> <tr> <td>Renewal?</td> <td><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</td> </tr> <tr> <td colspan="2">Procurement Type <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Non-competitive</td> </tr> <tr> <td colspan="2">Solicitation Type <input checked="" type="checkbox"/> RFP <input type="checkbox"/> Bid <input type="checkbox"/> Other:</td> </tr> <tr> <td colspan="2">Funding Source <input checked="" type="checkbox"/> Operating <input type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:</td> </tr> </table>		Vendor Name Atlantic Tool Systems, Inc.	Contract Number 75679	Description NYC Transit #48-24-3425, Abrasive Sanding Disc		Total Amount \$38,384.00		Contract Term (including Options, if any) September 2009-December 2011		Option(s) included in Total Amount?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Renewal?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Procurement Type <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Non-competitive		Solicitation Type <input checked="" type="checkbox"/> RFP <input type="checkbox"/> Bid <input type="checkbox"/> Other:		Funding Source <input checked="" type="checkbox"/> Operating <input type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:	
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I. PURPOSE/RECOMMENDATION

To request Board approval for the purchase of NYCT # 48-24-3425, abrasive sanding disc, to Atlantic Tool Systems (Atlantic Tool) in the estimated amount of \$38,384.00 pursuant to subdivision 9 (f) of Section 1209 of the Public Authorities Law.

II. DISCUSSION

Initially on November 29, 2000 and again most recently on June 25, 2008 for a three year period, the Board adopted a resolution authorizing the use of competitive Requests for Proposals (RFPs) in lieu of competitive bidding to award contracts for the purchase of certain inventory commodity items through the use of an evaluative formula in order to encourage better on-time delivery performance from NYC Transit's vendor population.

Pursuant to the statutory framework, the utilization of an evaluative formula enables NYC Transit to consider a particular vendor's past on-time delivery performance in addition to considering the proposed price for the commodity item. Vendor delivery performance is tracked on an individual vendor basis through a computerized performance module. This data, expressed as a percentage, is compiled monthly and compares the actual dates of delivery to the contractually required dates. Therefore, vendors earn an "A" through "D" rating for delivery of inventory materials. Vendors are regularly advised of their status.

This procurement process will allow NYC Transit to arrive at the best overall proposal utilizing the combination of the proposer's price and its performance history, reflecting the critical needs of the agency, while providing an incentive for vendors to make the necessary changes in business processes to improve their overall delivery performance. While this approach affords NYC Transit the opportunity to contract with better performing vendors, it is anticipated that the premium, if any, will be insubstantial.

Negotiations were not conducted with any proposers. Solicitations will be awarded based upon the proposers' ranking as determined after the application of the evaluative formula factors.

The Board's authorization provided that if the application of the evaluative formula had no effect on the order of the proposers' ranking, the award would be made to the lowest responsible proposer without seeking further Board approval. However, if the application of the evaluative formula changed the order of the proposers' ranking, resulting in an award recommendation to other than the lowest priced proposer, then NYC Transit will seek Board authorization to award. The latter circumstance applies to the solicitation for the following commodity:

RFP # 75679, NYCT# 48-24-3425, Abrasive sanding disc. This sanding disc is used by the Department of Buses for body work and painting repairs. Proposal opening date: 5/12/2009.

Staff Summary

This is an award of a twenty-seven (27) month estimated quantity contract to be made to Atlantic Tool, a "B" rated vendor, in the estimated amount of \$38,384.00, allowing NYCT to bypass one "D" rated vendor, resulting in a difference of \$64.00.

The apparent low bidder, All About Abrasive, quoted on an alternate product. Its bid was bypassed because it could not provide the Preliminary Product Evaluation Criteria required by NYCT for its review of proposed alternate products.

Madsen & Howell, Inc. was advised by letter sent via certified mail that it was not the successful proposer based upon the evaluation criteria set forth in the solicitation documents.

The current proposal price from Atlantic Tool represents an increase of 1.6% from the previous procurement. Having evaluated all the available facts, Procurement finds the proposal submitted by Atlantic Tool to be responsive, the proposer to be responsible, and the price to be fair and reasonable based on adequate price competition. Our investigation has disclosed no significant adverse information within the meaning of responsibility guidelines.

BIDDER	QUANTITY	UNIT PRICE	TOTAL BID PRICE	VENDOR RATING	EVALUATION FACTOR	TOTAL UNIT PRICE ADDITION	TOTAL EVALUATION ADDITION	TOTAL EVALUATED BID PRICE	NEW BID RANKING
All About Abrasive	1,600	\$ 23.83	\$38,128.00	A	0%	\$ -	\$ -	\$38,128.00	Non-Responsive
Madsen & Howell, Inc.	1,600	\$ 23.95	\$38,320.00	D	15%	\$ 3.5925	\$ 5,748.00	\$44,068.00	3
Atlantic Tool Systems, Inc.	1,600	\$ 23.99	\$38,384.00	B	5%	\$ 1.1995	\$ 1,919.20	\$40,303.20	1
JewelTool America Inc.	1,600	\$ 26.55	\$42,480.00	A	0%	\$ -	\$ -	\$42,480.00	2
Awisco NY Corp.	1,600	\$ 29.10	\$46,560.00	A	0%	\$ -	\$ -	\$46,560.00	4
A&M Industrial Supply Co, Inc.	1,600	\$ 33.14	\$53,024.00	A	0%	\$ -	\$ -	\$53,024.00	5
Sherwin Williams Company	1,600	\$ 34.35	\$54,960.00	A	0%	\$ -	\$ -	\$54,960.00	6
Elizabeth Industrial	1,600	\$ 35.25	\$56,400.00	B	5%	\$ 1.7625	\$ 2,820.00	\$59,220.00	9
Nobel Equipment & Supplies	1,600	\$ 36.15	\$57,840.00	A	0%	\$ -	\$ -	\$57,840.00	7
White Tool & Supply Inc.	1,600	\$ 36.44	\$58,304.00	A	0%	\$ -	\$ -	\$58,304.00	8
Industry-Railway Suppliers, Inc.	1,600	\$ 45.50	\$72,800.00	C	10%	\$ 4.5500	\$ 7,280.00	\$80,080.00	10
Railroad Tools and Solutions, LLC	1,600	\$ 46.97	\$75,152.00	C	10%	\$ 4.6970	\$ 7,515.20	\$82,667.20	11

III. D/M/WBE INFORMATION

There are no D/M/WBE goals required for this procurement.

IV. IMPACT ON FUNDING

Funds for the procurement of this inventory commodity item are available through NYC Transit's operating budget.

V. ALTERNATIVES

Cancel the solicitation and re-solicit using traditional competitive bidding procedures. This is not recommended because it is unlikely that such course of action would result in a more favorable combination of price and on-time delivery performance.

Item Number 2					
Division & Division Head Name: VP Materiel, Stanley J. Grill					
Division Head Signature & Date					
Board Reviews					
Order	To	Date	Approval	Info	Other
Internal Approvals					
Order	Approval	Order	Approval		
1 X	Budget	5 X	OCR		
2 X	Legal	6	Materiel	SJS to WJO	
3 X	SVP/CE CPM	7	EVP	MPC	
4 X	DOB	8	President	M	

SUMMARY INFORMATION	
Vendor Name Shaw Environmental & Infrastructure Engineering of New York, PC	Contract Number CM-1386
Description CCM Services For the Design and Construction of the Mother Clara Hale Bus Depot	
Total Amount \$4,137,045	
Contract Term (including Options, if any) October 15, 2009 – February 14, 2013	
Option(s) included in Total Amount? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
Renewal? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
Procurement Type <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Non-competitive	
Solicitation Type <input checked="" type="checkbox"/> RFP <input type="checkbox"/> Bid <input type="checkbox"/> Other:	
Funding Source <input type="checkbox"/> Operating <input checked="" type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:	

Narrative

I. PURPOSE/RECOMMENDATIONPURPOSE:

To obtain Board approval to award a competitively negotiated consultant Contract CM-1386 to Shaw Environmental & Infrastructure Engineering of New York, PC (Shaw), to provide construction management services for a 40 month period, for the design and construction of the Mother Clara Hale Bus Depot in Manhattan for a not to exceed amount of \$4,137,045.

II. DISCUSSION:

This Contract is for a Consultant to provide construction management services for a 40 month period for the design and construction of the Mother Clara Hale Bus Depot (Contract C-40455), which consists of 3 floors, 1 mezzanine, a building footprint of approximately 130,000 square feet, and facilities to service and maintain 150 low sulfur diesel fuel buses.

The Construction Management Consultant will provide a range of pre-construction, construction, and closeout services. Pre-construction services include the review of design build documents, constructability reviews, and assistance with the preparation of addenda. Construction related activities include ensuring the project is on schedule and within budget, reviewing shop drawings and submittals, reviewing and processing change orders, processing payments, claims reviewing, performing inspections for quality and safety requirements, providing construction oversight and inspections, conducting bi-weekly progress meetings, assisting in securing necessary permits, etc

Due to the nature of the work being performed through this contract, Shaw will not be eligible to be part of any design build teams.

Six (6) Qualification Packages, consisting of Qualification Statements, Schedule J and SF 330 forms were received on June 3, 2009 in response to advertisements. All submittals were reviewed and evaluated by the Selection Committee in accordance with selection criteria contained in the RFP.

The following five Consultants were selected by the Selection Committee to receive the RFP and to submit a proposal: Jacobs Project Management Co. (Jacobs); Shaw Environmental & Infrastructure Engineering of New York, PC (Shaw); Tishman Construction Corporation of New York/HAKS Engineering, Architect & Land Surveyors, PC, A Joint Venture (Tishman/Haks); Turner Construction Company (Turner); and URS Corporation – New York (URS). The other Consultant, E.W. Howell Co., LLC was not selected because they did not identify sufficient resources or relevant experience to administer a design build project of this magnitude.

Technical and Price Proposals were received from the five Proposers on August 3, 2009. The technical proposals were evaluated utilizing the evaluation criteria contained in the RFP. Based upon a review of each consultant’s technical proposal, manpower hour

projections, background checks, performance rating reports, and reference checks, the Selection Committee determined that all five Proposers: Jacobs, Shaw, Tishman/Haks, Turner, and URS were technically qualified and were invited for oral presentations.

After Oral Presentations Jacobs, Shaw, Tishman/Haks, and URS were approved to be further evaluated for award. Their Cost Proposals were opened (Turner's proposal was not opened), and sent to the Negotiation Committee for negotiations. Turner was not approved for further evaluation because the Selection Committee determined that Turner's technical proposal and oral presentation were very general and did not identify sufficient work effort to support their 71,951 manpower hour projection, highest of all Proposers.

The initial Cost Proposals were as follows: Jacobs \$5,016,053 (Proposed 46,500 hours) with a fully loaded weighted average hourly rate {FLWAHR} of \$105.49; Shaw \$4,600,791 (47,918) with a FLWAHR of \$94.57; Tishman/Haks \$9,127,504 (65,700) with a FLWAHR of \$137.10; and URS \$5,727,365 (40,780) with a FLWAHR \$130.72. In comparison, the Estimate was \$5,283,284 (47,344 hours) with a FLWAHR of \$106.70.

During negotiations, the consultant's hourly rates, and the quantity of hours, for each phase and title, was discussed in details and negotiated to levels consistent with Cost/ Price Objective and competitive price range for the project. The overhead rates were negotiated in accordance with MTA Audit's recommendations. The fixed fee and other direct costs were reviewed and negotiated in accordance with the Cost/Price Objective.

Best and Final Offers (BAFOs) were received on August 26 as follows: Jacobs \$4,993,228 (Proposed 47,700 hours) with a fully loaded weighted average hourly rate (FLWAHR) of \$102.39; Shaw \$4,137,045 (47,222) with a FLWAHR of \$86.49; Tishman/ Haks \$5,977,007 (47,970) with a FLWAHR of \$122.10; and URS \$4,778,521 (40,526) with a FLWAHR \$115.08. In comparison, the Estimate was \$5,283,284 (47,344 hours) with a FLWAHR of \$106.70. All BAFOs, except Tishman, were considered Fair and Reasonable by CPM and Procurement. Tishman/Haks's BAFO was not considered fair and reasonable because they were out of the competitive range of the other proposals.

The Selection Committee, by majority vote, selected Shaw to receive the award of Contract CM-1386 due to their technical expertise and low price. Shaw has experience working on the NYCT's Department of Buses' first Design Build award, the Zerega Avenue Central Maintenance Facility and Training Center, NYC Department of Environmental Protection's Newtown Creek Industrial/Administrative Building and Sewage Treatment Facility, NYS Power Authority's Astoria Industrial Building and Power Generation Facility. Shaw's competitive Best and Final Proposal of \$4,137,045, the lowest of all proposals, was 21.70% lower than the Estimate of \$5,283,284. Shaw's projected manpower hours of 47,222, was 1% below the Estimate manpower hours of 47,344.

III. PREVIOUS WORK OF THE SELECTED CONSULTANT FOR MTA OR AFFILIATES

NYCT's Department of Buses Design Build Zerega Avenue Central Maintenance Facility and Training Center

IV. CAPITAL PROGRAM REPORTING

This contract has been reviewed for compliance with the requirements of the 1986 legislation applicable to Capital Contract Awards and necessary inputs have been secured from responsible functional departments.

V. D/M/ WBE INFORMATION

The MTA Office of Civil Rights, Division of Business Programs (DBP) has established goals at 10% Minority-owned Business Enterprise (MBE) and 5% Woman-owned Business Enterprise (WBE).

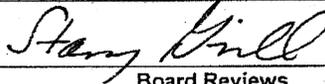
VI. ALTERNATIVES

Perform the Work using in-house personnel. At this time, NYCT lacks available qualified technical personnel to perform this work.

VII. IMPACT ON FUNDING

This Contract will be funded with 100% MTA funds. A WAR Certificate will be requested and the contract will not be executed until a WAR Certificate has been issued.

Staff Summary

Item Number 3-5					
Division & Division Head Name: VP Materiel, Stanley Grill					
Division Head Signature & Date					
					
Board Reviews					
Order	To	Date	Approval	Info	Other
Internal Approvals					
Order	Approval	Order	Approval		
1	Materiel <i>MG</i>	5	EVP <i>MG</i>		
2 X	Administration	6	President <i>MG</i>		
3 X	Law	7			
4 X	Budget / Operating	8			

SUMMARY INFORMATION	
Vendor Name Aon Consulting, Inc.; The Segal Company (Eastern States), Inc.; Mercer Health & Benefit, LLC.	Contract Number CMM-1567A, B, & C
Description Employee Benefits Consulting Services	
Total Amount \$2,700,000 Combined Est. (\$900,000 Each Est.)	
Contract Term (including Options, if any) 5 Years	
Option(s) included in Total Amount?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Renewal?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Procurement Type <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Non-competitive	
Solicitation Type <input checked="" type="checkbox"/> RFP <input type="checkbox"/> Bid <input type="checkbox"/> Other:	
Funding Source <input checked="" type="checkbox"/> Operating <input type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:	

Narrative

I. PURPOSE/RECOMMENDATION

To obtain approval from the Board to award three competitively negotiated five year personal service contracts to AON Consulting, Inc (AON), The Segal Company (Eastern States), Inc. (Segal), and Mercer Health & Benefit, LLC. (Mercer) to provide, on an as needed basis, employee benefits consulting services in the estimated amount of \$900,000 each, of which \$750,000 is budgeted for NYC Transit (NYCT) and \$150,000 is budgeted for MTA Headquarters (MTAHQ). Although the award amount exceeds the approved budgets, the contracts will be each awarded for the entire budget amount to provide flexibility in assignments and will be managed to assure budgets are not exceeded.

II. DISCUSSION

In February 2005, the Board approved the award of MTA Contract No. 5-01-04034-0-0 to Mercer Human Resources Consulting, Inc. to provide employee benefits consulting services on an as-needed basis to assist MTAHQ and its agencies NYCT, Long Island Rail Road (LIRR), Metro North Railroad (MNR), and Bridges and Tunnel (B&T) in reviewing and providing expert advice on various benefit packages provided to their employees for three years.

Under this contract, the employee benefits consultant provided advice on the cost impact of proposed changes in benefits discussed during labor negotiations, as well as technical assistance and expertise in the following areas: interpretation of all applicable state, local and federal regulations; calculation of various benefit funding methods; assistance in the renewal of all insurance policies; evaluation and monitoring of carrier performance; and review of internal procedures. In addition to performing these tasks, the consultant advised and provided assistance on the administration of benefit plans and possible benefit changes.

With the current employee benefits consulting services contract expiring, a competitive Request for Proposal (RFP) was issued in February 2009 to retain the services of a full service employee benefits consultant to NYCT and MTAHQ. Requirements for other MTA agencies will be handled by MTAHQ through the issuance of task orders against the new contracts.

In addition to the requirements under the prior contract, these consultants will also provide the following services: professional advice and consultation for creating and/or negotiating with provider networks including hospital systems, recommendations on means to control health care expenses, professional advice and consultation in developing strategies and successful implementation of new benefit programs, write or assist in writing various employee communications for current and new benefit programs, and audits of paid claims to ensure compliance with benefit plans, identifying potential fraud, proper utilization management, etc.

In March 2009, in response to a Request for Proposal (RFP), ten proposals were received from: AON Consulting, Inc. (AON), Buck Consultants, LLC (Buck), Hay Group, Inc., Lockton Companies, LLC, Mercer Health & Benefit, LLC. (Mercer), Milliman, Inc., PriceWaterhouseCoopers LLP, The Segal Company (Eastern States), Inc. (Segal), Towers, Perrin, Forster & Crosby, Inc. (Towers), and Watson Wyatt & Company (Watson).

The Selection Committee, reviewed the proposals, and in accordance with the RFP evaluation criteria, recommended that AON, Buck, Mercer, Segal, Towers and Watson all be invited for oral presentations based on their written proposal, experience, and proposed resources.

The remaining firms were eliminated based on the failure to adequately address the requirements in the Scope of Work.

Following the oral presentations, the Selection Committee recommended that AON, Mercer, and Segal be invited for negotiations based on their informative presentations, understanding of the Scope of Work, experience in the union environment, and proposed hourly rates that were deemed to be within the competitive range. Towers was not selected for negotiations because they did not adequately demonstrate their ability to address our requirements. Watson and Buck were not selected for negotiations because their proposed hourly rates were deemed outside of the competitive range.

Negotiations with AON, Mercer, and Segal focused on exceptions to the terms and conditions and reducing their hourly labor rates. At the conclusion of negotiations, the three firms submitted their Best and Final Offers (BAFO) with the following results: Mercer's BAFO in the amount of \$960,900 is \$57,000 or 5.6% lower their initial proposal of \$1,017,900. Segal's BAFO in the amount of \$1,117,140 is \$35,940 or 3.1% lower than their initial proposal of \$1,153,080. AON's BAFO in the amount of \$1,169,760 is \$181,980 or 13.5% lower than their initial proposal of \$1,351,740. The BAFO amounts were for evaluation purposes only and MTAHQ and NYCT will manage the contracts within their authorized budgets.

The Selection Committee reviewed the BAFOs, and unanimously recommended AON, Mercer and Segal be awarded contracts. The Selection Committee felt that awarding contracts to a panel of consulting firms would be the most appropriate as each firm demonstrated strong understanding in different areas of employee benefits. AON demonstrated a strong understanding of health benefits, while Segal demonstrated a strong understanding of union relationships, and Mercer demonstrated a strong understanding of overall requirements. Based on competitive negotiations, Procurement finds the BAFOs from AON, Mercer and Segal to be fair and reasonable. The Dept. of Administration and MTAHQ concur with this determination and recommend contract awards to all three firms.

As a requirement arises, the Project Manager will transmit a written request for performance of a certain assignment/task to a consulting firm(s). The consulting firm(s) will submit a proposal to perform the assignment/task including, a description of work to be performed, the personnel to be utilized and an estimate of the time required to complete the assignment/task and any out-of-pocket expenses. Once agreed upon, the Project Manager will issue a Task Order for the assignment/task. The respective agency's Project Manager will be accountable for issuing Task Orders to the consulting firms and tracking the overall expenditures.

NYCT currently has several projects which will commence after the contracts are awarded: audit of prescription drug claims, audit of health insurance claims, initiate a RFP for health insurance, and continue the RFP for dental insurance. Although NYCT has budgeted \$750,000 for the duration of the contract, it is anticipated that the majority of the expenditures will be utilized in the beginning of the contract term.

Segal is providing and has satisfactorily provided employee benefits consulting services for the City of New York, City of Philadelphia, various union and welfare funds, and New Jersey Transit. AON is providing and has satisfactorily provided employee benefits consulting services for the Port Authority of New York and New Jersey, State of Pennsylvania and the State of Delaware. Mercer is providing and has satisfactorily provided employee benefits consulting services for the State of New York (Department of Health), State of New Jersey (Division of Medical Services), and Washington Metropolitan Area Transit Authority.

Background search and review of the documents submitted by Mercer and Segal have disclosed no significant adverse information within the meaning of the All Agency Responsibility Guidelines. However the background investigation of AON Consulting, Inc. revealed significant adverse information that was reported by AON Corporation, the parent of AON Consulting, Inc., in its Securities and Exchange Commission filings on form 10Q for the quarters ending September 30, 2007 through June 30, 2009. Accordingly, pursuant to the All Agency Responsibility Guidelines, an award to AON Consulting, Inc. will not be made unless approval is received from the MTA Executive Director.

III. D/M/WBE INFORMATION

Based on the Scope of Work and lack of subcontracting opportunities, the MBE/WBE goals established are 0% MBE and 0% WBE.

IV. IMPACT ON FUNDING

MTAHQ will be billed separately for services provided by the consulting firms. For NYCT, approved funding in the amount of \$750,000 is available in Administration's Operating Budget under Account No. 808.022, Responsibility Center No. 7135, Function 900 and Job No. 00120.

V. ALTERNATIVES

Perform the work in-house. This is not viable because MTAHQ and NYCT lack resources and the expertise to perform the required services.

Staff Summary

Item Number 7					
Division & Division Head Name: VP Materiel, Stanley J. Grill					
Division Head Signature & Date 					
Board Reviews					
Order	To	Date	Approval	Info	Other
Internal Approvals					
Order	Approval	Order	Approval		
1	Materiel	5 X	Budget/Operating		
2 X	Law	6	Executive VP		
3 X	Civil Rights	7	President		
4 X	Cap. Prog. Mgmt.				

SUMMARY INFORMATION	
Vendor Name PB Americas, Inc.	Contract Number CMM-1570
Description Consultant for Worldwide Technical Inspection Services	
Total Amount \$31,000,000 (est.)	
Contract Term (including Options, if any) 60 Months	
Option(s) included in Total Amount?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Renewal?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Procurement Type <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Non-competitive	
Solicitation Type <input checked="" type="checkbox"/> RFP <input type="checkbox"/> Bid <input type="checkbox"/> Other:	
Funding Source <input checked="" type="checkbox"/> Operating <input type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:	

Narrative

I. PURPOSE/RECOMMENDATION

To obtain approval from the Board to award a five year competitively negotiated personal service contract to PB Americas, Inc. (PBA) to provide Worldwide Technical Inspection Services in the estimated amount of \$31,000,000.

II. DISCUSSION

NYC Transit requires a consultant to perform in-plant materiel inspections and audits throughout the world. The inspection categories are special track work, structural steel, electrical/communications, signal equipment, paints and chemicals, and miscellaneous material. The inspections are required to ensure that materials and supplies reaching NYC Transit's storerooms or provided by contractors on capital projects adhere to required specifications and/or drawings. The consultants will provide managerial and administrative staff necessary to perform the equivalent effort of 25 full time staff per year for domestic and international inspections. The consultant will develop inspection protocols, perform in-plant inspections, and submit inspection reports to both NYC Transit and manufacturers. Inspection reports must document adherence to all specifications and/or drawings prior to shipments from plants and facilities throughout the world. The previous consultant team was led by Underwriters Laboratories (UL) until February 2009 when an agreement of price could not be reached on a continuation of their services. Accordingly, the Board approved a group of interim contracts, led by PBA, to provide inspection services on an interim basis through August 2009.

A Request for Proposal (RFP) was advertised in December 2008 with selection criteria that included the consultant's knowledge, experience with providing inspections; qualifications and experience of its organization and personnel; project cost, and other relevant matters. Over 160 proposers were notified of the solicitation, with 6 firms specifically invited due to their long standing experience in this field. Two proposals were received from PBA and Intertek/Wisco(Intertek) LLC. Other potential providers either joined these two teams or chose not to propose due to the size of the contract. PBA headed a team comprised of Underwriters Laboratories (UL), KTA/Tator Inc. (KTA), Timber Products Inc.(TP), HAKS Engineering (HAKS) and Promatech, Inc. The Intertek team was comprised of Intertek and its newly acquired subsidiary, WISco, Pennoni Associates (Pennoni) and SI Engineering (SIE).

The Selection Committee reviewed the proposals and recommended that both firms be invited for oral presentations. Based on a review of the proposals and the oral presentations, the Selection Committee recommended both firms for negotiations. PBA currently provides inspections for structural steel and special trackwork and is utilizing all of the contractors currently employed on the current interim Worldwide Technical Inspections contracts, with the exception of Promatech, who would be new. Intertek's team had not worked together prior to this project, but have separately performed work for NYC Transit on other contracts, including uniform inspection contracts and Capital Program Management construction projects.

During their Oral Presentations it was apparent that the PBA team possessed in depth knowledge of the project, owing largely to its incumbency, as evinced by the clarity of its proposal and the quality of its presentation. The participants from the PBA team displayed the experience and technical knowledge required and the resumes provided by PBA were excellent. PBA was approved by the NYC Transit Selection Committee to proceed to the negotiations phase. Intertek's proposal was technically acceptable and demonstrated sufficient quality and experience in performing technical inspections that Intertek was invited to make an Oral presentation. While Intertek's Oral Presentation exceeded the quality of its written proposal, the initial resumes submitted by Intertek did not fully demonstrate that the firm had sufficiently qualified inspectors in all areas, although the Selection Committee decided to invite Intertek to negotiations. As Intertek has only recently acquired WISco, and not worked with Pennoni previously, there remained some start up issues in their demonstrating cohesiveness as a team.

Negotiations were held with PBA and Intertek and focused on hourly rates, qualifications of staffing, different pricing scenarios and contract terms, and conditions. PBA's costs were high, particularly in the Administration category, where UL was the PB team member assigned with the greatest number of hours. PBA was unable to obtain lower pricing from their subcontractor, UL, and thus proposed to perform this portion of work with their own staff or other subconsultants, similar to the present interim inspection process. Negotiations with Intertek focused on price as well as exceptions to the contract Terms and Conditions. Intertek's exception centered on liability and indemnification in case of default by the Consultant.

Based on clarifications provided during the negotiations phase, interim price proposals were requested from both firms. As both firms' responses demonstrated an understanding of the issues involved, a Best and Final Offer (BAFO) was requested and the results of the BAFO and two previous submittals are as follows:

<u>Firm</u>	<u>Original</u>	<u>Interim</u>	<u>BAFO</u>
PB Americas	\$39,463,886	\$33,444,880	\$32,233,427
Intertek/WISco, LLC	\$34,733,735	\$34,267,381	\$31,638,970

The Selection Committee unanimously selected PBA for award based on their past performance, approach to the inspection process and quality of staff. The less than 2% difference in cost was not enough to risk this quality program with a newly formed team. Although the Selection Committee preferred PBA as the best value for NYCT, their BAFO was 11% more than the approved budget. Accordingly, cost concerns were addressed with PBA, which then agreed to a unilateral price reduction of \$833K. This reduction in rates results in costs which reflect approximately 5% annual escalation over the previous contract. Negotiations with both firms revealed that the increase in costs was driven primarily by increased overhead costs. NYCT also reassessed and reduced by \$400K out of pocket and special project costs, without any reduction in staffing, resulting in a final price of \$31M. This represents a savings of \$8.46M from the original PBA proposal as a result of negotiations and restructuring the pricing modules and is considered fair and reasonable based on the competitive RFP process. While PBA does not perform these services for any other clients, they have an extensive construction inspection background, including being the Consultant Construction Manager for Second Ave. Subway and the Fulton Street Transit Center and their performance has been satisfactory.

Despite an investigation conducted by the US Attorney's Office and the Commonwealth of Massachusetts into PB Americas work on the Boston Central Artery/Tunnel project ("The Big Dig"), no indictments or pleas resulted. A background search and review of the documents submitted by PBA disclosed no other significant adverse information within the meaning of the Responsibility Guidelines. Nevertheless, the Executive Director has previously approved future awards to PBA in the absence of any other information. Having evaluated all of the available facts, Materiel finds PBA to be responsible for award.

III. D/M/WBE INFORMATION

Based on the Scope of Work, the MBE/WBE goals established as a percentage of the work to be performed in NYS are 10% MBE and 5% WBE for this contract. This contract will not be awarded until the M/WBE plan has been approved.

IV. IMPACT ON FUNDING

Funding of \$24.9 million (non-reimbursable and reimbursable) is available in Materiel's budget for the subject five year period, which is \$6.1 million less than the award amount of \$31 million. Historically, expenditures under this contract have been approximately 80% of the contract amount; therefore, additional funding may not be required. If, however, future expenditures begin to deviate from this trend, additional funds will be allocated and/or Materiel will take steps to ensure that expenditures under this contract do not exceed the approved budget.

V. ALTERNATIVE

NYCT lacks sufficient staff to perform these services using in house personnel.

Schedule G: Miscellaneous Service Contracts



Item Number: 8-9

Vendor Name (& Location) JPMorgan Chase, N.A. (New York, NY) U.S. Bank, N. A. (Minneapolis, MN)
Description Cash Management and Deposit Services
Contract Term (including Options, if any) Five years, with separate 3 year and 2 year options
Option(s) included in Total Amount? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> n/a
Procurement Type <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Non-competitive
Solicitation Type <input checked="" type="checkbox"/> RFP <input type="checkbox"/> Bid <input type="checkbox"/> Other:

Contract Number 07H9748-A 07H9748-B	Renewal? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Total Amount: Chase: \$6,680,459.00 (Est.) USBank: \$50,000.00 (Est.)	\$6,730,459.00 (Est.)
Funding Source <input checked="" type="checkbox"/> Operating <input type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:	
Requesting Dept/Div & Dept/Div Head Name: Office of the Controller, Kevin McKenna	

Discussion:

This contract is an all agency five-year miscellaneous service contract, with two options (3 year and 2 year option), for cash management and deposit services which are separated into three classes: Class 1 – Cash management and deposit services, Class 2 - Customized lockbox services, and Class 3 - Custodial securities services. The RFP includes the option to award one or more contracts, on a per class basis, for these services. Award of the options will be subject to separate approval. The fees for the Class 1 services for each agency are primarily offset by the interest earned on the average monthly balance applied to the monthly invoice. The amounts remaining are paid from the operating budgets of the respective agency. Class 1 services comprise over 95% of the overall contract cost and Class 3 services are reimbursed by contractors utilizing those services. In July 2008, in response to the RFP, six proposals were received from JPMorgan Chase Bank, N.A. for Class 1, Class 2, and Class 3, U.S. Bank N.A. for Class 3, Bank of America, National Association (Boa) for Class 3, Bank of New York Mellon (Bony) for Class 1, Class 2, and Class 3, TD Bank, N.A.(TD) for Class 1 and Class 3, and Wachovia Bank, National Association (Wachovia) for Class 1 and Class 2. The Selection Committee and technical advisors, consisting of members from NYC Transit, Metropolitan Transportation Authority, Long Island Rail Road, MetroNorth Railroad, Bridges and Tunnels, Staten Island Railway and Long Island Bus, completed its review of all the technical proposals and unanimously recommended that four out of the six proposer teams be invited for oral presentations based on their written proposal, experience, and proposed resources: Boa, Chase, USBank, Wachovia. Although Wachovia has a limited branch presence in the general MTA Service area, their proposal contained a potential viable solution utilizing subcontracted armor truck services in lieu of utilizing branches for deposits, check cashing and loose change. As the RFP process progressed, a financial crisis was evolving in the 3rd quarter of 2008 where banks were failing due to the sub prime mortgage crisis. The RFP process was temporarily put on hold in order to determine which financial institutions would remain. As a result of the hold, the current contract with Chase, which was due to expire in September 2008, was extended for six months (October 08 – March 09) with an option to extend for an additional three month (April 09 – June 09). In September 2008, the FDIC planned to seize the banking assets of Wachovia, place them in receivership, and sell the assets to the highest bidder. However, by early October 2008, Well Fargo & Company agreed to merge with Wachovia Corporation requiring no FDIC involvement. As of January 1, 2009, Wachovia Bank, N.A. is officially a Wells Fargo company. The three month option was eventually exercised as negotiations with the banks didn't resume until February 2009. Furthermore, negotiations with Wachovia went well into June 2009. Due to the prolonged negotiations with Wachovia, the current Chase contract was once again extended for three months (July 09 – September 09) with an option to extend for an additional three months (October 09 – December 09). Based on the technical proposals, oral presentations, software demonstrations, site visits and negotiations, the Selection Committee unanimously recommended that Class 1 in the amount of \$6,579,209 and Class 2 in the amount of \$101,250 be awarded to Chase and that Class 3 in the amount of \$50,000 be awarded to USBank based on their current performance, experience, and financial stability. Wachovia's Best and Final Offer (BAFO) of \$4,304,516 was on average lower by 35.5% per year for the Class 1 and Class 2 services than Chase's BAFO of \$6,680,459. However, the Selection Committee felt that the risks associated with a bank that is in the process of a merger along with a weak Parental Letter of Guarantee, the difficulties involved in managing two bank transitions (to Wachovia first, and then to Wells Fargo Bank, N.A.) within a 36 month period (especially with the anticipated consolidation of all the individual MTA agencies back office functions to the MTA Business Service Center effective January 2011), and an overall transition cost estimated at \$2.3 million outweighed the benefits of Wachovia's lower fees. Chase and USBank have been satisfactorily providing these services under this contract for the past 11 years. On average, Chase has reduced their line item unit pricing by approximately 23% from their current contract for Class 1 and 56% for Class 2 services and USBank reduced their unit pricing by 67% for Class 3 services from their current contract. The NYC Transit portion of the amount for approval is \$2,797,382, Long Island Rail Road \$1,660,374, Metro North Railroad \$1,090,670, Bridges & Tunnel \$326,969, Metropolitan Transportation Authority \$151,250, MTA Staten Island Railway \$96,015, Long Island Bus \$39,278, MTA Bus \$82,282 for a total of \$6,730,459. Based on negotiations, price history, and marketplace comparisons to other bank fees, Procurement finds the unit pricing from Chase and USBank to be fair and reasonable.

Schedule G: Miscellaneous Service Contracts



Item Number: 10

Vendor Name (& Location) Lighthouse International (New York, NY)
Description Recording and distributing of Paratransit materials
Contract Term (including Options, if any) Three years
Option(s) included in Total Amount? <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> n/a
Procurement Type <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Non-competitive
Solicitation Type <input type="checkbox"/> RFP <input checked="" type="checkbox"/> Bid <input type="checkbox"/> Other:

Contract Number 08L0032	Renewal? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Total Amount:	\$224,405.00 (Est.)
Funding Source <input checked="" type="checkbox"/> Operating <input type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:	
Requesting Dept/Div & Dept/Div Head Name: Department of Buses, Joseph Smith	

Discussion:

This federally mandated service is for the recording and distributing of Paratransit information for visually impaired customers and applicants who cannot read material in printed form. The scope of work requires the contractor to supply all labor, materials, and equipment necessary to record Paratransit material, edit the recordings, duplicate, label, package and mail recorded cassette tapes to the Paratransit office and/or customers/applicants. NYC Transit received three bids for this solicitation including American Foundation for the Blind (AFB) \$181,130.21, Lighthouse International (LI) \$224,405.16 and Lighthouse for the Blind and Visually Impaired (LBV) \$314,906.85. AFB, the incumbent, submitted a qualified bid citing an exception to the work attributable to a restructuring, whereby the division presently providing this service may be divested, rendering AFB's bid submission non-responsive and ineligible for award. Thus LI, the next low bidder, was deemed the potential awardee. The prices from LI are 41% higher than the prior contract with AFB and 23.9 % higher than AFB's current bid price for this procurement. An inquiry was made with AFB who stated that the pricing submitted against its previous contract was severely underbid. Additionally, AFB also admitted that they aggressively priced and underbid the current requirement, when it was learned that multiple proposals would be submitted and that it wanted to retain this business. A price concession was requested of LI, however this was unsuccessful as they indicated that any reduction could compromise the quality of services. The final price was found to be fair and reasonable.

Schedule H: Modifications to Personal & Miscellaneous Service Contracts



Item Number: **12**

Vendor Name (& Location) Gruzen Samton, LLC. (New York, NY)	
Description: Consultant services for the Continental/71 st Avenue and Union Turnpike stations	
Contract Term (including Options, if any) August 14, 2003 – January 13, 2010	
Option(s) included in Total Amount? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> n/a	
Procurement Type <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Non-competitive	
Solicitation Type <input type="checkbox"/> RFP <input type="checkbox"/> Bid <input checked="" type="checkbox"/> Other: Modification	
Funding Source <input type="checkbox"/> Operating <input checked="" type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:	
Requesting Dept/Div & Dept/Div Head Name: Capital Program Management, Cosema E. Crawford	

Contract Number CM-1213	AWO/Modification # 1
Original Amount:	\$ 3,889,214.00
Prior Modifications:	\$ 0
Prior Budgetary Increases:	\$ 0
Current Amount:	\$ 3,889,214.00
This Request:	\$ 1,902,875.00
% of This Request to Current Amount:	49.0%
% of Modifications (including This Request) to Original Amount:	49.0%

Discussion:

This contract is for engineering consultant services for the rehabilitation of the Continental/71st Avenue and Union Turnpike stations, in the borough of Queens. The contract includes preliminary engineering, final design and construction support services (CPS) and construction contract close out services. The original project at 71st Continental Avenue station that included station rehabilitation, consolidated employee facilities and Americans with Disabilities Act (ADA) accessibility was put on hold in May 2005 and deferred to the next capital plan due to a lack of funds. The project will now be restarted with a new scope of work. The station rehabilitation work and consolidated employee facilities will be deleted from the project due to the continued shortage of funding. The project work is now limited to mandated ADA compliance only with a revised requirement to include redundant elevators. The original project included a total of three elevators to be built at this station. One elevator was to be located at street level traveling to the mezzanine level and two elevators would travel from the mezzanine to two island platforms. The project now includes two elevators traveling from street level to mezzanine and four elevators at the mezzanine traveling to the two island platforms. In addition, a new NYC Transit Contract, S-32738, signal systems modernization of three interlockings, will add communications rooms at the mezzanine and platform levels of the station that will need to be coordinated with this contract. All existing background drawings will be revised to reflect this change. This modification will extend the contract by 46 months and add additional funding for design services. The consultant's revised proposal of \$1,902,875 was considered fair and reasonable. The average hourly rate for design was escalated at an annual rate of 2.5% and average hourly rate for CPS were escalated at an annual rate of 1.4%. This modification will extend the contract by 46 months.

Schedule H: Modifications to Personal & Miscellaneous Service Contracts



Item Number: 13

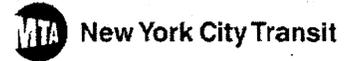
Vendor Name (& Location) Urbahn Associates, Inc. d/b/a Urbahn Architects (New York, NY)	
Description Design and construction consultant services	
Contract Term (including Options, if any) December 12, 2008 – December 12, 2009	
Option(s) included in Total Amount? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> n/a	
Procurement Type <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Non-competitive	
Solicitation Type <input type="checkbox"/> RFP <input type="checkbox"/> Bid <input checked="" type="checkbox"/> Other: Modification	
Funding Source <input type="checkbox"/> Operating <input checked="" type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:	
Requesting Dept/Div & Dept/Div Head Name: Capital Program Management, Cosema E. Crawford	

Contract Number CM-1330	AWO/Modification # 7
Original Amount:	\$ 4,095,801.00
Prior Modifications:	\$ 68,392.00
Prior Budgetary Increases:	\$ 0
Current Amount:	\$ 4,164,193.00
This Request:	\$ 797,243.00
% of This Request to Current Amount:	19.1%
% of Modifications (including This Request) to Original Amount:	21.1%

Discussion:

This contract provides for consultant design services for the rehabilitation of 12 stations and an elevated structure on the West End Line. The scope of work included complete rehabilitation of an elevated structure and four stations along the West End Line in Brooklyn and partial rehabilitation and component replacements as well as fire standpipe installation at eight additional stations. The design contract was awarded for \$4,095,801 with duration of 18 months. A construction phase option for \$1,702,175 and a 42 month time extension was approved by the Board and also included in the base contract, but has not been exercised. However, the option was based on awarding a single construction contract. NYC Transit has since divided the project into two construction contracts to maximize the number of competitive bids, thereby requiring utilizing this consultant on a larger scale in a shorter time period to oversee the two simultaneous construction projects. Both construction contracts were awarded in August 2009 as Stimulus projects. The two construction bids resulted in awards that were approximately \$10 million below NYC Transit estimates. Additional duties for the consultant will include attending more monthly meetings and reviewing considerably more shop drawings. This modification is to modify the previously Board approved option by adding \$797,243 to the original option price and reducing the term from 42 months to 27 months. The agreed upon revised option price of \$2,499,418 is within 4.4% of CPM's estimate of \$2,387,916. The final price was found to be fair and reasonable. The hourly rates, overhead and fixed fee have remained the same as in the base contract.

Schedule H: Modifications to Personal & Miscellaneous Service Contracts



Item Number: 14

Vendor Name (& Location) StrataGen Systems, Inc. (Kirkland, WA)	
Description Interactive Voice Response (IVR) System for Paratransit	
Contract Term (including Options, if any) Six Years	
Option(s) included in Total Amount? <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> n/a	
Procurement Type <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Non-competitive	
Solicitation Type <input type="checkbox"/> RFP <input type="checkbox"/> Bid <input checked="" type="checkbox"/> Other: Modification	
Funding Source <input checked="" type="checkbox"/> Operating <input checked="" type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:	
Requesting Dept/Div & Dept/Div Head Name: Division of Paratransit/Thomas Charles	

Contract Number 04F8952	AWO/Modification # 2
Original Amount:	\$ 1,044,720.10
Prior Modifications:	\$ 5,985,000.00
Prior Budgetary Increases:	\$ 1,432,000.00
Current Amount:	\$ 8,461,720.00
This Request:	\$ 3,305,199.00
% of This Request to Current Amount:	39.0%
% of Modifications (including This Request) to Original Amount:	1026.3%

Discussion:

This contract is for an automated software system for Paratransit's Access-A-Ride (AAR) program to assist in the scheduling management of over 25,000 daily trip requests. This modification is for the addition of an Interactive Voice Response (IVR) system (comprised of software and hardware) that will tightly integrate with the existing StrataGen Systems' Adaptive Decision Engine for Passenger Transportation (ADEPT) scheduling software and the Automatic Vehicle Location Monitoring (AVLM) System from Innovations in Transportation, Inc. (INIT) and be compatible and operate with Paratransit's existing telephone system manufactured by Avaya. The IVR System will enable AAR customers to more effectively communicate with the AAR service in both English and Spanish while decreasing the workload on the Paratransit Command Call Center staff, which currently handles as many as 6,200 calls a day just from customers making inquiries about their vehicle location. The IVR System will provide call-in functions enabling AAR customers to: find out where their vehicle is, access and modify their reservations and perform certain eligibility functions. Call-out (Notification functions) will enable the AAR Service to automatically contact/notify either large groups of selected customers or specific individual customers with automated messages about scheduled pickups, provide customers with general service status updates and will automatically notify the customer of impending vehicle arrival. The IVR will also gather survey data, provide historical logging of IVR activity and generate management and administrative reports. To make the IVR system work properly, its software must communicate with both the StrataGen Adept system (for data mining schedule system information including customer information and scheduling of trips) and the Init AVL system (for GPS satellite information regarding current vehicle location). Thus, the IVR software must be integrated with the software of these other systems so that they work seamlessly. Paratransit and Procurement realized that StrataGen and Init were most familiar with the software integration needed and requested that both contractors quote on this work with the concept that both had project management experience as well as the needed software expertise (including prior experience working with the ADEPT software system and/or successfully integrating it with third party software). Init proposed subcontracting with Ontira, an IVR provider that has experience in IVR systems that interface with the ADEPT system and has an existing IVR software program specifically written for use by Paratransit systems. StrataGen, which is part of Digital Dispatch Systems (DDS), an AVL and taxi scheduling system integrator, proposed Unified Dispatch (UDI), which is currently partnered with StrataGen to install its IVR software in Boston and Los Angeles Paratransit properties as part of an ADEPT scheduling system with AVL from DDS. Quotations received from INIT and StrataGen in March were \$4,515,458.04 and \$4,532,206.23, respectively. After negotiations, INIT's final price was \$4,150,359.40 and StrataGen's final price was \$3,305,199.47. As both firms are considered qualified to deliver and install an integrated IVR system, StrataGen was selected based upon its lower price. StrataGen's final price reflected a 27% savings from StrataGen's initial quote and a 20% or \$845,160 savings from INIT's final quote. StrataGen's price includes \$2,204,616.22 in capital funds for the acquisition of software and hardware and project management costs; and \$1,100,583.25 in operating funds for ongoing software and hardware maintenance for 6 years. The IVR system is projected to generate savings in labor costs from the operation of the Paratransit Command Center that will pay back the investment between 10 and 25 months. Functionality will be rolled out incrementally starting in 1Q 2010 and complete by 4Q 2010.

Schedule I: Modifications to Purchase and Public Work Contracts

Item Number: 15

Vendor Name (& Location) Granite Construction Northeast, Inc. (Tarrytown, NY)
Description Rehabilitation of five subway stations – Brighton Line, Brooklyn
Contract Term (including Options, if any) October 14, 2008 – December 30, 2011
Option(s) included in Total Amount? <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> n/a
Procurement Type <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Non-competitive
Solicitation Type <input type="checkbox"/> RFP <input type="checkbox"/> Bid <input checked="" type="checkbox"/> Other: Modification
Funding Source <input type="checkbox"/> Operating <input checked="" type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:
Requesting Dept/Div & Dept/Div Head Name: Capital Program Management, Cosema E. Crawford

Contract Number A-35870	AWO/Modification # 1
Original Amount:	\$ 161,400,000.00
Prior Modifications:	\$ 0
Prior Budgetary Increases:	\$ 0
Current Amount:	\$ 161,400,000.00
This Request:	\$ 393,008.00
% of This Request to Current Amount:	0.2%
% of Modifications (including This Request) to Original Amount:	0.2%

Discussion:

The contract is for the rehabilitation of five elevated train stations on the Brighton Line in Brooklyn: Newkirk Avenue, Avenue H, Avenue J, Avenue M and Kings Highway. Improvements will include the installation of a talk-back system, which will provide Customer Assistance Intercoms (CAI) on the station platforms, enabling passengers to talk to the token booth attendant or, if the token booth is unattended, to Stations personnel at the Rail Control Center. The base contract provides a combined total of 30 CAI's throughout the five elevated stations. The modification will provide an additional 31 CAI's, increasing the combined total to 61. The modification is needed to comply with a stipulation contained in a variance granted by the NYS Department of State (DOS). In late 2007, Subways stations were newly categorized as NYS Building Code Class A facility (i.e., facility with 1000 persons or more occupancy) for purposes of fire safety regulations. Stations are substantially different from other Class A facilities and therefore require numerous variances from the code. DOS approval of such variances is now part of the station rehabilitation design process. This contract is one of the first solicited with the new building code categorization in effect, so approval was not secured until late October 2008, shortly after contract award. The building code requires fire alarm pull-boxes. Concerned about false alarms, NYC Transit asked DOS to recognize that the talk-back system, which already was planned for customer convenience and safety, would also serve as a fire alarm system. In the event of a fire or other emergency, a customer would use a CAI to speak to Stations personnel, and NYC Transit would contact any needed emergency services. DOS approved the variance, but with the stipulation that additional CAI's be installed, consistent with code requirements for the numbers and locations of pull-boxes. This modification covers the furnishing and installation of the required additional 31 CAI's and cabling, including an upgrade in size of the communication cabling throughout, as required by the larger system. The contractor submitted an initial proposal of \$445,955; NYC Transit's estimate was \$463,300. Following negotiations, the lump sum of \$393,008 was agreed upon and is considered fair and reasonable. A net savings of \$52,947 was achieved.

SEPTEMBER 2009

LIST OF RATIFICATIONS FOR BOARD APPROVAL

Procurements Requiring Two-Thirds Vote:

Page

D. Ratification of Completed Procurement Actions

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

- | | | | |
|---|----------------|-------------------------------|----|
| 1. J-Track LLC
Call Agreement # C-31662.62/63.1 | \$1,000,000.00 | <u>Staff Summary Attached</u> | 81 |
| Emergency response to partial ceiling collapse at 181 st Street station. | | | |

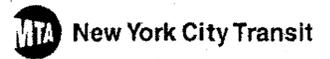
Procurements Requiring Majority Vote:

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

(Staff Summaries required for items requiring Board approval.)

- | | | | |
|---|--------------|-------------------------------|----|
| 2. EA Technologies/Petrocelli LLC (JV)
Contract # W-32622.93 | \$315,000.00 | <u>Staff Summary Attached</u> | 82 |
| Modification to the contract to provide a two-way UHF Police Radio Communication System, in order to address inter-modulation issues. | | | |

Schedule D: Ratification of Completed Procurement Actions



Item Number: 1

Vendor Name (& Location) J-Track LLC (College Point, NY)	Contract Number C-31662 Call Agreement for General Construction: Work Order 62(Part I) and Work Order 63 (Part I)	Renewal? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Description Emergency Response to Partial Ceiling Collapse at 181 st Street Station	Total Amount: \$1,000,000.00	
Contract Term (including Options, if any) Two years (combined)	Funding Source <input type="checkbox"/> Operating <input checked="" type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:	
Option(s) included in Total Amount? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> n/a	Requesting Dept/Div & Dept/Div Head Name: Capital Program Management, Cosema E. Crawford	
Procurement Type <input type="checkbox"/> Competitive <input checked="" type="checkbox"/> Non-competitive	(Empty)	
Solicitation Type <input type="checkbox"/> RFP <input type="checkbox"/> Bid <input checked="" type="checkbox"/> Other: Emergency contract work order	(Empty)	

Discussion:

On Sunday, August 16, 2009, at approximately 10:30 PM, a large section of brick ceiling in the arched cavern of the 181st Street Station in Manhattan fell to the track bed. The operator of the next train to enter the station noticed the debris and was able to stop the train safely. Service was immediately suspended between the 168th Street and Dyckman Street Stations. An emergency was declared by the VP, Materiel and pursuant to that Judlau Contracting Inc. (Judlau) was selected non-competitively because it has the resources to immediately respond and one of its companies, J-Track LLC, is signatory to a Call Agreement with insurance and bonds in place. Work performed by Judlau in connection with the 181st Street Station included removing the fallen brick from the track bed, transporting it to a Subways yard for storage, and repairing the track bed. Judlau engaged a scaffolding contractor, Regional Scaffolding, and purchased the 40-foot steel beams needed to span the track bed and platforms. Judlau and Regional erected the scaffolding, shielding and temporary lighting. Working from the scaffolding, architectural consultants inspected the entire ceiling, supported by Judlau lift equipment and workers. Judlau then shored up the edges of the failure zone, all architectural medallions, and other identified areas of concern. Also, Judlau repaired the ventilation fan, which failed on August 18, 2009. The 181st Street Station and the adjacent 168th Street Station were built in 1906. They are of the same construction and are the only stations with brick ceilings. Accordingly, the 168th Street Station was inspected too, with Judlau supporting the architectural consultant. One medallion and several localized areas of brick lining were found to have separated from the substrate. Judlau installed a shield above the station's pedestrian overpass and secured other areas of concern with steel mesh bolted into the underlying structure. Judlau's subsidiary, J-Track LLC, is signatory to the Call Agreement for General Construction, which is normally used to compete small construction work orders. In this emergency, two non-competitive work orders will be issued to J-Track LLC, who will subcontract to its corporate parent, Judlau. Work Order 62 covers all the work performed by Judlau, except for its subcontract to Regional Scaffolding. That work is largely finished, however Judlau will be available under Work Order 62 to support inspection and repair that may be needed during the time a contract for the permanent rehabilitation of the 181st Street and 168th Street Stations ceilings is being designed and competitively awarded. Work Order 63 covers Judlau's subcontract to Regional Scaffolding. The scaffolding will be used as a work platform by the contractor who will perform the permanent rehabilitation and scaffolding is customarily leased. Therefore, Work Order 63 must remain in effect until the 181st Street Station and 168th Street Station ceilings are permanently rehabilitated or until the subcontract with Regional Scaffolding is assigned to another contractor, whichever occurs first. The cost of all work is still being accounted for and analyzed. Accordingly, Work Orders 62 and 63 are being issued in two parts. Board approval is requested for Part I in the combined total amount of \$1,000,000 which will be an initial reimbursement of costs allocated appropriately between the two Work Orders. The final costs will be identified as Part II and presented to the Board for approval in the future.

Schedule K: Ratification of Completed Procurement Actions



Item Number: 2

Vendor Name (& Location) E.A. Technologies/Petrocelli, J.V. (Hauppauge, NY)
Description Modification to Police Radio communication system
Contract Term (including Options, if any) December 29, 1999 – December 3, 2007
Option(s) included in Total Amount? <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> n/a
Procurement Type <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Non-competitive
Solicitation Type <input type="checkbox"/> RFP <input type="checkbox"/> Bid <input checked="" type="checkbox"/> Other: Modification
Funding Source <input type="checkbox"/> Operating <input checked="" type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:
Requesting Dept/Div & Dept/Div Head Name: Capital Program Management, Cosema E. Crawford

Contract Number W-32622	AWO/Modification # 93
Original Amount:	\$ 88,951,163.00
Prior Modifications:	\$ 894,405.66
Prior Budgetary Increases:	\$ 0
Current Amount:	\$ 89,845,568.66
This Request:	\$ 315,000.00
% of This Request to Current Amount:	0.4%
% of Modifications (including This Request) to Original Amount:	1.4%

Discussion:

The contract is to extend aboveground NYPD (14 UHF frequencies), FDNY (2 UHF frequencies) and EMS (1 UHF frequency) radio systems to NYC Transit's underground subway stations, tunnels and under-river tubes. Completion of the contract will allow the single VHF channel, which once served the former Transit Authority Police and today serves the NYPD Transit Bureau, to be freed for use by NYC Transit personnel. This retroactive modification is for research and development (R&D) of solutions to intermodulation, which causes a handheld radio on one frequency to pick up undesired transmissions on other frequencies, making conversation difficult or impossible. The R&D determined that certain modifications to the approximately 300 bi-directional amplifiers (BDA2's) presently installed in underground stations will reduce intermodulation, but the most cost effective solution is for NYPD to use fewer frequencies. On a trial basis, NYPD will change its operating procedures to use fewer frequencies underground. The modification covers the costs of transporting BDA2 and other radio hardware to a laboratory and modifying, testing and conducting engineering analysis of the radio frequency performance of the modified hardware on an iterative basis over a 9 month period. The contractor submitted an initial proposal of \$411,354; NYC Transit's estimate was \$304,000. Following negotiations, the lump sum of \$315,000 was agreed upon and is considered fair and reasonable. A net savings of \$96,354 was achieved. To avoid delay, on August 4, 2008 the Chief Engineer approved a retroactive waiver and the contractor was directed to proceed on a time and materials basis with a cap.

The project achieved a milestone on August 21, 2009, when FDNY declared that fire companies responding to incidents in the subway system will use the new radio system underground. However, various modifications anticipated to cost about \$20M will be submitted to the Board in the future. For NYPD, modifications will include system-wide implementation of "time domain interference" solutions and, in certain stations, localized antennas to improve coverage. For FDNY, modifications will include the provision of continuous radio coverage in all 14 under-river tubes. The contract duration will be formally extended to conform with the time needed to engineer and implement solutions to radio operational problems of concern. The City and MTA agreed that costs for the transfer of policing to NYPD incurred by MTA above \$130M would be shared equally. City reimbursement of \$11.5M is anticipated on or about September 30, 2009 for its share of NYC Transit costs incurred through March 2009.

Staff Summary



Subject MTABUS 2000-2004 Capital Program Modification: To Purchase 45 CNG Buses (SF02-7398, B26001)
Department MTA Bus Company (MTABC)
Department Head Name Joseph J. Smith
Department Head Signature
Project Manager Name Henry Sullivan <i>Henry Sullivan</i>

Date August 25, 2009
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref #

Board Action

Order	To	Date	Approval	Info	Other
1	MTA Bus Committee	9/21	X		
2	Finance Committee	9/21	X		
3	MTA Board	9/23	X		

Internal Approvals

Order	Approval	Order	Approval
5	President	1	Chief Maintenance Officer
4	Executive VP		
3	VP and Chief Facilities Officer		
2	VP, Operations Planning	NCS	

Purpose:

To obtain MTA Board approval to modify the MTA Bus Company's (MTABC's) 2000-2004 Capital Program to add a project to purchase 45 compressed natural gas (CNG) standard buses estimated at \$25.6 million through the deferral and reduction of two existing projects.

Discussion:

The 45 CNG buses will be procured jointly with New York City Transit (NYCT) to purchase 90 CNG buses, planned for later in 2009. The current bus procurement strategy replaces CNG buses that are more than 12 years old and increases the CNG local bus fleet at existing CNG-compatible depots.

MTABC and NYCT have determined that maintaining a diverse fleet, including CNG buses, will hedge against volatile fuel prices, given available incentives, such as the CNG federal excise tax rebate. Although CNG buses have lower fuel economy than hybrid-electric diesel buses (1.8 mpg vs. 3.2 mpg), CNG buses have much better fuel unit costs when these rebates are taken into account (currently \$0.50 per gasoline gallon equivalent). The CNG federal excise rebate expires December 31, 2009, but is expected to be extended.

Furthermore, the existing infrastructure to support CNG operations is currently in place, including fueling facilities and gas detection systems. As a result of these previous investments in CNG-compatible depots, MTABC has the capability to operate CNG buses for many years to come.

CNG buses already meet 2010 EPA emission standards. Because all buses will be required to have similar emission profiles by the time the 2010 EPA regulations take effect, maintaining a diverse fleet, including CNG buses, will position us to benefit from each technology until one is clearly preferred.

As shown in the table below, the cost of the 45 CNG buses will be covered by reallocating funds from two other projects in the 2000-2004 Capital Program.

Planning #	Project Description	Current Budget	Revised Budget	Surplus/(Need)
SF02-7398	45 CNG Buses	\$0	\$25,600,000	(\$25,600,000)
SF06-7307	Bus Layover Facility	\$18,221,031	\$0	\$18,221,031
SF02-7303	Express Coach Buses (From 40 to 22)	\$25,000,000	\$17,621,031	\$7,378,969
Grand Total		\$43,221,031	\$43,221,031	\$0

Staff Summary



The project to procure property in Long Island City, Queens, in order to develop a new bus layover facility near Manhattan, is no longer needed. This project was originally needed to reduce the time and distance express buses would have to deadhead during midday operations, as well as to reduce operating costs, fuel usage, fleet wear and tear, and bus emissions. Instead, the same economization was made possible by utilizing NYC Transit's existing depots (at 100th Street, 126th Street, and Michael J. Quill Depots) for midday storage. As a result, the project's total allocation of \$18.2 million is available for other needs.

In addition, the MTA Bus Company's project to purchase express coach buses will be reduced from 40 to 22 buses, which will allow \$7.4 million to be used to fund CNG buses. The order for 40 express buses was issued in 2008, but afterwards, it was discovered through the validation of the first bus that certain structural enhancements would not meet the required 12-year useful life. Up to that point, 22 of the 40 buses had been released for shipment. (Note that the manufacturer, MCI, has completed the necessary repairs and all 22 buses were accepted and placed in service during July 2009.) A contract modification is in development to formally reduce the order by 18 buses. Due to revised service requirements, the additional 18 coach buses will not be needed until 2011 and are currently planned to be funded by the 2010-2014 Capital Program. Therefore, approximately \$7.4 million of the monies presently allocated to purchase 18 buses can be made available to procure CNG buses.

Together, these modifications will free up sufficient funds to cover the \$25.6 million needed for the CNG bus procurement.

Alternatives:

Not authorizing this change and foregoing the opportunity to purchase 45 CNG buses. The CNG fleet would not be increased and existing CNG buses that have gone beyond their useful life could not be replaced at this time.

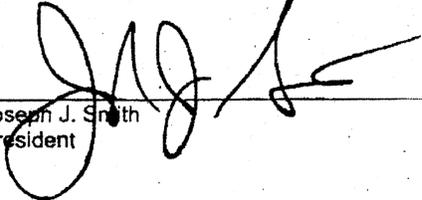
Impact on Funding:

This modification will not impact the overall 2000-2004 Capital program for MTABC.

Recommendation

That the Board approve this modification to facilitate the purchase of 45 CNG Buses for MTABC.

APPROVED FOR SUBMISSION TO THE BOARD

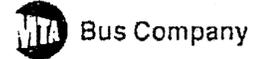


Joseph J. Smith
President

8/25/09

Date

Staff Summary



Subject Procurements
Department MTA Bus Company
Department Head Name Joseph J. Smith
Department Head Signature
Project Manager Name

Date September 8, 2009
Vendor Name N/A
Contract Number N/A
Contract Manager Name N/A
Table of Contents Ref #

Board Action					
Order	To	Date	Approval	Info	Other
1	Committee	9-21-09		X	
2	Board	9-23-09		X	

Internal Approvals			
Order	Approval	Order	Approval
1	President		

PURPOSE:

To obtain (i) approval of the Board to award various contracts/contract modifications and purchase orders, as reviewed by the MTA Bus Committee, and (ii) ratification of the procurements listed below.

DISCUSSION:

MTA Bus Company proposes to award Non-Competitive procurements in the following categories:

None

MTA Bus Company proposes to award Competitive procurements in the following categories:

None

MTA Bus Company seeks ratifications in the following categories:

None

MTA Bus Company
BOARD RESOLUTION

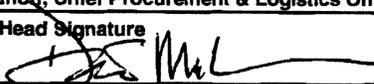
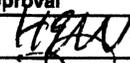
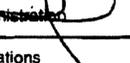
WHEREAS, in accordance with Section § 1265-a and § 1209 of the Public Authorities Law and the All-Agency Procurement Guidelines, the Board authorizes the award of certain non-competitive purchase and public work contracts, and the solicitation and award of requests for proposals in regard to purchase and public work contracts; and

WHEREAS, in accordance with the All-Agency 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, and certain budget adjustments to estimated quantity contracts; and

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

NOW, upon the recommendation of the Executive Director, 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.
3. As to each request for proposals (for purchase and public work contracts) set forth in Schedule C for which a recommendation is made to award the contract, the Board authorizes the execution of said contract.
4. As to each action set forth in Schedule D, the Board declares competitive bidding impractical or inappropriate for the reasons specified therein, and ratifies each action for which ratification is requested.
5. The Board authorizes the execution of each of the following for which Board authorization is required: i) the miscellaneous procurement contracts set forth in Schedule E; ii) the personal service contracts set forth in Schedule F; iii) the miscellaneous service contracts set forth in Schedule G; iv) the modifications to personal/miscellaneous service contracts set forth in Schedule H; v) the contract modifications to purchase and public work contracts set forth in Schedule I; and vi) the modifications to miscellaneous procurement contracts set forth in Schedule J.
6. The Board ratifies each action taken set forth in Schedule K for which ratification is requested.
7. The Board authorizes the budget adjustments to estimated contracts set forth in Schedule L.

Subject Request for Authorization to Award Various Procurements						Date September 23, 2009			
Department Procurement & Logistics						Vendor Name			
Department Head Name Dennis L. Mahon, Chief Procurement & Logistics Officer						Contract Number			
Department Head Signature 						Contract Manager Signature			
Project Manager Name									
Board Action						Internal Approvals			
Order	To	Date	Approval	Info	Other	Order	Approval	Order	Approval
1	LI Committee	9.16.09				X	President 		VP & Chief Financial Officer
2	MTA Board	9.23.09				X	Sr. VP-Administration 		VP, General Counsel & Secy
							Sr. VP-Operations		
							Executive VP		

PURPOSE:

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

DISCUSSION:

LIRR proposes to award Non-Competitive Procurements in the following categories:

Schedules Requiring Two-Thirds Vote

	<u># of Actions</u>	<u>\$ Amount</u>
Schedule A: Non-Competitive Purchase and Public Works Contracts	1	\$0.206M
• New York State Industries for the Disabled (NYSID) \$0.206M		

Schedules Requiring Majority Vote

	<u># of Actions</u>	<u>\$ Amount</u>
Schedule E: Miscellaneous Procurement Contracts	1	\$0.409M
• Sybase, Inc. \$0.409M		
SUBTOTAL:	2	\$0.615M

LIRR proposes to award Competitive Procurements in the following categories:

Schedules Requiring Majority Vote

		<u># of Actions</u>	<u>\$ Amount</u>
Schedule G:	Miscellaneous Service Contracts	1	\$0.114M
	<ul style="list-style-type: none"> • ARAMARK Uniform Services, a division of ARAMARK Uniform & Career Apparel, LLC 	\$0.114M	
	SUBTOTAL:	1	\$0.114M

LIRR proposes to award Ratifications in the following categories:

None

TOTAL:	3	\$0.729M
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BUDGET IMPACT:

The purchases/contracts will result in obligating LIRR operating and capital funds in the amount 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.)

**STANDARD FORM OF RESOLUTION PURSUANT TO ALL-AGENCY PROCUREMENT
GUIDELINES AND THE GUIDELINES FOR SERVICE CONTRACTS**

THE LONG ISLAND RAIL ROAD

WHEREAS, in accordance with Section 1265-a of the Public Authorities and the All-Agency Procurement Guidelines, the Board authorized with award of certain non-competitive purchase and public work contracts, and the solicitation and award of request for proposals in regard to purchase and public work contracts ; and

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

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

NOW, upon the recommendation of the Executive Director, 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 there in 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 authorized the solicitation of such proposals.
3. As to each request for proposals (for purchase and public work contracts) set forth in Schedule C for which a recommendation is made to award the contract, the Board authorizes the execution of said contract.
4. The Board ratifies each action taken set forth in Schedule D for which ratification is requested.
5. The Board authorizes the execution of each of the following for which Board authorization is required: i) the miscellaneous procurement contracts set forth in Schedule E; ii) the personal service contracts set forth in Schedule F; iii) the miscellaneous service contracts set forth in Schedule G; iv) the modifications to personal/miscellaneous service contracts set forth in Schedule H; v) the contract modifications to purchase and public 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.

LIST OF NON-COMPETITIVE PROCUREMENTS FOR BOARD APPROVAL
SEPTEMBER 2009

MTA LONG ISLAND RAIL ROAD

Procurements Requiring Two-Thirds Vote

Page

Schedule A: Non-Competitive Purchase and Public Works Contracts

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

- | | | |
|----|--|---|
| 1. | New York State Industries
 For the Disabled (NYSID)
 Non-Competitive
 Three-Year Contract
 Contract No. BP03450 | \$206,299
 Not-to-Exceed |
|----|--|---|

LIRR requests MTA Board approval to award a three-year contract, in a not-to-exceed amount of \$206,299, to the New York State Industries for the Disabled (“NYSID”) to provide window, wall and floor cleaning services at Jamaica and Hempstead Station buildings, and all Control Towers located throughout Brooklyn, Queens, Nassau and Suffolk Counties. This renewal contract is being awarded to NYSID in accordance with Section 162 of the New York State Finance Law, (State Finance Law), which states that preferred sources shall be granted the right to provide services to New York State Agencies in order to advance social and economic goals. Under the State Finance Law, a preferred source provider such as NYSID is expressly exempt from New York State Statutory competitive procurement requirements provided (i) it is capable of providing the service in the form, function and utility required by LIRR and (ii) the price it offers is as close to the prevailing market prices as is practicable, but in no event greater than 15% above the prevailing market price. Since NYSID’s corporate partner, Mayco Building Services, has merged with the incumbent, Allstate Building Services, who has performed these services satisfactorily under the current contract, LIRR determined that NYSID is able to comply with the contract specifications. In regard to pricing, NYSID’s scheduled service rates are based on specific parameters of each location. Pursuant to negotiations, NYSID’s latest proposal reflects an aggregate increase of 21.2% from the previous three-year contract. NYSID’s hourly labor rate for unscheduled, as-needed services increased from \$30/Hr to \$52.65/Hr from the previous three-year contract due to increases to NYS Dept. of Labor Prevailing Wages for Window Washers since the last solicitation (13.42% increase in NYC Counties, and 190% increase in Nassau and Suffolk Counties). NYS Office of General Services has reviewed and approved all pricing. Funding will be provided through the LIRR’s Operating Budget.

Procurements Requiring Majority Vote

Schedule E: Miscellaneous Procurement Contracts

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

- | | | | |
|----|--|---|--------------------------------------|
| 2. | Sybase, Inc.
 Sole Source
 Contract No. TBD | \$409,000
 Not-to-Exceed | <i><u>Staff Summary Attached</u></i> |
|----|--|---|--------------------------------------|

95

MTA LIRR is requesting MTA Board approval to award a sole source contract to Sybase, Inc. (“Sybase”) for a system conversion and upgrade to its database product, which supports the LIRR’s Train Information, Monitoring And Control System (TIMACS). The amount of the award is not-to-exceed \$409,000, which also includes three years of software maintenance and support services. None of the other MTA Agencies has a need for Sybase software and support at this time. This staff summary has been reviewed by the BSC and they concur that this procurement should move forward.

Schedule E: Miscellaneous Procurement Contract

Staff Summary



Item Number:

Vendor Name (& Location) Sybase, Inc., 561 Virginia Road, Concord, MA 01742
Description Software Upgrade and Maintenance of the TIMACS
Contract Term (Including Options, if any) 9/27/2009 to 9/26/2012
Option(s) included in Total Amount? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Procurement Type <input type="checkbox"/> Competitive <input checked="" type="checkbox"/> Non-Competitive
Solicitation Type <input type="checkbox"/> RFP <input type="checkbox"/> Bid <input checked="" type="checkbox"/> Other: Sole Source

Contact Number TBD	Renewal? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Total Amount:	\$409,000 NTE
Funding Source <input checked="" type="checkbox"/> Operating <input type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:	
Requesting Dept/Div & Dept/Div Head Name: Information Technology, Vincent Mezzanotte, CIO	
Contract Manager: Sharon Y. Gardner	

Discussion:

MTA LIRR is requesting MTA Board approval to award a sole source contract to Sybase, Inc. ("Sybase") for a system conversion and upgrade to its database product, which supports the LIRR's Train Information, Monitoring And Control System (TIMACS). The amount of the award is not to exceed \$409,000, which also includes three years of software maintenance and support services. None of the other MTA Agencies has a need for Sybase software and support at this time. This staff summary has been reviewed by the BSC and they concur that this procurement should move forward.

TIMACS is critical to LIRR's operation as it captures various aspects of train movement, including train location, scheduled and actual arrival and departure times to provide customers with train on-time performance information. TIMACS enables LIRR transportation personnel to monitor the movement of all trains remotely through control towers, which communicate with the TIMACS Central Server, and to properly operate and route trains in an effort to optimize on-time performance, especially during peak periods. In addition, the TIMACS application supports Amtrak and New Jersey Trains that run in the joint operating territory. Without the information provided by TIMACS, it would be virtually impossible to monitor the trains in peak periods.

The Sybase system upgrade is necessary to migrate from the existing TIMACS hardware, which has reached the end of its useful life, to new server hardware. In addition, converting the Sybase 32-bit database software to Sybase 64-bit software will provide the LIRR with superior performance by optimizing the utilization of the new hardware to be purchased. The conversion will also change the Sybase licensing model to increase the number of server licenses from 26 to 54, which is necessary to accommodate anticipated future expansion.

The Sybase software products and maintenance support and upgrades are proprietary to Sybase, which precludes any other vendor from maintaining the software. The LIRR Information Technology Department does not have the resources to maintain and support the Sybase software in-house.

Pricing for the upgrade and maintenance reflect the Sybase pricing discounts from its previous New York State OGS Contract, and are deemed fair and reasonable.

The total costs for the upgrade and maintenance is being funded by LIRR's Operating Budget.

LIST OF COMPETITIVE PROCUREMENTS FOR BOARD APPROVAL
SEPTEMBER 2009

MTA LONG ISLAND RAIL ROAD

Procurements Requiring Majority Vote

Schedule G: Miscellaneous Service Contracts

(Staff Summaries required for all items greater than: \$100K Sole Source; \$250K Other Non-Competitive; \$1M RFP;
No Staff Summary required if Sealed Bid Procurement)

1. **ARAMARK Uniform Services, \$113,922**
 A division of ARAMARK Uniform & Firm Fixed Price
 Career Apparel, LLC
 Competitive
 LIRR Contract No. TBD

LIRR requests MTA Board approval to award a competitively bid, Miscellaneous Service contract to ARAMARK Uniform Services, a division of ARAMARK Uniform & Career Apparel, LLC ("ARAMARK") for the supply and weekly cleaning service of walk-off mats, at various LIRR locations. The term of this contract will be sixty (60) months, beginning October 1, 2009, in the total amount of \$113,922. LIRR solicited New York State Industries for the Disabled, who declined to perform this service. LIRR then reached out to sister MTA Agencies to explore opportunities to "piggy-back" an existing Agency contract, or to explore the opportunity for a joint solicitation. MTA Bus Company initially expressed interest in participating in the procurement, but subsequently decided to procure mats for its facilities. No other Agency expressed an interest in participating in this procurement. This solicitation, a renewal of an existing contract, was advertised in the NYS Contract Reporter on June 29, 2009, and the New York Post on July 2, 2009. The bid price schedule is based on fixed pricing for weekly service at various LIRR's location. LIRR received bids from the incumbent ARAMARK (\$113,922), as well as from Cintas Corporation and ONAH Cleaning Services. While ARAMARK's bid price represents a 26.39% increase over the LIRR's current 3-year contract, due in large part to the addition of the requirement to implement a bar code tracking system for these mats, its bid is 10% less than LIRR's internal cost estimate and 20.5% lower than the next lowest bid price. ARAMARK's bid is therefore considered to be fair and reasonable. Funding for these contracts is included within each Agency's Operating Budget.

Subject	Request for Authorization to Award Various Procurements	Date	August 31, 2009
Department	Procurement & Material Control	Vendor Name	Various
Department Head Name	John T. Brennan	Contract Number	Various
Department Head Signature	<i>John T. Brennan</i>	Contract Manager Name	Various
Project Manager Name	Various	Table of Contents Ref #	

Board Action					
Order	To	Date	Approval	Info	Other
1	LI Committee	9/16/09			
2	Finance Committee	9/21/09			
3	MTA Board	9/23/09			

Internal Approvals			
Order	Approval	Order	Approval
X	President	9.1.09	VP Administration
	Sr. VP Operations		CIO
	VP Finance		Other
X	General Counsel		

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

DISCUSSION:

LI Bus proposes to award Non-Competitive procurements in the following categories:

<u>Schedule Requiring Two-Thirds Vote:</u>	<u># of Actions</u>	<u>\$ Amount</u>
Schedule A: Non-Competitive Purchase and Public Works Contracts Industries For The Blind of NYS, Inc.	2	\$ 98,276
<u>Schedule Requiring Majority Vote:</u>		
Schedule G: Miscellaneous Service Contracts Fleetwash, Inc.	1	\$ 20,000
SUBTOTAL	3	\$ 118,276

LI Bus proposes to award Competitive procurements in the following categories:

<u>Schedule Requiring Majority Vote:</u>		
Schedule G: Miscellaneous Service Contracts		
SimplexGrinnell LP	1	\$ 35,000
Syosset Truck Sales, Inc.	1	\$ 359,500
Country Lincoln Mercury West LLC	1	\$ 359,500
<u>Schedule Requiring Majority Vote:</u>		
Schedule L: Budget Adjustments to Estimated Quantity Contracts		
Atlantic Detroit Diesel Allison	1	\$ 586,000
SUBTOTAL	4	\$ 1,340,000

LI Bus presents the following procurement actions for Ratification: None

<u>TOTAL</u>	<u>7</u>	<u>\$ 1,458,276</u>
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BUDGET IMPACT: The purchases/contracts will result in obligating LI Bus funds in the amount listed. Funds are available in the current LI Bus operating/capital budgets for this purpose.

MTA LONG ISLAND BUS

WHEREAS, in accordance with Section 1265-a and Section 1209 of the Public Authorities law and the All Agency Procurement Guidelines, the Board authorizes the award of certain non-competitive purchase and public work contracts, and the solicitation and award of request for proposals in regard to purchase and public work contracts; and

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

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

NOW, upon the recommendation of the Executive Director, the Board resolves as follows:

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

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

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

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

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

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

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

LIST OF NON-COMPETITIVE PROCUREMENTS FOR BOARD APPROVAL
SEPTEMBER 2009

MTA LONG ISLAND BUS

Procurements Requiring Two-Thirds Vote:

A. Non-Competitive Purchases and Public Work Contracts

(Staff summaries required for all items greater than \$100K; \$250K Other Non-Competitive)

1. **Industries For The Blind of New York State, Inc.** **\$61,388**
Purchase Cleaning Wipes – Dispenser Packs **(not-to-exceed)**
Contract No. E-3913, Preferred Source, 1-Year

LI Bus requests MTA Board approval to award a non-competitive purchase contract to a NYS preferred source of supply, Industries For The Blind of New York State, Inc. (IBNYS). The contract is for a one (1) year period, 10/1/09 to 9/30/10, for the purchase of 1,440 cases of disposable cleaning wipes that are packaged in dispenser packs at \$42.63 per case. In lieu of rags, these wipes are utilized by LI Bus mechanics at their work stations for the cleanup of parts, tools, etc. This contract is in an amount not-to-exceed \$61,388. These wipes are commodities on the NYS List of Preferred Source Offerings - Section A, and meet LI Bus's form, function and utility requirements. LI Bus reached out to other MTA Agencies for a possible joint procurement, but none use the same dispensing system for this 99+% recycled content and elemental chlorine-free product. Alternative dispensers will be considered in future. This is a renewal contract. The incumbent's pricing will remain the same as that of an existing one-year contract awarded to IBNYS in May 2008, thus price is deemed fair and reasonable. The LI Bus operating budget will fund this procurement.

2. **Industries For The Blind of New York State, Inc.** **\$36,888**
Purchase Cleaning Wipes – Jumbo Rolls **(not-to-exceed)**
Contract No. E-3914, Preferred Source, 1-Year

LI Bus requests MTA Board approval to award a non-competitive purchase contract to a NYS preferred source of supply, Industries For The Blind of New York State, Inc. (IBNYS). The contract is for a one (1) year period, 10/1/09 to 9/30/10, for the purchase of 1,200 cases of disposable cleaning wipes that are provided to LI Bus mechanics for clean-up functions. They are packaged in jumbo rolls at \$30.74 per case. This contract is in an amount not-to-exceed \$36,888. These wipes are commodities on the NYS List of Preferred Source Offerings - Section A, and meet LI Bus's form, function and utility requirements. LI Bus reached out to other MTA Agencies for a possible joint procurement, but none use the same dispensing system for this 99+% recycled content and elemental chlorine-free product. Alternative dispensers will be considered in future. This is a renewal contract. The incumbent's pricing will remain the same as that of an existing one-year contract awarded to IBNYS in May 2008, thus price is deemed fair and reasonable. The LI Bus operating budget will fund this procurement.

LIST OF NON-COMPETITIVE PROCUREMENTS FOR BOARD APPROVAL
SEPTEMBER 2009

MTA LONG ISLAND BUS

Procurements Requiring Majority Vote:

G. Miscellaneous Service Contracts

(Staff Summaries required for items greater than: \$100K Sole Source; \$250K Other Non-Competitive; \$1M RFP;
No Staff Summary required if Sealed Bid Procurement)

- | | |
|--|------------------------|
| 3. Fleetwash, Inc. | \$20,000 |
| Paratransit Bus Fleet - Wash Services | (not-to-exceed) |
| Contract E-3764, CO 2, Single Source | |

LI Bus requests MTA Board approval to award change order no. 2 to extend contract E-3764 with Fleetwash, Inc. (Fleetwash) through 12/31/09, and to add funding not to exceed \$20,000 for continuous paratransit bus wash services. In response to a formal Request for Quotations, Fleetwash was awarded a \$14,000 contract in April 2008, having submitted the lowest price among quotes ranging from \$8.00 to \$30.00 per bus wash. Change order no. 1 extended the term from 9/1/08 to 7/31/09 and added funding of \$10,000. In the past 2 years, the paratransit facility underwent extensive renovations and its new bus wash system is not yet operative – it is scheduled to be commissioned in final quarter 2009. Fleetwash supplies detergents and water, washes each bus and collects waste water/run-off for recycle or disposal on an as-needed, continuous basis. Prices have remained firm during entire length of contract, thus prices are deemed fair and reasonable for this single-source contractor. LI Bus does not possess the resources to provide this service in-house. The LI Bus operating budget will fund this procurement.

LIST OF COMPETITIVE PROCUREMENTS FOR BOARD APPROVAL
SEPTEMBER 2009

MTA LONG ISLAND BUS

Procurements Requiring Majority Vote:

G. Miscellaneous Service Contracts

(Staff Summaries required for items greater than: \$100K Sole Source; \$250K Other Non-Competitive; \$1M RFP;
No Staff Summary required if Sealed Bid Procurement)

- | | |
|---|------------------------|
| 1. SimplexGrinnell LP | \$35,000 |
| Fire Alarm System Maintenance and Repair | (not-to-exceed) |
| Contract E-3725, CO 3, Renewal | |

LI Bus requests MTA Board approval to award change order no. 3 to an existing miscellaneous service contract with SimplexGrinnell LP (SG). LI Bus awarded a two year contract to SG on 10/1/2007, in an amount of \$14,500, for fire alarm system maintenance and repair services at its Mitchel Field depot. LI Bus utilizes a competitively negotiated New York State OGS contract PT61304, Group 77201, Award 20191 with SG, to benefit from a high-volume/aggregate price advantage. Change order no. 1 added service coverage for Hempstead Transit Center and \$5,000 in funding. Change order no. 2 added \$5,250 for annual wet and dry sprinkler tests. Change order no. 3 extends contract term for the period 10/1/09 – 9/30/10, adds coverage for Rockville Centre and paratransit facilities, and provides for funding in an amount not to exceed \$35,000. Prices are in accordance with original contract terms and conditions, and are therefore deemed fair and reasonable. LI Bus does not possess the resources necessary to provide these services in-house, for this renewal contract. The LI Bus operating budget will fund this procurement.

LIST OF COMPETITIVE PROCUREMENTS FOR BOARD APPROVAL
SEPTEMBER 2009

MTA LONG ISLAND BUS

Procurements Requiring Majority Vote:

G. Miscellaneous Service Contracts

(Staff Summaries required for items greater than: \$100K Sole Source; \$250K Other Non-Competitive; \$1M RFP;
No Staff Summary required if Sealed Bid Procurement)

2. Syosset Truck Sales, Inc.	\$359,500
Country Lincoln Mercury West LLC	\$359,500
Paratransit Fleet PMI & Small Repairs	(not-to-exceed)
Contract E-3859X, Renewal	

LI Bus requests MTA Board approval to award two each, one-year, competitively-bid miscellaneous service contracts for paratransit bus fleet preventive maintenance inspections (PMIs) and small repairs. Awards shall be made to Syosset Truck Sales, Inc. (Syosset) and to Country Lincoln Mercury West LLC (Country), effective 10/1/09, in an amount not to exceed \$359,500 per contract. Each agreement provides for LI Bus to exercise two, one-year contract renewal options, at the same prices, if it elects to do so. A combination of high work volume, and an ability to render repairs on a warranty basis, necessitate awards be made to two service providers as follows: (i) Syosset is the responsive and responsible bidder offering the lowest price and authorized by Navistar International to perform OEM warranty repairs; and (ii) Country is the responsive and responsible bidder offering the lowest price irrespective of its ability to provide OEM warranty repairs. Syosset is the incumbent OEM warranty repair contractor. Its rates for preventive maintenance inspection levels are in line with those in its existing contract, and its hourly service rate for small repairs will remain the same as its existing three year contract rate. Country is a new contractor to LI Bus. Its rates for preventive maintenance services are lower than those of its current non-OEM warranty competitor's inspection rates, and its hourly service rate for small repairs is 33% lower than the current non-OEM provider's rate. Seven service providers tendered bids for this contract. Based on competition and analysis of current prices paid by LI Bus for these services, prices are deemed fair and reasonable for this renewal contract. LI Bus does not possess the resources to manage this work in-house. The LI Bus operating budget will fund this procurement.

LIST OF COMPETITIVE PROCUREMENTS FOR BOARD APPROVAL
SEPTEMBER 2009

MTA LONG ISLAND BUS

Procurements Requiring Majority Vote:

L. Budget Adjustments to Estimated Quantity Contracts

(Expenditures which are anticipated to exceed the lesser of \$250,000 or \$50,000 in the event such expenditures exceed 15% of the adjusted contract budget, including any contract modifications.)

3. Atlantic Detroit Diesel Allison Remanufactured Engine Parts Contract No. E-3527 11/15/05 – 08/04/10	Original Amount:	\$ 1,100,000.00
	Prior Modifications:	\$ 0
	Prior Budget Adjustments:	\$ 460,000.00
	Current Amount:	\$ 1,560,000.00
	This Request:	\$ 586,000.00
	% of This Request to Current Amount:	37.6%
	% of Mods/Budget Adj (including This Request) to Original Amount	95.1%

LI Bus has 176 Orion V buses in its fleet, with year of manufacture ranging from 2000 to 2004. All are equipped with S50 Detroit Diesel engines. LI Bus purchases S50 engine parts from Atlantic Detroit Diesel Allison, utilizing two competitively bid NYCT contracts, to make repairs to its S50 engines. One contract provides for new engine parts and the other provides for remanufactured engine parts. LI Bus strives to purchase lower priced remanufactured parts whenever feasible. Engine parts include turbo charger assemblies, cylinder heads, balance shaft assemblies, pistons, rings and others. LI Bus awarded contract E-3527 in 2005 for remanufactured parts in an amount of \$1.1M. In July 2008, the Board approved funding in an amount of \$460,000 for the unanticipated replacement of certain remanufactured parts and to satisfy an accelerated rebuild program of the 2002 and 2004 fleets. However, a protracted need for turbo chargers and other parts continued well into 2nd half 2008. As a result of past and forecasted requirements, existing funding is considered insufficient for the contract term expiring August 2010. Moreover, this request is also a result of better availability of lower priced remanufactured parts. To benefit from this improvement, LI Bus looks to aggressively purchase from its remanufactured parts contract at a greater rate than from its new parts contract, whenever possible. To this end, LI Bus requests a budget adjustment in an amount of \$586,000 for use through contract duration. The anticipated outcome is a projected savings of 8-15⁺% over new parts prices that will favorably offset funding allotted for an existing new parts contract. Prices for remanufactured parts are the same as those described in the original contract price schedule and are deemed fair and reasonable. The LI Bus operating budget will fund this procurement request.

Staff Summary



Subject NYSDOT Grant for Connecting Services	
Department Operations Planning and Analysis	
Department/Head Name Daniel O'Connell <i>Daniel O'Connell</i>	
Department Head Signature	
Project Manager Name Edilma Jarvis	Program Manager Name

Date August 28, 2009
Vendor Name N/A
Contract Number N/A
Contract Manager Name N/A
Table of Contents Ref#

Board Action					
Order	To	Date	Approval	Info	Other
1	M-N Comm Mto	9/21	X		
2	MTA Finance Mto	9/21	X		
3	MTA Board Mto	9/23	X		

Internal Approvals			
Order	Approval	Order	Approval
4	President		Budget
	VP Operations		Capital Programs
3	VP Financial Admin		Engr/Const
	Controller		Project Reporting

Internal Approvals (cont.)							
Order	Approval	Order	Approval	Order	Approval	Order	Approval
1	VP Planning <i>Ken</i>		Government Relations		Labor Relations	2	General Counsel <i>ef</i>
	Press				Personnel		Other

Narrative

PURPOSE:

To obtain MTA Board approval to enter into a contract to accept \$300,000 in a Congestion Mitigation/Air Quality (CMAQ) grant from the New York State Department of Transportation (NYSDOT) to support connecting services, covering the period from October 1, 2009 through September 30, 2010.

DISCUSSION:

Metro-North has worked with NYSDOT to implement various projects to improve access to Metro-North stations. These projects, which include connecting buses (e.g. Transport of Rockland, Newburgh-Beacon Shuttle, Dutchess LOOP, HART, etc.), the Haverstraw-Ossining Ferry, the Newburgh-Beacon Ferry and Guaranteed Ride Home programs, create station access/egress and increase ridership and revenue for the Railroad, as well as reduce the number of single occupancy vehicles on the roads.

Over the past fifteen years, Metro-North has received over \$2.0 million from similar NYSDOT grants. These funds have been used for a variety of operational and marketing activities: providing customer information (e.g. signage, kiosks, pocket timetables, etc.); marketing/advertising to launch and support these services; supporting Metro-North's Guaranteed Ride Home programs; and for miscellaneous operational improvements. Metro-North plans to use the \$300,000 from the new CMAQ grant in a similar fashion, working with our regional partners to expand station access.

BUDGET IMPACT:

This CMAQ grant will provide an additional \$300,000 for Metro-North 2009/2010 Budget.

RECOMMENDATION:

That the MTA Board grant approval to enter into a contract to accept \$300,000 in a Congestion Mitigation/Air Quality (CMAQ) grant from the New York State Department of Transportation (NYSDOT) to support connecting services, covering the period from October 1, 2009 through September 30, 2010.

Subject Request for Authorization to Award Various Procurements

Department Procurement and Material Management

Department Head Name Anthony J. Bombace, Jr.

Department Head Signature *[Signature]*

Project Manager Name *[Signature]*

Date September 8, 2009

Vendor Name Various

Contract Number Various

Contract Manager Name Various

Table of Contents Ref #

Board Action					
Order	To	Date	Approval	Info	Other
1	M-N Comm Mtg	9-21-09	X		
2	MTA Board Mtg	9-23-09	X		

Internal Approvals			
	Approval		Approval
X	President <i>[Signature]</i>		Budget
X	Acting Sr. VP Operations <i>[Signature]</i>	X	Capital Programs <i>[Signature]</i>
X	Sr. VP Administration <i>[Signature]</i>		Engr/Const
X	VP Finance & IT <i>[Signature]</i>	X	Chief of Staff <i>[Signature]</i>

Internal Approvals (cont.)							
Order	Approval	Order	Approval	Order	Approval	Order	Approval
X <i>(CM)</i>	VP Planning		Government Relations		Labor Relations	X	General Counsel <i>[Signature]</i>
	Press		Safety		Human Resources		Other

PURPOSE:

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

DISCUSSION:

MNR proposes to award non-competitive procurements in the following categories:

<u>Schedules Requiring Two-Thirds Vote (or more, where noted)</u>		<u># of Actions</u>	<u>\$ Amount</u>
Schedule A:	Non-Competitive Purchases and Public Work Contracts	3	\$2,158,749
	<ul style="list-style-type: none"> Schneller Inc. \$ 258,749 Monogram Systems, Inc. \$1,000,000 Railtech Boutet, Inc. \$900,000 		
<u>Schedules Requiring Majority Vote</u>			
Schedule E:	Miscellaneous Procurement Contracts	1	\$500,000
	<ul style="list-style-type: none"> Tellabs North America \$500,000 		
SUB TOTAL:		4	\$2,658,749

MNR proposes to award competitive procurements in the following categories:

<u>Schedules Requiring Two-Thirds Vote (or more, where noted)</u>	<u># of Actions</u>	<u>\$ Amount</u>
Schedule B: Competitive Requests for Proposals (Solicitation of Purchase and Public Work Contracts)	1	TBD
• Pest Control Services TBD		
<u>Schedules Requiring Majority Vote</u>		
Schedule F: Personal Services Contracts	1	\$700,000
• Various (Rail Planning Consultant Svcs.)		\$700,000
Schedule G: Miscellaneous Service Contracts	1	\$400,000
• ImageMap, Inc. \$400,000		
Schedule H: Modifications to Personal/Miscellaneous Service Contracts	6	\$1,184,305
• Various Contractors		
B&S Carting, Inc. \$427,313		
Suburban Carting \$282,712		
Ray's Transportation \$170,200		
A.R.J.R Trucking \$141,610		
Industrial Recycling \$99,285		
Miele Sanitation \$63,185		
SUB TOTAL:	9	\$2,284,305

MNR presents the following procurement actions for Ratification:

<u>Schedules Requiring Two-Thirds Vote (or more, where noted)</u>		
Schedule D: Ratification of Completed Procurement Actions	NONE	
<u>Schedules Requiring Majority Vote</u>		
Schedule K: Ratification of Completed Procurement Actions	NONE	
SUB TOTAL:	NONE	
TOTAL:	13	\$4,943,054

The contractors noted above and on the following Staff Summary Sheets have been found in all respects responsive and responsible, and are in compliance with State laws and regulations concerning procurements.

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

METROPOLITAN TRANSPORTATION AUTHORITY

WHEREAS, in accordance with Section 1265-a and Section 1209 of the Public Authorities law and the All Agency Procurement Guidelines, the Board authorizes the award of certain non-competitive purchase and public work contracts, and the solicitation and award of request for proposals in regard to purchase and public work contracts; and

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

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

NOW, upon the recommendation of the Executive Director, the Board resolves as follows:

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

2. As to each request for proposals (for purchase and public work contracts) set forth in Schedule B for which it is deemed in the public interest to obtain authorization to solicit competitive proposals through a publicly advertised RFP for the reasons specified therein the Board declares it to be impractical or inappropriate to utilize a procurement process inviting sealed bids with award to the lowest responsive/responsible bidder.

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

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

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

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

SEPTEMBER 2009

METRO-NORTH RAILROAD

LIST OF NON-COMPETITIVE PROCUREMENTS FOR BOARD APPROVAL

Schedules Requiring Two-Thirds Vote:

Page

A. Non-Competitive Purchases and Public Work Contracts

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

- | | | | | |
|-----------|--|-----------------------------------|--------------------------------------|------------|
| 1. | Schneller Inc. | \$258,749 | <u>Staff Summary Attached</u> | 117 |
| | Purch. of Reinforced Fiberglass Laminate for the M-3 Railcar Performance Improvement Program | | | |
| | Non-competitive, miscellaneous procurement of reinforced fiberglass laminate. The material is to be used on MNR's M-3 Railcar Performance Improvement Program (no joint procurement is possible as the LIRR is presently not rehabilitating their M-3 Railcar fleet). Schneller Inc. is the OEM and sole source for this material. The prices to be paid in this purchase are the same as those paid from the last purchase in 2007, and are deemed fair and reasonable. Advertisements placed in the last 12 months, as well as MNR's investigation of alternate sources, have not identified any additional interest from other vendors. This procurement is to be funded by the MNR Operating Budget. | | | |
| 2. | Monogram Systems, Inc. | \$1,000,000(not-to-exceed) | <u>Staff Summary Attached</u> | 118 |
| | Purchase Authorization for Monogram OEM Toilet parts- MNR and LIRR | | | |
| | In conjunction with MNR/LIRR Joint Procurement Initiatives (JPI), the MNR and LIRR continue to review possible opportunities to leverage material purchases by combining the buying power of both agencies. Monogram Systems, Inc. is a common material supplier to both Railroads, and a multi-year agreement with this OEM supplier is a cost effective way to achieve the Joint Procurement Initiative goals. | | | |
| | Non-competitive, negotiated, three (3)-year miscellaneous purchase authorization for various OEM toilet replacement parts for MNR's M-2, 3, 4, and Coach Car fleet, and LIRR's M-3 Railcar fleet. Monogram Systems Inc. is the OEM and sole source for this material. There is no guarantee of purchase in this agreement as the replacement parts will be purchased on an as-needed basis. Based on the most frequently ordered sample items included in the price inquiry, the prices quoted reflect an average increase of 5-7% in comparison to the previous prices paid for those items during the period '06-'08. The price increases are due to direct labor and raw material increases. The prices in the new agreement are fixed for the first year and any subsequent price adjustments will be negotiated and made annually in accordance with the producer price index. Advertising placed in the last 12 months and outreach to prospective alternate suppliers has not identified any sources of supply. This procurement is to be funded by the MNR (\$600K) and LIRR (\$400K) Operating Budgets. | | | |

3. **Railtech Boutet, Inc** **\$900,000 (not-to-exceed)** **Staff Summary Attached** 119
Three (3) year Purchase Agreement for Field Welding Kits and Supplies
 Non-competitive, three (3)-year purchase agreement for specialized field Rail Welding Kits and related supplies used to weld and connect various weighted running rail (119lb, 127lb, 132lb and 136lb) as required by MNR's Track Department. Railtech's welding kit assemblies are uniquely compatible with MNR's inventory of welding-related equipment (mold jackets, clamps, base plates, pans, etc.). Additionally, a joint procurement with LIRR is not possible as the Railroads have invested in extensive and different welding equipment inventories and staff training related to two different welding processes. There has been an average 1.3% annual price increase from the prior contract and the prices for the new agreement will be fixed. Advertising placed in the last 12 months and outreach to prospective alternate suppliers has not identified any sources of supply. The procurement total is not-to-exceed \$900,000 over a three (3) year period and is to be funded by the MNR Operating Budget.

Schedules Requiring Majority Vote:

- E. **Miscellaneous Procurement Contracts**
 (Staff Summaries required for all items greater than: \$100K Sole Source; \$250K Other Non-Competitive)
4. **Tellabs North America** **\$ 500,000 (not-to-exceed)** **Staff Summary Attached** 120
DACS Upgrade Equipment & Services
 Non-competitive, negotiated, miscellaneous procurement contract with Tellabs North America (Tellabs) for the upgrade of MNR's Digital Access Cross-Connect System (DACS). The Tellabs DACS was customized and integrated into MNR's fiber optic telecommunication network in 2005. The DACS serves a critical function within the network as a switch that distributes and terminates circuits' as well as controls all communications routing such as the Centralized Traffic Control System, the SCADA System, and Ticket Vending Machines. The DACS, as currently configured, is at its end-of-useful-life and requires an upgrade. In addition, the upgrade is required as part of a project to relocate communication services from within MNR's territory. Tellabs is the OEM and sole source of all DACs hardware and software, and is the sole provider of all equipment, maintenance, and upgrade services. Negotiations resulted in approximately 40% discount from Tellabs' commercial rates. The total not-to-exceed cost of the one-time upgrade is \$500K. This procurement is to be funded by the MTA Security Program Budget.

Item Number: A

Vendor Name (& Location) Schneller Inc.
Description Reinforced fiberglass laminate- MNR M-3 Railcar Perf. Improve.
Contract Term (including Options, if any) Two Years
Option(s) included in Total Amount? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Procurement Type <input type="checkbox"/> Competitive <input checked="" type="checkbox"/> Non-competitive
Solicitation Type <input type="checkbox"/> RFP <input type="checkbox"/> Bid <input checked="" type="checkbox"/> Other: Sole Source

Contract Number	Renewal? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Total Amount:	\$ 258,749
Funding Source <input checked="" type="checkbox"/> Operating <input type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:	
Requesting Dept/Div & Dept/Div Head Name: Procurement & Material Management, Anthony J. Bombace, Jr.	
Contract Manager: Michael C. Coppola	

Discussion:

Non-competitive, miscellaneous procurement of reinforced fiberglass laminate. The material is to be used on MNR's M-3 Railcar Performance Improvement Program (no joint procurement is possible as the LIRR is presently not rehabilitating their M-3 Railcar fleet). Schneller Inc. is the OEM and sole source for this material. The prices to be paid in this purchase are the same as those paid from the last purchase in 2007, and are deemed fair and reasonable. Advertisements placed in the last 12 months, as well as MNR's investigation of alternate sources, have not identified any additional interest from other vendors. This procurement is to be funded by the MNR Operating Budget.

Schedule A: Non-Competitive Purchases and Public Work Contracts



Item Number: **A**

Vendor Name (& Location) Monogram Systems, Inc.
Description OEM Toilet parts
Contract Term (including Options, if any) Three Years
Option(s) included in Total Amount? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Procurement Type <input type="checkbox"/> Competitive <input checked="" type="checkbox"/> Non-competitive
Solicitation Type <input type="checkbox"/> RFP <input type="checkbox"/> Bid <input checked="" type="checkbox"/> Other: Sole source

Contract Number N/A	Renewal? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Total Amount:	\$1,000,000
Funding Source <input checked="" type="checkbox"/> Operating <input type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:	
Requesting Dept/Div & Dept/Div Head Name: Procure. & Matl. Mgmt. / Anthony J. Bombace, Jr.	
Contract Manager: Michael C. Coppola	

Discussion:

In conjunction with MNR/LIRR Joint Procurement Initiatives (JPI), the MNR and LIRR continue to review possible opportunities to leverage material purchases by combining the buying power of both agencies. Monogram Systems, Inc. is a common material supplier to both Railroads, and a multi-year agreement with this OEM supplier is a cost effective way to achieve the Joint Procurement Initiative goals.

Non-competitive, negotiated, three (3)-year miscellaneous purchase authorization for various OEM toilet replacement parts for MNR's M-2, 3, 4, and Coach Car fleet, and LIRR's M-3 Railcar fleet. Monogram Systems Inc. is the OEM and sole source for this material. There is no guarantee of purchase in this agreement as the replacement parts will be purchased on an as-needed basis. Based on the most frequently ordered sample items included in the price inquiry, the prices quoted reflect an average increase of 5-7% in comparison to the previous prices paid for those items during the period '06-'08. The price increases are due to direct labor and raw material increases. The prices in the new agreement are fixed for the first year and any subsequent price adjustments will be negotiated and made annually in accordance with the producer price index. Advertising placed in the last 12 months and outreach to prospective alternate suppliers has not identified any sources of supply. This procurement is to be funded by the MNR (\$600K) and LIRR (\$400K) Operating Budgets.

Schedule A: Non-Competitive Purchases and Public Work Contracts



Item Number: **A**

Vendor Name (& Location) Railtech Boutet Inc.
Description Three (3) year Purch. Agree. for Field Welding Kits and Supplies
Contract Term (including Options, if any) 3 years
Option(s) included in Total Amount? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Procurement Type <input type="checkbox"/> Competitive <input checked="" type="checkbox"/> Non-competitive
Solicitation Type <input type="checkbox"/> RFP <input type="checkbox"/> Bid <input checked="" type="checkbox"/> Other: Sole Source

Contract Number 61202	Renewal? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Total Amount: \$900 ,000	
Funding Source <input checked="" type="checkbox"/> Operating <input type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:	
Requesting Dept/Div & Dept/Div Head Name: Procurement & Material Management, Anthony J. Bombace, Jr.	
Contract Manager R. Munoz	

Discussion:

Non-competitive, three (3)-year purchase agreement for specialized field Rail Welding Kits and related supplies used to weld and connect various weighted running rail (119lb, 127lb, 132lb and 136lb) as required by MNR's Track Department. Railtech's welding kit assemblies are uniquely compatible with MNR's inventory of welding-related equipment (mold jackets, clamps, base plates, pans, etc.). Additionally, a joint procurement with LIRR is not possible as the Railroads have invested in extensive and different welding equipment inventories and staff training related to two different welding processes. There has been an average 1.3% annual price increase from the prior contract and the prices for the new agreement will be fixed. Advertising placed in the last 12 months and outreach to prospective alternate suppliers has not identified any sources of supply. The procurement total is not-to-exceed \$900,000 over a three (3) year period and is to be funded by the MNR Operating Budget.

Schedule E: Miscellaneous Procurement Contracts



Item Number: E

Vendor Name (& Location) Tellabs North America, 1415 W Diehl Road, Naperville, IL 60563
Description DACS Upgrade Equipment & Services
Contract Term (including Options, if any) Three Months
Option(s) included in Total Amount? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Procurement Type <input type="checkbox"/> Competitive <input checked="" type="checkbox"/> Non-competitive
Solicitation Type <input type="checkbox"/> RFP <input type="checkbox"/> Bid <input checked="" type="checkbox"/> Other: Sole Source

Contract Number 0000065400	AWO/Modification #
Renewal?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Total Amount:	\$ 500,000 (not-to-exceed)
Funding Source <input checked="" type="checkbox"/> Operating <input checked="" type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:	
Requesting Dept/Div & Dept/Div Head Name: Procurement & Material Management, Anthony J. Bombace, Jr.	

Discussion:

Non-competitive, negotiated, miscellaneous procurement contract with Tellabs North America (Tellabs) for the upgrade of MNR's Digital Access Cross-Connect System (DACS). The Tellabs DACS was customized and integrated into MNR's fiber optic telecommunication network in 2005. The DACS serves a critical function within the network as a switch that distributes and terminates circuits as well as controls all communications routing such as the Centralized Traffic Control System, the SCADA System, and Ticket Vending Machines. The DACS, as currently configured, is at its End of Life and requires an upgrade. In addition, the upgrade is required as part of a project to relocate communication services from Mott Haven to North White Plains. Tellabs is the OEM and sole source of all hardware and software, and is the sole provider of all equipment, maintenance, and upgrade services.

Negotiations resulted in approximately 40% discount from Tellabs' commercial rates. A previously Board-approved maintenance agreement will continue to support the existing system as well as the upgraded system. The total not-to-exceed cost of the one-time upgrade is \$500K. This procurement is to be funded by the MTA Security Program Budget.

SEPTEMBER 2009

METRO-NORTH RAILROAD

LIST OF COMPETITIVE PROCUREMENTS FOR BOARD APPROVAL

Schedules Requiring Two-Thirds Vote:

Page

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

(Staff Summaries only required for items estimated to be greater than \$1 million)

1. Pest Control Services – Grand Central Terminal (GCT) TBD

Staff Summary Attached

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Metro-North Railroad (MNR) on behalf of itself and MTA Real Estate requests MTA Board approval to use the RFP process to solicit and evaluate proposals from prospective contractors to provide pest control services for Grand Central Terminal (GCT). MNR and MTA will evaluate and select a contractor to provide proactive Integrated Pest Management (IPM) services to all facilities and locations in GCT. IPM is a sustainable approach to pest management that emphasizes non-chemical control of pests. The RFP will consolidate all GCT locations (ie.- office towers, crew facilities, loading docks, GCT North, the Station Master's office, track areas, all retail operations located within GCT (Balcony restaurants, Dining Concourse take-out and restaurant locations, the Grand Central Market and various food and non-food retail shops throughout GCT) under one contract.

Through use of the RFP Process, MTA & MNR will select a pest management company that best provides experience and implementation to a massive and complex commercial and public transportation facility. The successful pest control contractor will be selected based on evaluation criteria that includes: a complete understanding of the work scope requirements, cost, past experience on similar projects, technical expertise and confidence/resource commitment level. The intended period of performance for this contract is five (5) years. The procurement is to be funded by the MNR Operating Budget.

Schedules Requiring Majority Vote:

F. Personal Service Contracts

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

2. Various Consultants \$700,000 (not-to-exceed)

Staff Summary Attached

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General Rail Planning Consultant Services – Joint Procurement (MNR/LIRR)

Metro-North on behalf of itself and LIRR, requests approval from the Board for a comprehensive General Rail Planning Services arrangement that will use prequalified consulting firms to perform various Rail Planning Consultant Services to support the Strategic Business Planning needs of MNR and LIRR. For both railroads, this includes consultant services to assist in reviewing railroad processes and procedures for opportunities to increase efficiency and effectiveness, improve safety, and improve technology applications. For Metro-North, this also includes assistance in developing and implementing MNR's 5-Year Vision 2013 Program. Based on a competitive RFP, 17 firms have been prequalified and are eligible for the solicitation of required services to be filled on a contract-by-

contract basis. The prequalification provides no guarantee of consulting work but allows firms in a particular category to competitively propose on specific tasks as required by the Railroads. The general rail planning/pre-qualification approach is intended to streamline the process of consultant selection and retention, reducing procurement lead time, overall project time and reducing administrative costs while ensuring appropriate on-going competition. Metro-North and the Long Island Rail Road have successfully utilized the general engineering consultant (GEC) pre-qualification approach over the last ten years. The total period of performance for this program is four (4)-years (October 2009-September 2013) with an option to extend for two (2) additional years. The total estimated cost is not-to-exceed \$700,000 (MNR = \$500K and LIRR = \$200K/). This program is to be funded by each Agency's Operating Budget.

G. Miscellaneous Service Contracts

(Staff Summaries required for all items greater than: \$100K Sole Source; \$250K Other Non-Competitive; \$1M RFP; No Staff Summary required if Sealed Bid Procurement.)

3. ImageMap, Inc. \$400,000 (not-to-exceed)

Track Geometry Testing – MNR Territory, East-of -Hudson

Competitive procurement, four (4) bids received, three (3) year miscellaneous service contract for track geometry testing along MNR's Harlem, Hudson and New Haven Lines. ImageMap will provide track geometry equipment that conducts laser rail scanning which generates rail profiles that outline the measurement and position of curvatures and overall alignment of the track. ImageMap will conduct two tests during each year of the contract and MNR will receive analysis of collected data. By performing substantial research and by modifying MNR's technical requirements to accept recent technology of an attachable on-board track geometry assembly versus services provided by a hi-rail equipped mobile unit, MNR increased prospective contractor competition and bidding.

ImageMap's bid results in an 11.6% decrease in cost per service test from the last contract. Rates in the new contract will remain fixed for the three (3)-year period and are deemed fair and reasonable. Services are anticipated to begin in October 2009.

H. Modifications to Personal/Miscellaneous Service Contracts

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

4. Various Contractors	\$1,184,305 (not-to-exceed)	<u>Staff Summary Attached</u>
Refuse, Tie/Tie Stub Removal and Recycling Services throughout MNR territory in NYS and CT		
B & S Carting Inc.- State of Connecticut	\$427,313 (not to exceed)	
Suburban Carting- Croton, NWP, Elmsford, Mt. Vernon	\$282,712 (not-to-exceed)	
Ray's Transportation- Tie/Tie Sub East and West of Hudson	\$170,200 (not to exceed)	
A.R.J.R Trucking - Bronx, NY	\$141,610 (not to exceed)	
Industrial Recycling- Brewster, Poughkeepsie and Wassaic	\$99,285 (not to exceed)	
Miele Sanitation- Port Jervis and Campbell Hall	\$63,185 (not to exceed)-	

In June 2004, through the use of the competitive bid process, MNR awarded six (6) miscellaneous service agreements to provide refuse, construction debris removal and tie/tie stub removal services at all MNR locations and facilities in New York and Connecticut, exclusive of Grand Central Terminal, for up to a 5-yr period (3-yr base plus 2-yr option thru '09).

At this time, contract changes to the in-place contracts are required to extend the contracts through year-end 2009 and add funding to allow for the new solicitation and award of new multi-year contracts. During the extension period, MNR will be redeveloping its recycling program to address the more stringent requirements of NYS Executive Order #4. The Executive Order requires state agencies to source-separate recyclable materials in an effort to maximize material recovery. As such, MNR will be soliciting and awarding a new multi-year agreement in the 4th qtr. of '09 that includes both refuse removal and recycling. There are no changes in prices for the time extension to the in-place contracts. The total not-to-exceed amount for the contract extensions is \$1,184,305. This procurement is to be funded by the MNR Operating Budget.

Staff Summary

Item Number					
Dept & Dept Head Name: Procurement & Material Management, Anthony J. Bombace, Jr.					
Division & Division Head Name: Sen. VP – Administration, Raymond Burney					
Board Reviews					
Order	To	Date	Approval	Info	Other
1	M-N Comm.Mtg.	9-21-09	X		
2	MTA Board Mtg.	9-23-09	X		
Internal Approvals					
Order	Approval	Order	Approval		
X	President <i>HH</i>	X	Acting Sr. V.P. Operations <i>HH</i>		
X	Sr. V.P. Administration	X	V.P. Planning <i>Ray</i>		
X	V.P. Finance & IT <i>XP</i>	X	General Counsel		
X	Capital Programs <i>GRF</i>				

SUMMARY INFORMATION	
Vendor Name TBD	Contract Number 53726
Description GCT Intergrated Pest Management Services	
Total Amount TBD	
Contract Term (including Options, if any) 5 years	
Option(s) included in Total Amount? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
Renewal? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
Procurement Type <input type="checkbox"/> Competitive <input type="checkbox"/> Non-competitive	
Solicitation Type X RFP <input type="checkbox"/> Bid <input type="checkbox"/> Other:	
Funding Source X Operating <input type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:	

I. PURPOSE/RECOMMENDATION:

To obtain MTA Board approval to use the RFP process to solicit and evaluate proposals from prospective contractors to provide pest control services for Grand Central Terminal (GCT). MNR and MTA will evaluate and select a firm to provide proactive Integrated Pest Management (IPM) services to all GCT facilities and locations.

II. DISCUSSION:

MNR and MTA requires a pest control contractor that is experienced in controlling and managing pest within a complex commercial facility such as GCT and is able to provide an appropriate Integrated Pest Management plan. The RFP process will allow for the review and selection of a contractor with an in-depth understanding of the work requirements, comparable past experience on similar projects, high confidence level, and satisfactory resources, as well as reasonable cost. Through use of the RFP Process, MTA & MNR will select a pest management company that best provides experience and implementation to a massive and complex commercial and public transportation facility. The successful pest control contractor will be selected based on evaluation criteria that includes: a complete understanding of the work scope requirements, cost, past experience on similar projects, technical expertise and confidence/resource commitment level. The successful contractor will be required to provide a structured quality control and quality assurance plan for all services and work to be provided within GCT.

The RFP will consolidate all GCT facilities as well as all retail establishments under one pest control contractor, providing uniform quality of service. The GCT locations will include, but not be limited to: office towers, crew facilities, loading docks, GCT North, the Station Master’s office, track areas, all retail operations located within GCT (Balcony restaurants, Dining Concourse take-out and restaurant locations, the Grand Central Market and various food and non-food retail shops throughout GCT).

III. D/M/WBE INFORMATION:

Goals have not yet been established for this procurement.

IV. IMPACT ON FUNDING:

This contract to be funded by the MNR Operating Budget.

V. ALTERNATIVES:

MNR and MTA does not possess the in-house expertise, licenses or equipment to provide comprehensive integrated pest management services for GCT.

Staff Summary

Item Number F					
Dept & Dept Head Name: Procurement & Material Management, Anthony J. Bombace, Jr.					
Division & Division Head Name: Sen. VP – Administration, Raymond Burney					
Board Reviews					
Order	To	Date	Approval	Info	Other
1	M-N Comm.Mtg.	9-21-09			
2	MTA Board Mtg.	9-23-09			
Internal Approvals					
Order	Approval	Order	Approval		
X	President	X	Acting Sr. V.P. Operations		
X	Sr. V.P. Admin.	X	V.P. Planning		
X	V.P. Finance & IT	X	General Counsel		
	Capital Programs				

SUMMARY INFORMATION	
Vendor Name Various	Contract Number 61002
Description Rail Planning Consultant Services	
Total Amount \$700,000 (\$500K/MNR; \$200K/LIRR)	
Contract Term (including Options, if any) 2009-2013	
Option(s) included in Total Amount? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
Renewal? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
Procurement Type <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Non-competitive	
Solicitation Type <input checked="" type="checkbox"/> RFP <input type="checkbox"/> Bid <input type="checkbox"/> Other:	
Funding Source <input checked="" type="checkbox"/> Operating <input type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:	

I. PURPOSE/RECOMMENDATION:

To obtain MTA Board approval to prequalify seventeen (17) consultants listed in Attachment “A” who propose to perform various Rail Planning Consultant Services to support the Strategic Business Planning needs of MNR and LIRR. For both railroads, consultant services to assist in reviewing railroad processes and procedures for opportunities to increase efficiency and effectiveness, improve safety, and improve technology applications. For Metro North, this also includes assistance in developing and implementing MNR’s 5-Year Vision 2013 Program. The period of performance for this prequalification will be for a four (4)-year period beginning October 1, 2009 and ending September 30, 2013 with an option to extend for two (2) additional years. The prequalification provides no guarantee of consulting work but allows firms in a particular category to competitively propose on specific tasks as required by the Railroads.

The general rail planning/prequalification approach is intended to streamline the process of consultant selection and retention, reducing procurement lead time, overall project time and reducing administrative costs while ensuring appropriate on-going competition. Under the established process, the Railroads will solicit proposals on a task-by-task basis from the approved consultants within each pre-qualified group. Metro-North and the Long Island Rail Road have successfully utilized the general engineering consultant (GEC) pre-qualification approach over the last ten years.

II. DISCUSSION:

MNR and LIRR have a need to retain rail planning firms to perform rail planning services as needs arise in various categories as part of MNR’s 2013 Vision Program and each Railroad’s Strategic Business Planning needs. The categories of work include:

- | | |
|---|--|
| 1. Organizational review, efficiency and design | 7. Transportation project finance |
| 2. Operations analysis | 8. Strategic Public/Private Alliances |
| 3. Customer service | 9. Preventive maintenance program and maintenance review |
| 4. Policy analysis and development | 10. Rail safety audit |
| 5. Strategic planning | 11. Software Capability Evaluations for development/integration of critical software system applications |
| 6. Asset management | |

The categories of work with corresponding consultant firms are presented in Attachment “A”.

A Request for Proposal (RFP) for Prequalification was sent to approximately twenty-two (22) firms. The solicitation was advertised in the New York State Contract Reporter, New York Post, Daily Challenge, and El Diario and was posted on the MNR website. Forty-eight (48) firms requested copies of the RFP. Nineteen (19) proposals were received on April 3, 2009. A joint Railroad Selection committee was formed comprised of five (5) selection committee members. The committee evaluated the proposals using the criteria of selection as set forth in the RFP. Proposals were evaluated based on the following selection criteria listed in equal order of importance:

Staff Summary

1. Demonstrated experience of the Consultant in the execution of "Work" of similar nature.
2. Expertise and experience of key personnel proposed to be assigned to perform the Work;
3. Proposed approach to organize, direct, administer, and manage the Work;
4. Knowledge of and experience with railroad operations; or demonstrated ability to adapt to railroad operations.

The Selection Committee evaluated all proposals received in accordance with the selection criteria and MNR's Procurement procedures. As a result of that evaluation, the Committee found two (2) proposers non-responsive and selected seventeen (17) firms as prequalified for future issuance of specific task orders focused in the General Rail Planning Categories.

The program provides no guarantee of consulting work as the prequalification allows firms in a category to competitively propose on specific tasks as required by the Railroads.

III. D/M/WBE INFORMATION:

The MTA Office of Civil Rights did not establish a specific DBE goal for this project.

IV. IMPACT ON FUNDING:

The Rail Planning Consultant Services program is estimated at a total not-to-exceed amount of \$700,000 (MNR \$500,000; LIRR \$200,000) during the initial four (4)-years with an option to extend two (2) additional years. Funding for work under these contracts will be taken from the funding source applicable to each Project.

V. ALTERNATIVES:

The alternative is to continue to use the individual Request for Proposal process for each individual project requirement or use in-house staff. Neither MNR nor LIRR possess the available in-house technical staff to complete the full spectrum of the services required in a timely fashion. The general prequalification approach described above is strongly recommended as a replacement to the traditional method as a means to significantly lessen the procurement lead-time for contract award.

Attachment A

Org. Review Efficiency and Design	Operation Analysis	Customer Service	Policy Analysis & Development	Strategic Plan.	Asset Management	Transport. Project Finance	Strategic Public / Private Alliances	Preventive Maintenance Program & Maintenance Review	Rail Safety Audit	Software Capability Eval. / Dev. Integration Of Critical Software Sys. Applications
D.C. Agrawal Consulting	D.C. Agrawal Consulting	Joby Berman	D.C. Agrawal Consulting	D.C. Agrawal Consulting	Joby Berman	D.C. Agrawal Consulting	D.C. Agrawal Consulting	Egan Consulting Group	Egan Consulting Group	KPMG LLP
Egan Consulting Group	Egan Consulting Group	STV Inc.	Egan Consulting Group	Egan Consulting Group	L.E. Peabody & Associates, Inc.	Joby Berman	Joby Berman	STV Inc.	STV Inc.	Interfleet Technology Inc.
Joby Berman	STV Inc.	Vanasse Hangen Brustlin, Inc.	Joby Berman	Joby Berman	AECOM	AECOM	AECOM	SYSTRA	Vanasse Hangen Brustlin, Inc.	PB
AECOM	L. E. Peabody & Associates, Inc.	HDR	STV Inc.	STV Inc.	KPMG LLP	Vanasse Hangen Brustlin, Inc.	KPMG LLP	Interfleet Technology Inc.	HDR	
Booz-Allen-Hamilton	Vanasse Hangen Brustlin, Inc.	SYSTRA	L. E. Peabody & Associates, Inc.	L. E. Peabody & Associates, Inc.	SYSTRA	KPMG LLP	PB	Booz-Allen - Hamilton	SYSTRA	
PB	HDR	Booz-Allen-Hamilton	AECOM	AECOM	Booz-Allen-Hamilton	HDR	Raul V Bravo + Associates, Inc.	PB	Interfleet Technology Inc.	
	SYSTRA	PB	Vanasse Hangen Brustlin, Inc.	Vanasse Hangen Brustlin, Inc.	PB	Booz-Allen-Hamilton		Raul V Bravo + Associates, Inc.	Booz-Allen-Hamilton	
	Interfleet Technology Inc.		HDR	KPMG LLP	Halcrow	PB			PB	
	Booz-Allen-Hamilton		SYSTRA	HDR						
	PB		PB	Howard Stein Hudson Associates						
	Raul V Bravo + Associates, Inc.		Halcrow	SYSTRA						
	Louis T. Klauder & Associates			Booz-Allen-Hamilton						
				PB						
				Raul V Bravo + Associates, Inc.						

Schedule H: Modifications to Personal Service and Miscellaneous Service Contracts



Item Number: H

Vendor Name (& Location) Various	Contract Number 115,117,118,266,40184 & 40185	AWO/Modification # Various
Description Company Wide Refuse Removal Services NYS & CT	Original Amount:	\$4,785,379
Contract Term (including Options, if any) 3 yr base w/ 2 yr renewal (6 month extension)	Prior Modifications:	\$4,163,125
Option(s) included in Total Amount? X Yes <input type="checkbox"/> No	Prior Budgetary Increases:	\$0.00
Procurement Type X Competitive <input type="checkbox"/> Non-competitive	Current Amount:	\$8,948,504
Solicitation Type <input type="checkbox"/> RFP X Bid <input type="checkbox"/> Other:	This Request:	\$1,184,305
Funding Source X Operating <input type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:	% of This Request to Current Amount:	86.7%
Requesting Dept/Div & Dept/Div Head Name: Procurement & Material Management, Anthony J. Bombace, Jr.	% of Modifications (including This Request) to Original Amount:	11.7%

Discussion:

In June 2004, through the use of the competitive bid process, MNR awarded six (6) miscellaneous service agreements to provide refuse, construction debris removal and tie/tie stub removal services at all MNR locations and facilities in New York and Connecticut, exclusive of Grand Central Terminal, for up to a 5-yr period (3-yr base plus 2-yr option thru '09).

At this time, contract changes to the in-place contracts are required to extend the contracts through year-end 2009 and add funding to allow for the new solicitation and award of new multi-year contracts. During the extension period, MNR will be redeveloping its recycling program to address the more stringent requirements of NYS Executive Order #4. The Executive Order requires state agencies to source-separate recyclable materials in an effort to maximize material recovery. As such, MNR will be soliciting and awarding a new multi-year agreement in the 4th qtr. of '09 that includes both refuse removal and recycling. There are no changes in prices for the time extension to the in-place contracts. The total not-to-exceed amount for the contract extensions is \$1,184,305. This procurement is to be funded by the MNR Operating Budget.

The cost breakdown by contract for the six (6) month extension is as follows:

Contractor	Amount	Service Area
Industrial Recycling	\$99,285	Brewster, Poughkeepsie, Wassaic
B&S Carting Co.	\$427,313	State of Connecticut
Ray's Transportation	\$170,200	Tie & Tie Stub Removal – MNR East & West of Hudson
Miele Sanitation	\$63,185	Port Jervis and Campbell Hall
A.R.J. R. Trucking	\$141,610	Bronx, NY
Suburban Carting	\$282,712	Croton-on-Hudson, North White Plains, Elmsford, Mount Vernon
Grand Total	\$1,184,305	

Staff Summary



Subject: Request for Authorization to Award Various Procurements
Department: Procurement & Materials
Department Head Name: Anthony W. Koestler
Department Head Signature: <i>Anthony W. Koestler</i>
Project Manager Name: Various

Date: August 28, 2009
Vendor Name:
Contract Number:
Contract Manager Name:
Table of Contents Ref #:

Board Action					
Order	To	Date	Approval	Info	Other
1	President <i>AK</i>	8/28/09			
2	MTA B&T Committee	9/16/09			
3	MTA Board	9/23/09			

Internal Approvals			
Order	Approval	Order	Approval
	President <i>AK</i>		VP Staff Services
	Executive Vice President <i>MM</i>		VP Procurement & Materials
	General Counsel		VP Labor Relations
	VP Operations		VP & Chief Engineer

Internal Approvals (cont.)							
Order	Approval	Order	Approval	Order	Approval	Order	Approval
	Chief Financial Officer		Chief Technology Officer		Chief Health & Safety Officer		VP Strategic Initiatives
	Chief Security Officer		Chief Maintenance Officer		MTA Office of Civil Rights		Chief EEO Officer

PURPOSE:

To obtain approval of the Board to award various contracts and purchase orders, and to inform the MTA B&T Committee of these procurement actions.

DISCUSSION:

MTA B&T proposes to award Non-Competitive procurements in the following categories:

<u>Schedules Requiring Majority Vote</u>		<u># of Actions</u>	<u>\$ Amount</u>
Schedule J	Modifications to Miscellaneous Procurement Contracts	1	\$364M
	SUBTOTAL	1	\$364M

MTA B&T 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	2	\$565M
Schedule I	Modifications to Purchase & Public Works Contracts	1	\$338M
	SUBTOTAL	3	\$903M

MTA B&T presents the following procurement actions for Ratification:

Schedule K	Ratification of Completed Procurement Actions (Involving Schedule E-J)	1	\$1,900M
	SUBTOTAL	1	\$1,900M
	TOTAL	5	\$3,167M

BUDGET IMPACT:

The purchases/contracts will result in obligating MTA B&T and Capital Construction funds in the amount listed. Funds are available in the current MTA B&T 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).

MTA BRIDGES & TUNNELS
TRIBOROUGH BRIDGE AND TUNNEL AUTHORITY

WHEREAS, in accordance with § 1265-a and § 1209 of the Public Authorities law and the All Agency Procurement Guidelines, the Board authorizes the award of certain non-competitive purchase and public work contracts, and the solicitation and award of request for proposals in regard to purchase and public work contracts; and

WHEREAS, in accordance with the All Agency Procurement Guidelines, the Board authorizes the award of certain non-competitive miscellaneous procurement contracts, and certain changes orders to procurement, public work, and miscellaneous procurement contracts; and

WHEREAS, in accordance with § 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; and

NOW, upon the recommendation of the Executive Director, 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. The Board ratifies each action set forth in Schedule D for which ratification is requested.
5. The Board authorizes the execution of each of the following for which Board authorization is required: i) the miscellaneous procurement contracts set forth in Schedule E; ii) the personal service contracts set forth in Schedule F; iii) the miscellaneous service contracts set forth in Schedule G; iv) the modifications to personal/miscellaneous service contracts set forth in Schedule H; the contract modifications to purchase and public work contracts set forth in Schedule I; and vi) the modifications to miscellaneous procurement contracts set forth in Schedule J.
6. The Board ratifies each action taken set forth in Schedule K for which ratification is requested.
7. The Board authorizes the budget adjustments to estimated contracts set forth in Schedule L.

LIST OF NON-COMPETITIVE PROCUREMENTS FOR BOARD APPROVAL
SEPTEMBER 2009

MTA BRIDGES & TUNNELS

Procurements Requiring Majority Vote:

Page

J: Modifications to Miscellaneous Procurement Contracts

(Approvals/Staff Summaries required for individual change orders greater than \$250K. Approvals without Staff Summaries required for change orders greater than 15% of previously approved amount which are also at least \$50K)

- | | | | |
|----|---|----------------------|--------------------------------------|
| 1. | Surface Systems, Inc.
Contract No. 05-MNT-2755 | \$ 363,906.11 | <u>Staff Summary Attached</u> |
|----|---|----------------------|--------------------------------------|

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Upgrade the weather system at the Henry Hudson, Marine Parkway-Gil Hodges Memorial and Cross Bay Veterans Memorial Bridges, add at all locations an uninterrupted power system for backup power supply, and install additional atmospheric sensors to increase redundancy in power supply and communications.

Schedule J: Modifications to Miscellaneous Procurement Contracts
Item Number: 1 (Final)

Vendor Name (& Location) Surface Systems, Inc., St. Louis, Missouri	Contract Number 05-MNT-2755	AWO/Modification #
Description Maintenance and Upgrade of Weather Recording Information Systems	Original Amount:	\$621,205.58
Contract Term (including Options, if any) July 25, 2006 – July 24, 2010	Prior Modifications:	\$178,829.76
Option(s) included in Total Amount? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Prior Budgetary Increases:	\$0.00
Procurement Type <input type="checkbox"/> Competitive <input checked="" type="checkbox"/> Non-competitive	Current Amount:	\$800,035.34
Solicitation Type <input checked="" type="checkbox"/> RFP <input type="checkbox"/> Bid <input type="checkbox"/> Other:	This Request:	\$363,906.11
Funding Source <input type="checkbox"/> Operating <input checked="" type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:	% of This Request to Current Amount:	45.5%
Requesting Dept/Div & Dept/Div Head Name: Operations, James Ferrara	% of Modifications (including This Request) to Original Amount:	87.4%

Discussion:

Approval is requested to modify contract 05-MNT-2755 with Surface Systems, Inc. (SSI) for additional funding in the amount of \$363,906.11. In 1998, SSI installed and maintained a weather recording information system at the Verrazano-Narrows (VN), Throgs Neck (TN), Bronx-Whitestone (BW) and Robert F. Kennedy (RFK) Bridges. A separate weather recording system at Henry Hudson (HH), Marine Parkway-Gil Hodges Memorial (MP) and Cross Bay Veterans Memorial (CB) Bridges was furnished and installed by Nu-Metrics under a contract awarded in November 2001; the system's warranty expired in June 2006. Both SSI and Nu-Metrics are subsidiaries of Quixote Transportation Technologies. In June 2006 the Board approved the award of the subject non-competitive miscellaneous procurement contract to SSI to provide maintenance of the two existing weather recording systems at the seven bridges and to upgrade the weather recording information system at the VN, TN, BW and RFK bridges for a period of three years in the amount of \$621,205.58. These weather systems provide necessary data to monitor changing roadway and weather conditions to optimize travel conditions. In February 2007 the Board approved an amendment to SSI to provide for system enhancements (of which the software is proprietary to SSI) and improvements to support hurricane preparedness at the VN, TN, BW and RFK in an amount of \$173,628.76. Currently, the contract's value is \$800,035.34 and extends through July 24, 2010.

The proposed amendment will upgrade the weather system at HH, CB and MP Bridges so that the same level of service provided at the four other bridges is achieved. The software enhancements, which remain proprietary to SSI, will merge the weather system at HH, MP and CB with the existing system at the other bridge facilities in order to have only one website to facilitate access and to upgrade the weather information system at these facilities. The Contractor (i) will upgrade the existing communication hardware and atmospheric roadway sensors and associated processing devices, (ii) add at all locations an uninterrupted power system for backup power supply, and (iii) install additional atmospheric sensors to increase redundancy in power supply and communications.

SSI submitted a cost proposal in the amount of \$416,486.04 to provide the system enhancements. The user's estimate is \$475,593. The negotiated amount of \$363,906.11 is 23.5% below the user's estimate and considered fair and reasonable. Funding is available under Capital Program 2005-2009 under AW-35.

LIST OF COMPETITIVE PROCUREMENTS FOR BOARD APPROVAL
SEPTEMBER 2009

MTA BRIDGES & TUNNELS

Procurements Requiring Majority Vote:

Page

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

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

- | | | | | |
|----|---|---------------|--------------------------------------|-----|
| 1. | AECOM USA, Inc.
Contract No. PSC-06-2802
Additional construction inspection services for cleaning and painting of the RFK Bridge's Harlem River Lift Span. | \$ 353,536.00 | <u>Staff Summary Attached</u> | 143 |
| 2. | B&H Engineering, P.C.
Contract No. PSC-05-2752
Additional construction inspection services for Project TB-66, Dehumidification and Strand Re-Anchoring and Concrete Repairs at the Triborough Bridge (now RFK Bridge) Anchorages. | \$ 211,394.00 | <u>Staff Summary Attached</u> | 144 |

I: Modifications to Purchase & Public Works Contracts

(Approvals/Staff Summaries required for individual change orders greater than \$250K. Approvals without Staff Summaries required for change orders greater than 15% of previous approved amount which are also at least \$50K)

- | | | | | |
|----|--|---------------|--------------------------------------|-----|
| 3. | American Bridge Company
Contract No. BW Task 23/C-52052
Additional work under Contract BW Task 23/C-52052, Miscellaneous Structural Retrofits at Authority Facilities. | \$ 337,870.35 | <u>Staff Summary Attached</u> | 145 |
|----|--|---------------|--------------------------------------|-----|

Schedule H: Modifications to Personal Service Contracts and Miscellaneous Service Contracts

 Item Number: **1** (Final)

Vendor Name (& Location) AECOM USA, Inc., New York, New York	Contract Number PSC-06-2802	AWO/Modification #
Description Construction Inspection Services for Cleaning and Painting for Multiple Painting Projects at Various Authority Facilities	Original Amount:	\$4,122,849.00
Contract Term (including Options, if any) May 3, 2007 – November 2, 2010	Prior Modifications:	\$0.00
Option(s) included in Total Amount? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Prior Budgetary Increases:	N/A
Procurement Type <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Non-competitive	Current Amount:	\$4,122,849.00
Solicitation Type <input checked="" type="checkbox"/> RFP <input type="checkbox"/> Bid <input type="checkbox"/> Other:	This Request:	\$353,536
Funding Source <input checked="" type="checkbox"/> Operating <input type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:	% of This Request to Current Amount:	8.6%
Requesting Dept/Div & Dept/Div Head Name: Engineering & Construction, Thomas Bach, P.E.	% of Modifications (including This Request) to Original Amount:	8.6%

Discussion:

Approval is requested to modify Contract PSC-06-2802, Construction Inspection Services for Cleaning and Painting for Multiple Painting Projects at Various Authority Facilities with AECOM USA, Inc. ("AECOM") to add funding in the amount of \$353,536. In April 2007 the Board approved the award of this contract to Urbitran Associates, Inc. (Urbitran) in the amount of \$4,122,849 over a duration of three years, six months. Subsequently, the Contract was assigned to DMJM + Harris, Inc (DMJM) and the consultant then changed its name to AECOM USA, Inc.

The duration of the cleaning and painting of the RFK Bridge's Harlem River Lift Span, one of several projects to be inspected under this contract, has been extended by approximately three months to accommodate an increased volume of marine traffic on the Harlem River. The extension did not require additional compensation to the construction contractor. However, additional funding is needed by AECOM to provide the necessary level of construction support throughout the extended project duration. The proposed amendment also includes inspection services for completion of additional structural repairs related to a change in field conditions.

The increased marine traffic is generally the result of enhanced coordination between B&T's Harlem River Lift Span painting job and New York City DOT's reconstruction of the Willis Avenue Bridge. The additional bridge openings required intermittent stoppages, re-staging and re-starting work, as well as greater coordination with the US Coast Guard and Con Edison, shippers, contractors and agencies utilizing the river.

AECOM submitted a proposal in the amount of \$407,570; the Engineer's estimate is \$413,097. When compared with the Engineer's estimate, the negotiated amount of \$353,536 (14% below the Engineer's estimate) is considered fair and reasonable. Consistent with the Procurement Guidelines, this amendment constitutes a substantial change to the Contract. Funding for this amendment is available in the Operating Budget under General Ledger 74002/TBM-367.

Schedule H: Modifications to Personal Service Contracts and Miscellaneous Service Contracts

Item Number: **2** (Final)

Vendor Name (& Location) B&H Engineering, P.C., Whitestone, NY	Contract Number PSC-05-2752	AWO/Modification #
Description Construction Inspection Services for Project TB-66, Dehumidification and Strand Re-Anchoring and Concrete Repairs at the Triborough Bridge (now RFK Bridge) Anchorages	Original Amount:	\$1,459,349.90
Contract Term (including Options, if any) March 31, 2006 – September 30, 2009	Prior Modifications:	\$229,639.00
Option(s) included in Total Amount? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Prior Budgetary Increases:	N/A
Procurement Type <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Non-competitive	Current Amount:	\$1,688,988.90
Solicitation Type <input checked="" type="checkbox"/> RFP <input type="checkbox"/> Bid <input type="checkbox"/> Other:	This Request:	\$211,394.00
Funding Source <input type="checkbox"/> Operating <input checked="" type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:	% of This Request to Current Amount:	13%
Requesting Dept/Div & Dept/Div Head Name: Engineering & Construction, Thomas Bach, P.E.	% of Modifications (including This Request) to Original Amount:	30%

Discussion:

Approval is requested to modify Contract PSC-05-2752, Construction Inspection Services for Project TB-66, Dehumidification and Strand Re-Anchoring and Concrete Repairs at the Triborough Bridge (now RFK Bridge) Anchorages with B&H Engineering, P.C. ("B&H") for additional funding in an amount of \$211,394. The subject contract was awarded to B&H on March 31, 2006 in the amount of \$1,459,349.90 for a duration of three (3) years to: (i) install a dehumidification system for the anchorages; (ii) re-anchor cable strands; and (iii) perform various concrete repairs at the RFK Bridge. Since the Board approved the original contract, an amendment for \$229,639 has been issued. The contract has been extended through September 30, 2009. Consistent with the Procurement Guidelines, this amendment together with the previous amendment constitutes a substantial change to the contract.

The work under the TB-66 construction contract has been delayed due to an electrical fire on June 4, 2009 (no injuries or traffic delays resulted from the fire), restricted lane access and other job related delays. As a result, the: (i) installation of the dehumidification monitoring system; (ii) start up of the dehumidification equipment; (iii) concrete placement at the Ward's Island east sidewalk; and (iv) installation of the sidewalk railings all fell behind schedule. Due to these delays and the time necessary to close out the project, it is necessary to extend Contract PSC-05-2752 by four (4) months. B&H has mitigated these costs through staff adjustments during this period. B&T is pursuing a recovery of the costs related to the electrical fire.

B&H submitted a proposal in the amount of \$211,394; the Engineer's estimate is \$194,651. As the Engineer's estimate included costs for 3.5 months and the impact on construction inspection services is for 4 months, the proposed amount of \$211,394 (8.6% above the Engineer's estimate) is considered fair and reasonable. Funding for this amendment is available in the 2005-09 Capital Program under Project TB-66.

Schedule I: Modifications to Purchase and Public Works Contracts

 Item Number: **3**

(Final)

Vendor Name (& Location) American Bridge Company, Coraopolis, PA	Contract Number BW Task 23/C-52052	AWO/Modification #
Description Miscellaneous Structural Retrofits at Authority Facilities	Original Amount:	\$39,187,345.00
Contract Term (including Options, if any) July 28, 2008 – January 27, 2010	Prior Modifications:	\$0.00
Option(s) included in Total Amount? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Prior Budgetary Increases:	\$0.00
Procurement Type <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Non-competitive	Current Amount:	\$39,187,345.00
Solicitation Type <input type="checkbox"/> RFP <input checked="" type="checkbox"/> Bid <input type="checkbox"/> Other:	This Request:	\$337,870.35
Funding Source <input type="checkbox"/> Operating <input type="checkbox"/> Capital <input type="checkbox"/> Federal <input checked="" type="checkbox"/> Other:	% of This Request to Current Amount:	0.86%
Requesting Dept/Div & Dept/Div Head Name: Engineering & Construction, Thomas Bach, P.E.	% of Modifications (including This Request) to Original Amount:	0.86%

Discussion:

Approval is requested to modify Contract BW Task 23/C-52052 with American Bridge Company (ABC) for additional funding in the amount of \$337,870.35. On July 28, 2008, Contract BW Task 23/C-52052 was awarded to ABC in an amount of \$39,187,345 for a period of one year and six months. The work to be performed under this contract may be described as providing all labor, materials, tools, equipment and supervision necessary to perform miscellaneous structural retrofits at the Bronx-Whitestone Bridge.

Work under this proposed amendment will result in improved roadway level access to the main and side spans of the Bridge, it will increase security for the tower doors, and replace power distribution panels. On August 4, 2009, the Authority authorized an expenditure of \$50,000 to enable ABC to acquire certain materials due to the long lead time required for manufacture and delivery.

ABC submitted proposals totaling \$379,906 and the Authority's original estimate was \$236,675.77. The Engineer advised that the original estimate did not account for all elements of the project. As a result, the Engineer revised its estimate to \$328,928.81. When compared with the revised estimate the negotiated amount of \$337,870.35 is considered fair and reasonable. Funding for the proposed amendment is available in the "G" Program under G5140103.

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

Item Number: 1

(Final)

Vendor Name (& Location) Koch Skanska, Inc., Carteret, NJ	Contract Number TB-64B	AWO/Modification #
Description Deck Replacement on the Randall's and Ward's Island Viaducts at the Triborough (now RFK) Bridge	Original Amount:	\$271,387,915.00
Contract Term (including Options, if any) August 2, 2005 - June 15, 2009	Prior Modifications:	\$5,948,037.35
Option(s) included in Total Amount? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Prior Budgetary Increases:	N/A
Procurement Type <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Non-competitive	Current Amount:	\$277,335,952.35
Solicitation Type <input type="checkbox"/> RFP <input checked="" type="checkbox"/> Bid <input type="checkbox"/> Other:	This Request:	\$1,899,720.77
Funding Source <input type="checkbox"/> Operating <input checked="" type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:	% of This Request to Current Amount:	0.7%
Requesting Dept/Div & Dept/Div Head Name: Engineering & Construction, Thomas Bach, P.E.	% of Modifications (including This Request) to Original Amount:	2.9%

Discussion:

Pursuant to a competitive bidding process, on August 2, 2005 Contract TB-64B was awarded to Koch Skanska, Inc. (Koch) in the amount of \$271,387,915 over a duration of three years, two months. The Work being performed includes replacement of the RFK Bridge deck on the Randall's and Ward's Island Viaducts; installing one new ramp between the bridge and Randall's Island; and developing a surface road on Randall's Island. Substantial Completion was achieved on June 15, 2009. Since the award of this contract a number of amendments have been issued, five of which were approved by the Board. The total value of the modifications, \$5,948,037.35, equates to a 2.2% increase against the original amount of the Contract.

B&T has determined that some of the joint headers that were installed on the new deck of the Randall's and Ward's Island Viaducts have begun to show signs of excessive wear and weakening and must be repaired promptly to prevent further impacts to the structure. The Engineer determined that the condition of the joints was due to the Contractor's improper materials used for the header installation and advised Koch that it would be responsible to replace all of the headers installed under this Contract (about 3,550 linear feet of headers) and repair the deck panels that may have been affected. Koch claimed that they used materials that were appropriate for the application and that the Contract specifications for the headers which were based on previous standards from the New York State Department of Transportation (NYSDOT) have subsequently been enhanced to increase their durability. The Engineer determined that: (i) the joint header repairs should be made based on the newest standard adopted by the NYSDOT which includes additional concrete and steel reinforcement and (ii) this enhanced installation of the replacement headers would extend their useful life and long-term durability. On July 24, Koch submitted a dispute to the Chief Engineer as Arbiter in accordance with Article 8.03 of the Contract (Disputes Resolution Procedure).

B&T decided to negotiate the additional costs with Koch to meet the higher standard. Because the proposed replacement work is time and temperature sensitive, B&T viewed this work as urgent triggering the need to perform the majority of repairs prior to the onset of winter. On August 21 B&T verbally authorized Koch to replace the headers in an amount not-to-exceed \$2,500,000.

Koch's proposal for replacing all of the headers and the enhanced installation was \$6,439,319. The Engineer's estimate is \$4,614,507 (\$6,243,794 less a credit of \$1,629,287 for the original header replacement). Both parties agreed to a settlement of \$4,500,000 for the enhanced joint headers, which is 2.5% below the Engineer's estimate and is considered fair and reasonable.

In addition, both parties agreed to equally share the cost for deck repairs using existing contract items. During negotiations, Koch declined to undertake these repairs without limitation. Although the extent of repairs is difficult to determine until the work is uncovered, B&T's estimated share for deck repairs is \$50,000 and believes the risks of proceeding with arbitration outweigh the repair costs in this settlement.

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

As a condition of the total settlement, Koch will withdraw their dispute and waive further claims with respect to joint headers and related damages, excluding deck repairs which will be shared by the parties as stated above. The replacement of the joint headers will be necessary for Koch to achieve Final Completion.

Due to field conditions, this proposed amendment also includes an interim reconciliation of 30 contract items that have underrun the quantities estimated in the Contract for a total credit of \$2,600,279.23. In accordance with Article 3.02 (Variable Quantities Clause), the Engineer has determined that using the existing bid price for the reduction in quantities will not result in an inequity to either party. Therefore, the net amount of \$1,899,720.77 is considered fair and reasonable. Funding for this amendment is available in the 2005-2009 Capital Budget under Project TB-64B.

Staff Summary



Subject East Side Access 48th Street Entrance
Department East Side Access
Department Head Name Alan Paskoff
Project Manager Name Joseph Petrocelli <i>JP</i>

Date September, 2009
Vendor Name 415 Madison Avenue LLC
Contract Number N/A
Table of Contents Ref #

Board Action					
Order	To	Date	Approval	Info	Other
1	MTACC Committee				
2	Finance Committee				
3	MTA Board				

Internal Approvals			
Order	Approval	Order	Approval
	President MTACC		<i>[Signature]</i>
	General Counsel <i>WA</i>		
	Chief Financial Officer <i>TD</i>		

BACKGROUND:

The East Side Access (ESA) project will require permanent and temporary easements from 415 Madison LLC to build an entrance to the new LIRR concourse that will be built as part of the East Side Access project. In January 2009, the MTA Board authorized MTACC to enter into a design services agreement for an amount not to exceed \$250,000 to advance the conceptual design to make changes to 415 Madison Avenue which is needed to accommodate this ESA entrance. The conceptual design has progressed and MTACC is now recommending that the project be advanced to complete the design.

PURPOSE:

To complete the design for the work that 415 Madison LLC must perform for the ESA 48th Street entrance. The additional design cost is estimated at \$450,000. In addition, the MTA will provide 415 Madison LLC with \$970,000 to pay Con Edison (\$500,000) and Verizon (\$470,000) for the relocation of utilities servicing the building.

DISCUSSION:

ESA will be building an entrance at 48th Street between Madison and Park Avenue. This entrance will affect two privately owned buildings—280 Park Avenue and 415 Madison Avenue. In the case of 415 Madison Avenue, the work that must be done includes:

- Underpinning and re-support of eight building columns.
- To accomplish the work noted above, five pumps and one chiller, together with other mechanical and electrical equipment, will be suspended from the first floor structure;
- Removal and replacement of the south building foundation wall, including the underpinning of the upper portion of the wall;
- Underpinning and re-support of the party wall between 415 Madison and 280 Park Avenue;
- Removal and replacement of mechanical room basement slab;
- Relocation of the electrical switchgear equipment and the telecom equipment;

Staff Summary

- Construction of three new transformer vaults in the sidewalk vault space along the south face of the building and the installation of transformers in the new vaults;
- Demolition of the three easternmost transformer vaults;
- Excavation and installation of temporary decking of the north sidewalk along 48th Street within the limits of the proposed entrance landing. Access to the 415 Madison service entrance will be maintained at all times;

The owners of 415 Madison Avenue have indicated that they would be responsible for:

- Temporary support and re-installation of five pumps, one chiller, and other mechanical and electrical equipment;
- Design and relocation of the electrical switchgear equipment and the telecom equipment;
- Coordination and construction of three new transformer vaults in the sidewalk vault space along the south face of the building and the installation of transformers in the new vaults.

The construction cost for this work will be the subject of a future staff summary once the design has been completed and the cost can be more precisely estimated.

Con Edison and Verizon will also be required to relocate their equipment servicing the building. The specific Con Edison work includes the relocation of three Con Edison transformers and associated connections for the new equipment. The building owner at 415 Madison will construct the new transformer vaults. Con Edison will be responsible for installing their transformers in the new vaults and the required connections. A telephone room within 415 Madison must be relocated to enable column reframing within that room. Verizon will permanently relocate their equipment to a new telephone room. Verizon's work includes the installation of six new relay racks, cables, and a multiplexer. Verizon will also disconnect and reconnect all of the telephone lines serving 415 Madison.

ALTERNATIVES:

The alternative is for the MTA to contract directly for this work. This is not recommended because the building owners are in the best position to plan, design and contract for this work. Furthermore, if the MTA contracts for the services, the MTA becomes responsible for any problems or issues that arise as a result of the construction within the private buildings. The required utility relocation must also be performed by the respective utility companies.

FUNDING IMPACT:

The work will be funded from the MTA's 2005-09 Capital Plan.

RECOMMENDATIONS:

MTA Board approval to amend the previously approved design services agreement with 415 Madison LLP to include final design at an additional cost of \$450,000. In addition, authorize MTACC to provide \$970,000 to 415 Madison LLP to fund required utility relocations by Con Edison and Verizon.

Staff Summary

Item Number					
Dept & Dept Head Name: Law, Veronique Hakim <i>HAKIM</i>					
Division & Division Head Name: N/A					
Board Reviews					
Order	To	Date	Approval	Info	Other
1	Committee	09/21/09			
2	Board	09/23/09			
Internal Approvals					
Order	Approval	Order	Approval		
1	Agency President		<i>[Signature]</i>		

SUMMARY INFORMATION	
Vendor Name N/A	Contract Number N/A
Description Request for Authorization to Award Various Procurements	
Total Amount \$ 17,342,062	
Contract Term (including Options, if any) Various	
Option(s) included in Total Amount? <input type="checkbox"/> Yes <input type="checkbox"/> No Various	
Renewal? Various <input type="checkbox"/> Yes <input type="checkbox"/> No	
Procurement Type Various <input type="checkbox"/> Competitive <input type="checkbox"/> Non-competitive	
Solicitation Type Various <input type="checkbox"/> RFP <input type="checkbox"/> Bid <input type="checkbox"/> Other:	
Funding Source Various <input type="checkbox"/> Operating <input type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:	

I. PURPOSE/RECOMMENDATION

To obtain Board approval to award various contracts and purchase orders as reviewed by the MTA Capital Construction Committee and the NYC Transit Committee.

II. DISCUSSION

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

None

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

Schedule Requiring Majority Vote

	<u># of Actions</u>	<u>\$ Amount</u>
Schedule H Modifications to Personal /Miscellaneous Service Contracts	1	\$ 1,334,348 (NTE)
Schedule I Modifications to Purchase and Public Work Contracts	1	\$ 1,307,714 (NTE)
SUBTOTAL	2	\$ 2,642,062 (NTE)

MTA Capital Construction proposes to award Ratifications in the following categories:

Schedule Requiring Majority Vote

Schedule K Ratification of completed Procurement Actions (Involving Schedule E-J)	1	\$ 14,700,000 (NTE)
SUBTOTAL	1	\$ 14,700,000 (NTE)
TOTAL	3	\$ 17,342,062 (NTE)

Staff Summary

Contract Cost and Terms

N/A

Renewal Information (if applicable)

N/A

Background on Selected Firm

N/A

III. D/M/WBE INFORMATION

N/A

IV. IMPACT ON FUNDING

The purchases/contracts will result in obligating capital funds in the amount listed. Funds are available in the current capital budget for this purpose.

V. ALTERNATIVES

N/A

BOARD RESOLUTION

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

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

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

NOW, upon the recommendation of the Executive Director, the Board resolves as follows:

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

LIST OF COMPETITIVE PROCUREMENTS FOR BOARD APPROVAL

SEPTEMBER 2009

Procurements Requiring Majority Vote:

			<u>Page</u>
H. Modifications to Personal & Miscellaneous Service Contracts (Staff Summaries required for items requiring Board Approval)			
1. Hill International, Inc., LiRo Engineers, Inc., & Henningson Durham & Richardson Architecture and Engineering PC, a Joint Venture (HLH7) (JV) (New York, NY) Contract # CM-1311	\$1,334,348 (NTE)	<u>Staff Summary Attached</u>	159
Consultant Construction Management (CCM) Services for the No 7 Subway Line Extension Project			
I. Modifications to Purchase or Public Work Contracts (Staff Summaries required for items requiring Board Approval)			
2. Perini Corporation (Peekskill, New York) Contract # CH053 Part 1	\$1,307,714 (NTE)	<u>Staff Summary Attached</u>	160
Construct Harold Structures Part 1			

Schedule H: Modifications to Personal & Miscellaneous Service Contracts



Item Number: 1

Vendor Name (& Location) Hill International, Inc., LiRo Engineers, Inc., & Henningson Durham & Richardson Architecture and Engineering PC, a Joint Venture (HLH7) (JV) (New York, NY)	
Description Consultant Construction Management (CCM) Services for the No 7 Subway Line Extension Project	
Contract Term (including Options, if any) April 23, 2007 - 79 months	
Option(s) included in Total Amount? <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> n/a	
Procurement Type <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Non-competitive	
Solicitation Type <input type="checkbox"/> RFP <input type="checkbox"/> Bid <input checked="" type="checkbox"/> Other: Modification	
Funding Source <input type="checkbox"/> Operating <input checked="" type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:	
Requesting Dept/Div & Dept/Div Head Name: MTA Capital Construction, Michael Horodniceanu	

Contract Number	AWO/Modification #
CM-1311	4
Original Amount:	\$ 35,842,302.18
Prior Modifications:	\$ 0
Prior Budgetary Increases:	\$ 0
Current Amount:	\$ 35,842,302.18
This Request:	\$ 1,334,348.00 (Est.)
% of This Request to Current Amount:	3.7%
% of Modifications (including This Request) to Original Amount:	3.7%

Discussion:

This contract is for Consultant Construction Management (CCM) services for the No. 7 Subway Line Extension Project. To date, two modifications have been issued addressing revisions to the contract labor rates as well as the removal of one of the Joint Venture partners (Lemley International) at the request of the JV Team. Final proposals for this contract were received in January 2007 with MTA Board approval being obtained in February 2007. This contract was awarded in April 2007 in anticipation of a construction award for the #7 Extension soon thereafter. Due to the receipt of only one construction proposal which resulted in a prolonged award process, the Notice to Proceed for the construction contract was not issued until December 2007. This late construction start resulted in approximately an 11 month shift of the midpoint upon which Hill International, Inc., LiRo Engineers, Inc., & Henningson Durham & Richardson Architecture and Engineering PC's (HLH7) proposed rates were based. To alleviate any negative cost impact caused by the shift of the midpoint, NYC Transit Procurement and MTACC proposed a 3% labor escalation. The late construction start also contributed to the loss of several higher level personnel from the JV team. In order to find replacements with qualifications acceptable to MTACC, HLH7 was required to hire personnel at salaries higher than what was considered in the development of the contract rates due to the more competitive construction market at the time. The resulting impact was partially addressed through the reclassification of a certain individual into a higher title. Also, this modification will include a revision to the calculation to be used by HLH7 to maintain their actual average rates in accordance with the agreed upon contract rates wherein HLH7 will be permitted to average all JV Partner actual rates across all titles. Neither arrangement results in any additional cost to this modification. Further, in July 2007 MTACC was notified by HLH7 that the Project Director was resigning from his position due to health reasons that prohibited him from performing his duties. Similar to the circumstances discussed above; in order to find a replacement with qualifications acceptable to MTACC, HLH7 was required to hire a replacement at a salary higher than what was considered for the contract rate for the Project Director. The new Project Director was hired on October 15, 2007. Due to his significantly higher salary and in an effort to reach a fair and reasonable resolution, NYC Transit Procurement and MTACC agreed to assume a portion of the additional costs associated with the higher Project Director salary over the life of the contract. It was agreed that HLH7 would be compensated with overhead and fee up to the contract rate with the differential up to the Project Director's actual rate to be paid at a flat rate without overhead and fee. This arrangement resulted in savings of over \$273,000. HLH7's proposal dated September 24, 2009 was in a total not-to-exceed amount of \$1,334,348 including \$1,061,349 related to the 3% labor escalation and an additional \$272,999 over the life of the contract, related to the Project Director's compensation agreement. The final price was deemed to be fair and reasonable. The consultant has used all previously approved titles and rates in the preparation of its proposal. All extra work due to Hudson Yard Development Corporation impacts or requested changes are tracked and currently paid from the project reserve. Funds in addition to what has been previously approved by NYC will not be made available until the committed funding is exhausted. All funding for this modification will be transferred from Project Reserve.

Schedule I: Modifications to Purchase or Public Work Contracts



Item Number: 2

Vendor Name (& Location) Perini Corporation (Peekskill, New York)
Description Construct Harold Structures Part 1
Contract Term (including Options, if any) 12/18/07 – 8/19/10
Option(s) included in Total <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> n/a
Procurement <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Non-competitive
Solicitation <input type="checkbox"/> RFP <input checked="" type="checkbox"/> Bid <input checked="" type="checkbox"/> Other: Modification
Funding Source <input type="checkbox"/> Operating <input checked="" type="checkbox"/> Capital <input checked="" type="checkbox"/> Federal <input type="checkbox"/> Other:
Requesting Dept/Div & Dept/Div Head Name: East Side Access, A. Paskoff, P.E.

Contract Number CH053 Part 1	AWO/Modification Mods No. 21 & 23
Original Amount:	\$ 139,280,000
Prior Modifications:	\$ 9,046,903
Prior Budgetary Increases:	\$ 0
Current Amount:	\$ 148,326,903
This Request	\$ 1,307,714
% of This Request to Current Amount:	0.88%
% of Modifications (including This Request) to Original Amount:	7.43%

Discussion:

This contract is for the construction of various civil infrastructure elements in Harold Interlocking and to expand the existing LIRR/Amtrak right-of-way to enable mainline track diversions and facilitate the future construction of tunnel boring machine tunnels for the East Side Access project. Board approval is requested for the following Modifications:

Modification No. 21

In 2008, the project team recognized the need to advance the relocation of catenary structures and signal towers to support construction under the Queens Bored Tunnels and Structures contract (CQ031) of what is called the Three Tunnel Emergency Exit structure and the West Bound Bypass Structure. The project team had planned to complete the work under the Harold Stage 2 contract, but the current schedule does not complete the work as early as required, so this modification would advance it to the CH053 contract.

Perini submitted a cost proposal of \$759,368. MTACC’s estimate is \$664,135. Negotiations were held, and the parties agreed to a cost of \$725,553, which is considered fair and reasonable. The schedule impacts and related impact costs, if any, are under review and will be the subject of a future modification, if needed.

Modification No. 23

At the time MTACC was preparing contract CH053 documents, the design for tunnel communications in the Tunnel Ventilation and Facility Power contract (CS081) was not advanced enough to include fully detailed conduit needs and routing design information. With design now more advanced, additional communication and power conduit design information is now available to be added to the contract specifications for the 43rd Street Bridge to connect the Yard Lead and Traction Power Substation C08 to B/C Tunnel.

Perini submitted a cost proposal of \$625,546. MTACC’s estimate is \$570,654. Negotiations were held, and the parties agreed to a cost of \$582,161, which is considered fair and reasonable. The schedule impacts and related impact costs, if any, are under review and will be the subject of a future modification, if needed.

LIST OF RATIFICATIONS FOR BOARD APPROVAL

SEPTEMBER 2009

Procurements Requiring Majority Vote:

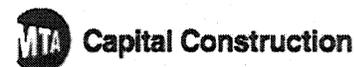
Page

K. Ratifications of Completed Procurement Actions (Involving Schedule E-J)

(Staff Summaries required for items requiring Board Approval)

- | | | |
|---|---|-------------------|
| <p>1. Skanska USA Civil Northeast, Inc. \$ 14,700,000 (NTE)
(Whitestone, NY)
Contract # A-36119
Construction for the Fulton Street Transit Center Foundation</p> | <p><u>Staff Summary Attached</u></p> | <p>163</p> |
|---|---|-------------------|

Schedule K: Ratification of Completed Procurement Actions



Item	1
Vendor Name (& Location) Skanska USA Civil Northeast, Inc. (Whitestone, NY)	
Description Construction for the Fulton Street Transit Center Foundation	
Contract Term (including Options, if any) December 16, 2008 – August 16, 2010	
Option(s) included in Total Amount? <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> n/a	
Procurement Type <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Non-competitive	
Solicitation Type <input type="checkbox"/> RFP <input type="checkbox"/> Bid <input checked="" type="checkbox"/> Other: Modification	
Funding Source <input type="checkbox"/> Operating <input checked="" type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:	
Requesting Dept/Div & Dept/Div Head Name: MTA Capital Construction, Michael Horodniceanu	

Contract Number A-36119	AWO/Modification # 1
Original Amount:	\$ 69,770,000.00
Prior Modifications:	\$ 71,000.00
Prior Budgetary Increases:	\$ 0
Current Amount:	\$ 69,841,000.00
This Request:	\$ 14,700,000.00
% of This Request to Current Amount:	21.0%
% of Modifications (including This Request) to Original Amount:	21.2%

Discussion:

The contract is for Fulton Street Transit Center (FSTC) foundation work, including the installation of foundation walls around the “bathtub” perimeter: north (Fulton Street); south (adjacent to the MTA-owned Corbin Building); east (adjacent to two occupied buildings); and west (Broadway). The overall project also requires highly specialized foundation work beneath the Corbin Building itself, to create a concourse to the street and an escalator shaft way. The invitation for bids initially included that highly specialized underpinning work, but it was deleted by addendum and not included in the bids, due to concerns regarding lack of subcontractor competition at the time, high cost estimates and lack of funding. The intent was to include the Corbin Building underpinning work in a future FSTC finishes contract. However, current project analysis indicates that performing this work now by contract modification will eliminate a significant project cost risk, while improving the overall project schedule. Accordingly, the FTA approved the reallocation of funds for this modification within the existing grant budget. Also, underpinning makes the Corbin Building more stable, so performing the work sooner by modification enhances project safety. This modification includes additional building monitoring, installation of mini piles and jet grouting, dewatering, installation of concrete piers to form a continuous underpinning wall, installing temporary struts and bracings, installation of waterproofing, concrete and structural steel. The contractor’s initial proposal was \$16,970,053. Following negotiations, the lump sum of \$14,700,000 was agreed upon and is considered fair and reasonable. The agreed upon price represents a 13% decrease from the contractor’s proposal and a savings of \$2,270,053. The underpinning work requires 12 months to complete. Since the contractual substantial completion date is August 16, 2010, it was important to issue this modification in early August, so the additional underpinning work does not cause schedule delay or impact costs. Accordingly, on August 6, 2009 the MTACC President approved a retroactive waiver and the contractor was directed to proceed on August 7, 2009. The contractor’s costs during August and September are expected not to exceed \$3M.

SEPTEMBER 2009

MTA REAL ESTATE

LIST OF REAL ESTATE ACTION ITEMS FOR BOARD APPROVAL

ACTION ITEMS

MTA NEW YORK CITY TRANSIT

- a. License Agreement with Consul International, Inc. for the operation of one (1) newsstand at 96th Street Station, Lexington Line, Manhattan, New York

MTA LONG ISLAND RAIL ROAD

- b. Lease modification agreement with Jelibar Realty Corp. for 5 parking spaces at 220-24 Jamaica Ave., Queens, New York

MTA METRO-NORTH RAILROAD

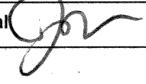
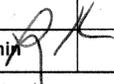
- c. Encroachment permit from American Telephone & Telegraph Company in support of Metro-North's Cortlandt Parking, Intermodal and Access Improvements Project in Cortlandt, New York
- d. Lease Agreement with Dahlia, Inc. d/b/a Dahlia for the retail sale of local and imported flowers in the manner of a European-style open flower market; Retail Space MC-01D and Kiosk Space K-01, Grand Central Terminal, New York
- e. Lease Agreement with TNT Associates, Ltd. d/b/a Masato's Sushi for the operation of a non-national New York or Japan-based sushi bar engaged in the retail sale of high quality tenant produced fresh sushi and other traditional Japanese food and the incidental sale of beverages including Japanese beer and sake; Retail Space LC-11, Grand Central Terminal, New York
- f. Lease Agreement with Two Boots of 42nd Street, LLC d/b/a Two Boots for the operation of a high-quality pizzeria restaurant and bar, including the on-premises sale of alcoholic beverages; Retail Space LC-31, Grand Central Terminal, New York
- g. Lease Agreement with Neuhaus (USA), Inc. d/b/a Neuhaus for the sale at retail of Neuhaus chocolates and confections as well as related gift items; Retail Space B-60, Grand Central Terminal, New York
- h. Lease Agreement with Cobbler & Shine, LLC d/b/a Cobbler & Shine for a shoe shine and repair service, including the sale at retail of shoe care and shoe maintenance supplies, foot care products, and key making services; Retail Space MC-34, Grand Central Terminal, New York

Staff Summary

Subject LICENSE AGREEMENT
Department REAL ESTATE
Department Head Name ROCO KRSULIC
Department Head Signature 
Project Manager Name IAN SALSBERG

Date JANUARY 26, 2009
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref #

Board Action					
Order	To	Date	Approval	Info	Other
1	CC/P/RE Committee	1/26/09	X		
2	Board	9/23/09	X		

Internal Approvals			
Order	Approval	Order	Approval
	Executive Director	2	Civil Rights 
	Chief of Staff	1	Legal 
	Director of B&FM		
3	Dep Exec Dir of Admin 		

Narrative

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

LICENSEE: Consul International, Inc.

LOCATION: 96th Street Station, Lexington Line, Manhattan, NY

ACTIVITY: Operation of One (1) Newsstand

ACTION REQUESTED: Approval of Terms

TERM: Ten (10) Years

SPACE: Approximately 120 sq. ft.

COMPENSATION:

Year	Annual	Monthly	% Increase	Per Sq. Ft.
1	\$ 90,000.00	\$ 7,500.00		\$ 750.00
2	\$ 94,500.00	\$ 7,875.00	5.00%	\$ 787.50
3	\$ 99,225.00	\$ 8,268.75	5.00%	\$ 826.88
4	\$ 104,186.16	\$ 8,682.18	5.00%	\$ 868.22
5	\$ 109,395.48	\$ 9,116.29	5.00%	\$ 911.63
6	\$ 114,865.32	\$ 9,572.11	5.00%	\$ 957.21
7	\$ 120,608.52	\$ 10,050.71	5.00%	\$1,005.07
8	\$ 126,639.00	\$ 10,553.25	5.00%	\$1,055.33
9	\$ 132,970.92	\$ 11,080.91	5.00%	\$1,108.09
10	\$ 139,619.40	\$ 11,634.95	5.00%	\$1,163.50

COMMENTS:

The subject location was publicly offered via a Request for Proposals ("RFP") as part of a fourteen (14) newsstand location marketing effort at seven (7) subway stations in Brooklyn, Queens and Manhattan. The newsstand at the subject location generated the most interest in this particular RFP. The Real Estate Department received a total of thirty-two (32) proposals for this location, nineteen (19) of which were complete and responsive.

The three highest fee offers for this location were received from Consul International, Inc. (a corporation formed by Fakhru Alam and Zakir Hossain) with a ten-year net present value ("NPV") at 9% of \$701,858; Jai Ambe Newsstand Corp. (a corporation formed by Ansuya and Sudhir Patel) with a NPV at 9% of \$608,283 and Mohammed M. Khan with a NPV of \$580,203.

CAPITAL CONSTRUCTION/PLANNING/REAL ESTATE COMMITTEE MEETING

Consul International, Inc. (Cont'd)

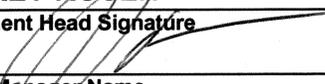
COMMENTS: (Cont'd)

Mr. Alam (the top proposer) is a well known, long time licensee with the MTA and is considered to be a tenant in good standing. He currently operates newsstands at four different NYCT stations and was the recent high proposer for the five newsstands at the Grand Central Station complex.

Credit reports were prepared for Mr. Alam and Mr. Hossain that indicate sufficient financial resources to perform the minor renovations necessary at this newsstand and operate it once opened.

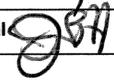
Based on the above, the Real Estate Department recommends that a license agreement for the operation of the newsstand at the subject location be awarded to Consul International, Inc.

Staff Summary

Subject LEASE MODIFICATION AGREEMENT
Department REAL ESTATE
Department Head Name JEFFREY ROSEN
Department Head Signature 
Project Manager Name MICHAEL DANIELS

Date September 21, 2009
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref #

Board Action					
Order	To	Date	Approval	Info	Other
1	CC/P/RE Committee	09/21/09	X		
2	Board	09/23/09	X		

Internal Approvals			
Order	Approval	Order	Approval
	Executive Director	2	Civil Rights 
	Chief of Staff	1	Legal 
	Director of B&FM		
3	Dep Exec Dir of Admin 		

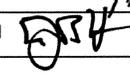
Narrative	
AGENCY:	MTA Long Island Rail Road ("LIRR")
LANDLORD:	Jelibar Realty Corp.
LOCATION:	220-24 Jamaica Avenue, Queens
ACTION REQUESTED:	Approval of terms
EXTENSION TERM:	Ten (10) years
SPACE:	Five (5) dedicated outdoor parking spaces
RENT:	\$220 per space per month - years 1-3 (\$13,200 annum) \$235 per space per month - years 4-6 (\$14,100 annum) \$245 per space per month - years 7-9 (\$14,700 annum) \$260 per space per month - year 10 (\$15,600 annum)
TERMINATION RIGHTS	In whole, or by parking space, at any time after the 1st year with 60 days prior notice by Tenant
COMMENTS:	
<p>LIRR has been using parking spaces at the above location, which is adjacent to LIRR's Queens Tower facility, since 1983, under a lease that, as extended, expired on August 31, 2009. LIRR advised MTA Real Estate that it has a continuing need for the parking spaces on a 24 hour per day, seven day per week basis, and requested that the lease be further extended. There are no suitable available alternatives for this activity, and the proposed negotiated rent is within market range.</p> <p>Based on the foregoing, the Real Estate Department requests authorization to enter into a lease modification agreement to extend the lease on the above stated terms.</p>	

Staff Summary

Subject ENCROACHMENT PERMIT
Department REAL ESTATE
Department Head Name JEFFREY ROSEN
Department Head Signature 
Project Manager Name NEIL MASTROPIETRO

Date SEPTEMBER 21, 2009
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref #

Board Action					
Order	To	Date	Approval	Info	Other
1	CC/P/RE Committee	09/21/2009	X		
2	Board	09/23/2009	X		

Internal Approvals			
Order	Approval	Order	Approval
	Executive Director	2	Civil Rights
	Chief of Staff	1	Legal 
	Director of B&FM		
3	Dep Exec Dir of Admin 		

Narrative

AGENCY: MTA Metro-North Railroad ("Metro-North")

GRANTOR: American Telephone and Telegraph Company ("AT&T")

PARCEL: Section 55.09, Block 1, Lot 7, Trinity Avenue, Cortlandt Manor, New York (the "Property")

ACTIVITY: Permit for installations over AT&T communication line

ACTION REQUESTED: Approval of terms

TERM: Permanent

SPACE: Approximately 6,900 square feet (0.158 acres)

COMPENSATION: None

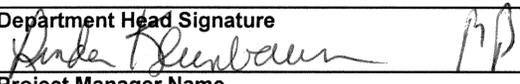
COMMENTS:

In support of Metro-North's Cortland Parking, Intermodal and Access Improvements Project ("Project"), MTA Real Estate acquired the Property from the Town of Cortlandt in December 2008. Metro-North will construct a portion of a new commuter parking facility on the Property. The Property is subject to a utility easement agreement granted to AT&T in 1967, which provides for a "right of way and easement to construct, operate, maintain, replace, and remove communication systems...". The easement terms restrict Metro-North from constructing any improvements in or on the easement area. AT&T maintains a communication trunk line within the easement area.

AT&T has reviewed Metro-North's construction drawings and has agreed to issue an encroachment permit, which will allow Metro-North to construct parking related improvements within AT&T's right of way. AT&T will require Metro-North to install certain improvements to protect and provide access to the existing communication line and accommodate the installation of new lines by AT&T that do not disturb Metro-North's parking improvements. The parties will enter into a separate construction agreement governing the specification of the improvements required by AT&T.

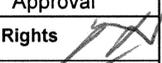
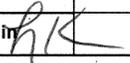
Based on the foregoing, Real Estate Department requests authorization to accept this permit from AT&T on the terms described above.

Staff Summary

Subject LEASE AGREEMENT
Department REAL ESTATE
Department Head Name LINDA KLEINBAUM / MICHAEL BADER
Department Head Signature 
Project Manager Name NANCY MARSHALL

Date JULY 22, 2009
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref #

Board Action					
Order	To	Date	Approval	Info	Other
1	CC/P/RE Committee	07/22/09	X		
2	Board	9/23/09	X		

Internal Approvals			
Order	Approval	Order	Approval
	Executive Director	2	Civil Rights 
	Chief of Staff	1	Legal 
	Director of B&FM		
3	Dep Exec Dir of Admin 		

Narrative

AGENCY: MTA Metro-North Railroad ("Metro-North")

LESSEE : Dahlia, Inc. d/b/a Dahlia

LOCATION: Retail Space MC-01D and Kiosk Space K-01 consisting of approximately 1,114 sq. ft., and 106 sq. ft., respectively

ACTIVITY: For the retail sale of local and imported flowers in the manner of a European-style open flower market. All items will be fresh cut flowers from buckets, by the stem, or mixed hand tied bouquets

ACTION REQUESTED: Approval of Terms

TERM: Ten (10) years

COMPENSATION: Retail Space MC-01D:

Year	Annual	PSF	Breakpoint
1	\$72,410.00	\$65.00	\$905,124.97
2	\$74,582.30	\$66.95	\$932,278.71
3	\$76,819.77	\$68.96	\$960,247.07
4	\$79,124.36	\$71.03	\$989,054.48
5	\$81,498.09	\$73.16	\$1,018,726.10
6	\$83,943.03	\$75.35	\$1,049,287.80
7	\$86,461.33	\$77.61	\$1,080,766.40
8	\$89,055.16	\$79.94	\$1,113,189.30
9	\$91,726.82	\$82.34	\$1,146,584.90
10	\$94,478.62	\$84.81	\$1,180,982.40

Plus 8% of gross sales over breakpoint

CAPITAL CONSTRUCTION/PLANNING/REAL ESTATE COMMITTEE MEETING

Dahlia, Inc. d/b/a Dahlia (Cont'd)

COMPENSATION (Cont'd): Kiosk Space K-01:

<u>Year</u>	<u>Annual</u>	<u>PSF</u>	<u>Breakpoint</u>
1	\$23,850.00	\$225.00	\$298,125.00
2	\$24,565.50	\$231.75	\$307,068.75
3	\$25,302.47	\$238.70	\$316,280.81
4	\$26,061.54	\$245.86	\$325,769.24
5	\$26,843.39	\$253.24	\$335,542.31
6	\$27,648.69	\$260.84	\$345,608.58
7	\$28,478.15	\$268.66	\$355,976.84
8	\$29,332.49	\$276.72	\$366,656.15
9	\$30,212.47	\$285.02	\$377,655.83
10	\$31,118.84	\$293.57	\$388,985.51

Plus 8% of gross sales over breakpoint

MARKETING: \$10.00 per square foot increasing annually by 3%

SECURITY: Three (3) month's rent

TRASH: \$5.80 per square foot for 2009 (estimated)

INSURANCE: Standard

CONSTRUCTION PERIOD: Sixty (60) days

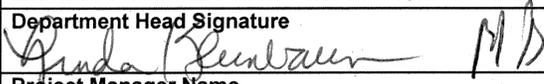
COMMENTS:

In response to a recent MTA Request for Proposals ("RFP"), for Retail Space MC-01D and Kiosk Space K-01, Grand Central Terminal, one (1) proposal was received to occupy the spaces. The proposal was received from *Dahlia, Inc. d/b/a Dahlia* ("*Dahlia*"). The ten year Net Present Value ("NPV") of the proposal was \$521,732 (Retail Space MC-01D) and \$171,845 (Kiosk Space K-01).

Dahlia, the incumbent, has been operating in the subject locations for the past ten (10) years. It proposed to continue its current operation as a retailer of high quality, reasonably priced, fresh cut flowers in the manner of a European-style open flower market. It is owned and operated by John Ackell. *Dahlia* will continue to complement the overall tenant mix in Grand Central Terminal.

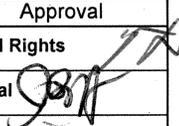
Based on the above, the Real Estate Department recommends entering into a Lease Agreement with *Dahlia, Inc. d/b/a Dahlia* under the above-described terms and conditions.

Staff Summary

Subject LEASE AGREEMENT
Department REAL ESTATE
Department Head Name LINDA KLEINBAUM / MICHAEL BADER
Department Head Signature 
Project Manager Name NANCY MARSHALL

Date JULY 22, 2009
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref #

Board Action					
Order	To	Date	Approval	Info	Other
1	CC/P/RE Committee	07/22/09	X		
2	Board	9/23/09	X		

Internal Approvals			
Order	Approval	Order	Approval
	Executive Director	2	Civil Rights
	Chief of Staff	1	Legal 
	Director of B&FM		
3	Dep Exec Dir of Admin 		

Narrative

AGENCY: MTA Metro-North Railroad ("Metro-North")

LESSEE: TNT Associates, Ltd. d/b/a Masato's Sushi

LOCATION: Retail Space LC-11 consisting of approximately 312 sq. ft. and Storage Spaces LCS-16 and LCS-1K consisting of approximately 188 sq. ft. and 175 sq. ft., respectively

ACTIVITY: The operation of a non-national New York or Japan-based sushi bar engaged in the retail sale of high quality tenant produced fresh sushi and other traditional Japanese food and the incidental sale of beverages including Japanese beer and sake

ACTION REQUESTED: Approval of Terms

TERM: Ten (10) years

COMPENSATION:

Year	Annual	PSF	Breakpoint
1	\$109,200.00	\$350.00	\$1,092,000.00
2	\$112,476.00	\$360.50	\$1,124,760.00
3	\$115,851.84	\$371.32	\$1,158,518.40
4	\$119,327.52	\$382.46	\$1,193,275.20
5	\$122,906.16	\$393.93	\$1,229,061.60
6	\$126,594.00	\$405.75	\$1,265,940.00
7	\$130,391.04	\$417.92	\$1,303,910.40
8	\$134,303.52	\$430.46	\$1,343,035.20
9	\$138,331.44	\$443.37	\$1,383,314.40
10	\$142,481.04	\$456.67	\$1,424,810.40

Plus 10% of gross sales over breakpoint

STORAGE: \$75.00 per square foot increasing annually by 3%

MARKETING: \$10.00 per square foot increasing annually by 3%

CAPITAL CONSTRUCTION/PLANNING/REAL ESTATE COMMITTEE MEETING

TNT Associates, Ltd. d/b/a Masato's Sushi (Cont'd)

SECURITY: Three (3) month's rent

TRASH: \$12.00 per square foot for 2009 (estimated)

COMMON AREA MAINTENANCE: \$81.50 per square foot for 2009 (estimated)

INSURANCE: Standard

CONSTRUCTION PERIOD: Sixty (60) days

COMMENTS:

In response to a recent MTA Request for Proposals ("RFP"), for Retail Space LC-11, Grand Central Terminal, five (5) proposals were received to occupy the space. The ten year Net Present Value ("NPV") for the received proposals ranged from a low of \$562,010 to a high of \$786,818, based on a 9% discount rate.

The proposals were received from *TNT Associates, Ltd. d/b/a Masato's Sushi* (NPV of \$786,818), *Yummy Sushi, Inc. d/b/a Yummy Sushi* (NPV of \$691,702), *Chiyoda Sushi New York, Inc. d/b/a Chiyoda Sushi* (NPV of \$648,473), *Souzai-Ya* (NPV of \$562,010) and *CLB No. 3 d/b/a Yushi* (NPV of \$562,010).

TNT Associates, Ltd., the incumbent, has been operating in the subject location for the past ten (10) years under the trade name *Masa Sushi*. It offered the greatest financial compensation to the MTA. It proposed to continue its current operation as a non-national New York or Japan-based sushi bar engaged in the retail sale of high-quality tenant-produced fresh sushi and other traditional Japanese food and the incidental sale of beverages, including Japanese beer and sake. It will now operate under the trade name *Masato's Sushi*. It will continue to complement the overall tenant mix in the Dining Concourse. As required within the RFP, *TNT Associates, Ltd.* will be completing a full renovation of the premises.

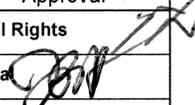
Based on the above, the Real Estate Department recommends entering into a Lease Agreement with *TNT Associates, Ltd. d/b/a Masato's Sushi* under the above-described terms and conditions.

Staff Summary

Subject LEASE AGREEMENT
Department REAL ESTATE
Department Head Name LINDA KLEINBAUM / MICHAEL BADER
Department Head Signature 
Project Manager Name NANCY MARSHALL

Date JULY 22, 2009
Vendor Name
Contract Number
Contract Manager Name
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Board Action					
Order	To	Date	Approval	Info	Other
1	CC/P/RE Committee	07/22/09	X		
2	Board	9/23/09	X		

Internal Approvals			
Order	Approval	Order	Approval
	Executive Director	2	Civil Rights
	Chief of Staff	1	Legal 
	Director of B&FM		
3	Dep Exec Dir of Admin 		

Narrative

AGENCY: MTA Metro-North Railroad ("Metro-North")

LESSEE : Two Boots of 42nd Street, LLC d/b/a Two Boots

LOCATION: Space LC-31 consisting of approximately 1,508 sq. ft. plus approximately 104 sq. ft. of storage space (Storage Space MCSE-4)

ACTIVITY: A high-quality pizzeria restaurant and bar, including the on-premises sale of alcoholic beverages

ACTION REQUESTED: Approval of Terms

TERM: Four (4) years

COMPENSATION:

Year	Annual	PSF	Breakpoint
1	\$376,321.00	\$249.55	\$2,800,000.00
2	\$387,611.00	\$257.04	\$2,884,000.00
3	\$399,239.00	\$264.75	\$2,970,520.00
4	\$411,216.00	\$272.69	\$3,059,636.00

Plus 10% of gross sales over breakpoint

STORAGE SPACE RENT: \$75.00 per square foot increasing annually by 3%

MARKETING: \$10.00 per square foot increasing annually by 3%

SECURITY: Three (3) month's rent

TRASH: \$12.00 per square foot for 2009 (estimated)

COMMON AREA MAINTENANCE: \$81.50 per square foot for 2009, subject to annual increases (estimated). This charge is based on 500 sq. ft. of counter and kitchen space only.

CAPITAL CONSTRUCTION/PLANNING/REAL ESTATE COMMITTEE MEETING

Two Boots of 42nd Street, LLC d/b/a Two Boots (Cont'd)

INSURANCE: Standard

CONSTRUCTION PERIOD: Tenant offered to forgo the sixty (60) day rent concession

COMMENTS:

In response to a recent MTA Request for Proposals ("RFP"), for Space LC-31, Grand Central Terminal, two (2) proposals were received to occupy the space. They were received from *Two Boots of 42nd Street, LLC d/b/a Two Boots* ("*Two Boots*") and *Famiglia – Debartolo, LLC d/b/a Famous Famiglia* ("*Famous Famiglia*"). The four year Net Present Value ("NPV") of these proposals were \$1,271,095 and \$1,292,468, respectively.

Famous Famiglia submitted a proposal to operate a pizzeria including the retail sale of alcoholic beverages. We dismissed this proposal based on the fact that *Famous Famiglia* would not complement the existing mix of tenants in the Dining Concourse. *Famous Famiglia* is a large pizzeria chain with over thirty (30) locations primarily located in airports worldwide. Many of GCT's customers seek unique retail and food concepts. A pizzeria chain of this type would not offer any type of product differentiation to the GCT customers. The products offered by *Famous Famiglia* are easily found outside the Terminal at nearby pizzeria restaurants.

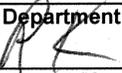
Two Boots, the incumbent, has occupied this space for the past ten years. *Two Boots* has developed a dedicated customer base of commuters, office workers and neighborhood residents. *Two Boots* proposed to continue its operation as a full-service, high-quality pizza restaurant, serving *Two Boots*' unique Cajun-Italian cuisine. It will also operate a full-service bar within the premises.

It has always been the focus of the merchandising concept at GCT to find tenants known for their brands. This is especially true for the food operators throughout the Terminal. In the Dining Concourse, the tenancy is focused on local New York City-based, non-chain operators. This is what makes the Dining Concourse unique. *Two Boots*, which began in NYC's East Village in 1987, has grown to seven locations in Manhattan, including its GCT location. It has developed high customer loyalty and repeat business. *Two Boots*' management team was successful in increasing its gross sales revenue sales by 5% for 2008 over the prior year. In terms of gross sales for 2008, *Two Boots* ranked 16 out of a total of 90 GCT tenants. *Two Boots* is confident that it can increase sales in 2009 by at least 5%. This would result in additional rent paid to MTA in the form of percentage rent.

The owners agreed to engage in a full refurbishment of the premises. In addition, they agreed to forgo the sixty (60) day rent concession period thus leading to the payment of minimum rent immediately upon lease commencement. We are confident that *Two Boots* will continue to complement existing tenants operating in GCT's Dining Concourse.

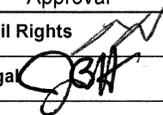
Based on the above, the Real Estate Department recommends entering into a Lease Agreement with *Two Boots of 42nd Street, LLC d/b/a Two Boots* under the above-described terms and conditions.

Staff Summary

Subject LEASE AGREEMENT
Department REAL ESTATE
Department Head Name LINDA KLEINBAUM / MICHAEL BADER
Department Head Signature  
Project Manager Name NANCY MARSHALL

Date JUNE 22, 2009
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref #

Board Action					
Order	To	Date	Approval	Info	Other
1	CC/P/RE Committee	06/22/09	X		
2	Board	9/23/09	X		

Internal Approvals			
Order	Approval	Order	Approval
	Executive Director	2	Civil Rights
	Chief of Staff	1	Legal 
	Director of B&FM		
3	Dep Exec Dir of Admin 		

Narrative																									
AGENCY:	MTA Metro-North Railroad ("Metro-North")																								
LESSEE :	Neuhaus (USA) Inc. d/b/a Neuhaus																								
LOCATION:	Retail Space B-60 consisting of approximately 191 sq. ft., located off the Vanderbilt/42 nd Street entrance																								
ACTIVITY:	The sale at retail of Neuhaus brand chocolates and confections as well as related gift items																								
ACTION REQUESTED:	Approval of Terms																								
TERM:	Five (5) years																								
COMPENSATION:																									
	<table border="1"> <thead> <tr> <th><u>Year</u></th> <th><u>Annual</u></th> <th><u>PSF</u></th> <th><u>Breakpoint</u></th> </tr> </thead> <tbody> <tr> <td>1</td> <td>\$60,165.00</td> <td>\$315.00</td> <td>\$600,000.00</td> </tr> <tr> <td>2</td> <td>\$61,969.95</td> <td>\$324.45</td> <td>\$618,000.00</td> </tr> <tr> <td>3</td> <td>\$63,829.05</td> <td>\$334.18</td> <td>\$636,540.00</td> </tr> <tr> <td>4</td> <td>\$65,743.92</td> <td>\$344.21</td> <td>\$655,636.20</td> </tr> <tr> <td>5</td> <td>\$67,716.24</td> <td>\$354.54</td> <td>\$675,305.30</td> </tr> </tbody> </table>	<u>Year</u>	<u>Annual</u>	<u>PSF</u>	<u>Breakpoint</u>	1	\$60,165.00	\$315.00	\$600,000.00	2	\$61,969.95	\$324.45	\$618,000.00	3	\$63,829.05	\$334.18	\$636,540.00	4	\$65,743.92	\$344.21	\$655,636.20	5	\$67,716.24	\$354.54	\$675,305.30
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	Plus 10% of gross sales over breakpoint																								
MARKETING:	\$10.00 per square foot increasing annually by 3%																								
SECURITY:	Three (3) month's rent																								
TRASH:	\$5.65 per square foot for 2009																								
INSURANCE:	Standard																								
CONSTRUCTION PERIOD:	Sixty (60) days																								

CAPITAL CONSTRUCTION/PLANNING/REAL ESTATE COMMITTEE MEETING

Neuhaus (USA) Inc. d/b/a Neuhaus (Cont'd)

COMMENTS:

In response to a recent MTA Request for Proposals ("RFP"), for Retail Space B-60, Grand Central Terminal, two (2) proposals were received to occupy the space. They were received from *Neuhaus (USA) Inc. d/b/a Neuhaus* and *5th Avenue Chocolatier Ltd. d/b/a 5th Avenue Chocolatier Ltd.* The ten year Net Present Value ("NPV") of these proposals were \$247,229 and 246,551, respectively.

Neuhaus (USA) Inc. d/b/a Neuhaus ("Neuhaus"), the incumbent, has been operating in the subject location for the past ten (10) years. It offered the greatest financial compensation to the MTA. *Neuhaus* proposed to continue its current operation to *Neuhaus* premium chocolates and confectionary. *Neuhaus* is owned by *Compagnie du Bois Savage*, a Belgian holding company. *Neuhaus* will continue to complement the overall tenant mix along Grand Central Terminal's 42nd Street neighborhood.

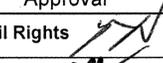
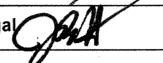
Based on the above, the Real Estate Department recommends entering into a Lease Agreement with *Neuhaus (USA) Inc. d/b/a Neuhaus* under the above-described terms and conditions.

Staff Summary

Subject LEASE AGREEMENT
Department REAL ESTATE
Department Head Name LINDA KLEINBAUM / MICHAEL BADER
Department Head Signature  
Project Manager Name NANCY MARSHALL

Date JUNE 22, 2009
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref #

Board Action					
Order	To	Date	Approval	Info	Other
1	CC/P/RE Committee	06/22/09	X		
2	Board	9/23/09	X		

Internal Approvals			
Order	Approval	Order	Approval
	Executive Director	2	Civil Rights 
	Chief of Staff	1	Legal 
	Director of B&FM		
3	Dep Exec Dir of Admin 		

Narrative

AGENCY: MTA Metro-North Railroad ("Metro-North")

LESSEE : Cobbler & Shine, LLC d/b/a Cobbler & Shine

LOCATION: Retail Space MC-34 consisting of approximately 247 sq. ft., in the Graybar Passage, Grand Central Terminal, New York

ACTIVITY: A shoe shine and shoe repair service, including the sale at retail of shoe care and shoe maintenance supplies, foot care products, and key making services

ACTION REQUESTED: Approval of Terms

TERM: Five (5) years

COMPENSATION:

Year	Annual	PSF	Breakpoint
1	\$45,000.00	\$182.19	\$650,000.00
2	\$46,350.00	\$187.65	\$669,500.00
3	\$47,740.00	\$193.28	\$689,585.00
4	\$49,173.00	\$199.08	\$710,272.00
5	\$50,649.00	\$205.06	\$731,580.00

Plus 6% of gross sales over breakpoint

MARKETING: \$10.00 per square foot increasing annually by 3%

SECURITY: Three (3) month's rent

TRASH: \$5.80 per square foot for 2009

INSURANCE: Standard

CONSTRUCTION PERIOD: Sixty (60) days

CAPITAL CONSTRUCTION/PLANNING/REAL ESTATE COMMITTEE MEETING

Cobbler & Shine, LLC d/b/a Cobbler & Shine (Cont'd)

COMMENTS:

In response to a recent MTA Request for Proposals ("RFP"), for Retail Space MC-34, Grand Central Terminal, one (1) proposal was received to occupy the space. The proposal was received from *Cobbler & Shine, LLC d/b/a Cobbler & Shine* ("*Cobbler & Shine*"). The ten year Net Present Value ("NPV") of the proposal was \$184,914.

Cobbler & Shine, the incumbent, has been operating in the subject location for the past ten (10) years. It proposed to continue its current operation as a shoe shine and shoe repair service and key cutting service. *Cobbler & Shine* is owned and operated by Yury Bachayev. It will continue to complement the overall tenant mix in the Grand Central Terminal's Graybar Passage.

Based on the above, the Real Estate Department recommends entering into a Lease Agreement with *Cobbler & Shine, LLC d/b/a Cobbler & Shine* under the above-described terms and conditions.