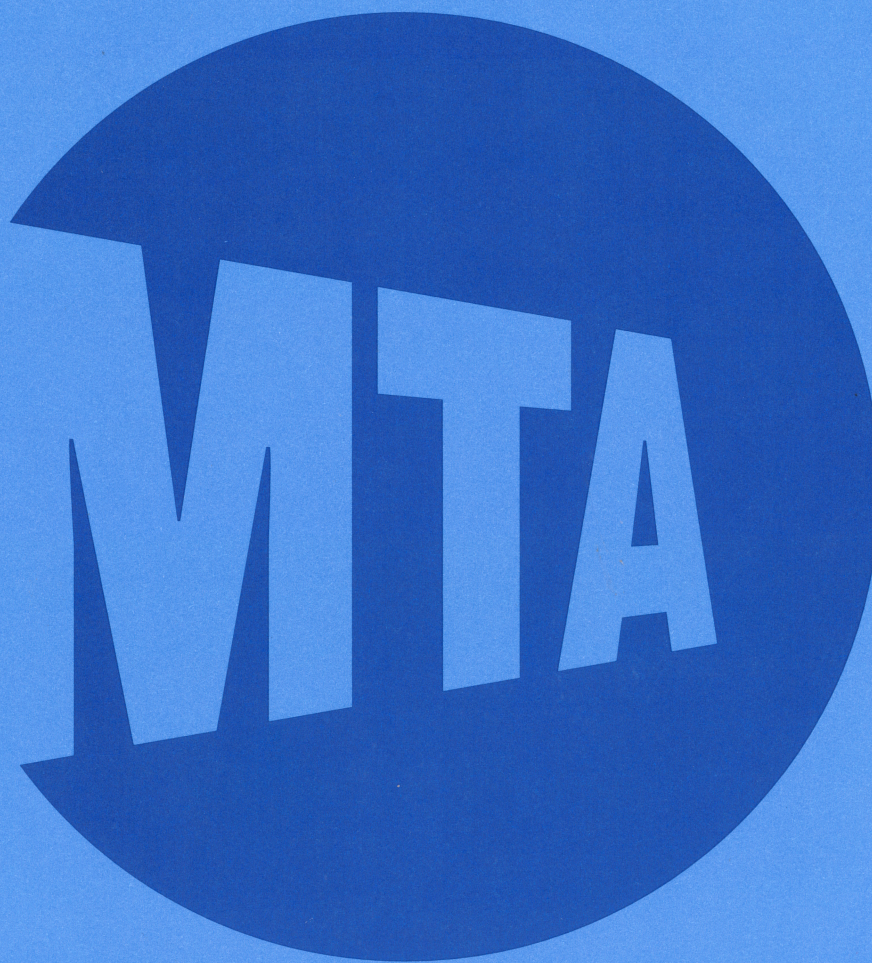




Metropolitan Transportation Authority

December 2009

MTA Board Action Items



MEETING AGENDA
METROPOLITAN TRANSPORTATION AUTHORITY BOARD
December 16, 2009 9:30 a.m.

347 Madison Avenue
Fifth Floor Board Room
New York, NY

AGENDA ITEMS

Page

1. PUBLIC COMMENTS PERIOD

2. APPROVAL OF MINUTES

MTA Regular Board & Special Finance Committee Meeting of November 18, 2009	1
NYCT/MaBSTOA/SIR/Bus Company Regular Board Meeting of November 18, 2009	5
MTA Long Island Rail Road Regular Board Meeting of November 18, 2009	9
MTA Metro-North Railroad Regular Board Meeting of November 18, 2009	13
Triborough Bridge & Tunnel Authority Regular Board Meeting of November 18, 2009	17
MTA Capital Construction Regular Board Meeting of November 18, 2009	23

3. MTA 2010 BUDGET ADOPTION MATERIALS *(materials to be distributed)*

4. COMMITTEE ON GOVERNANCE

Approve Revisions to the Codes of Ethics	25
Approve Revisions to the Governance Guidelines	29
Approve Revisions to the MTA By-Laws	99
Approve Revisions to the Board Committee Charters	109
Approve Labor Governance Guidelines	121
	170a

5. COMMITTEE ON FINANCE

MTA HQ Procurements <i>(no items)</i>	171
---------------------------------------	-----

6. COMMITTEE ON TRANSIT OPERATIONS

NYC Transit Procurements	175
Non-Competitive	179
Competitive	185
Ratifications	199
MTA Bus Company Procurements	203
Non-Competitive	207
Competitive <i>(no items)</i>	
Ratifications <i>(no items)</i>	

7. COMMITTEE ON LIRR/LI BUS OPERATIONS

LIRR Procurements	211
Non-Competitive	215
Competitive	219
Ratifications <i>(no items)</i>	
 LIB Procurements	 225
Non-Competitive	229
Competitive	231
Ratifications <i>(no items)</i>	

8. COMMITTEE ON METRO-NORTH RAILROAD OPERATIONS

MNR Procurements	235
Non-Competitive	239
Competitive	243
Ratifications <i>(no items)</i>	

9. COMMITTEE ON MTA BRIDGES & TUNNELS OPERATIONS

B&T Procurements	261
Non-Competitive <i>(no items)</i>	
Competitive	265
Ratifications <i>(no items)</i>	

10. MTA CAPITAL CONSTRUCTION

East Side Access 48 th Street Entrance	276a
MTA Capital Construction Procurements	277
Non-Competitive <i>(no items)</i>	
Competitive	281
Ratifications <i>(no items)</i>	
 Real Estate	 287

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

Date of next MTA Board meeting: Wednesday January 27, 2010 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

**Metropolitan Transportation Authority
Regular Board Meeting
347 Madison Avenue
New York, NY 10017**

**Wednesday, November 18, 2009
9:30 a.m.**

The following members were present:

**Hon. Jay H. Walder, Chairman & CEO
Hon. Andrew Albert
Hon. John H. Banks, III
Hon. Robert C. Bickford
Hon. Norman E. Brown
Hon. Allen P. Cappelli
Hon. Donald Cecil
Hon. Doreen M. Frasca
Hon. Mark D. Lebow
Hon. Susan Metzger
Hon. Mark Page
Hon. Mitchell H. Pally
Hon. Norman Seabrook
Hon. James L. Sedore, Jr.**

The following members were absent:

**Hon. Andrew M. Saul, Vice Chairman
Hon. Jeffrey A. Kay
Hon. Nancy Shevell
Hon. Carl V. Wortendyke**

Fredericka Cuenca, Acting Chief of Staff, Jerome F. Page, First Deputy General Counsel, Catherine A. Blue, Acting Corporate Secretary, Board Member James Blair, Board Member Ira Greenberg, Board Member Ed Watt, Howard H. Roberts, Jr., President of NYCTA, Howard Permut, President of Metro-North, Helena E. Williams, President, Long Island Railroad, Susan Kupferman, President of TBTA, John Hein, V.P. Regional Bus Management Team, 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.

1. **RESOLUTION COMMENDING FORMER CHAIRMAN H. DALE HEMMERDINGER.**

Chairman Walder expressed his gratitude to Chairman Hemmerdinger for his dedication and service to the MTA and presented Chairman Hemmerdinger with the traditional Board chair, which signifies his lifetime membership as an honorary member of the Board. Chairman Walder moved a resolution, which was seconded and approved unanimously by the Board, extending to Chairman Hemmerdinger the MTA Board's appreciation and gratitude for his devotion to improving the region's transportation network and making him an honorary lifetime member of the Board, with all the perquisites of such position.

Chairman Hemmerdinger thanked Chairman Walder, stating that his service as Chairman has been one of the most interesting experiences of his lifetime. Mr. Hemmerdinger wished Chairman Walder well and he thanked the MTA Board members, Agency Presidents, MTA management staff and employees for their dedication and hard work.

2. **PUBLIC SPEAKERS.** There were ten (10) public speakers. The following speakers addressed MTA agenda items. Refer to the MTA Agencies' minutes for the list of other speakers.

Kendra Hill, TWU Local 100 – Ms. Hill spoke against the closing of token booths and entrances to the subway stations.

Andreeva Pinder, TWU Local 100 – Ms. Pinder commented on the arbitration award relating to the TWU-NYC Transit collective bargaining agreement and planned reductions to the operating budget.

Enzo Sinnona, TWU Local 100 – Mr. Sinnona spoke in favor of the arbitration award relating to the TWU-NYC Transit collective bargaining agreement.

Brian Clarke, TWU Local 100 – Mr. Clarke urged the Board to honor the arbitration award regarding the collective bargaining agreement between NYC Transit and the TWU.

Sean Connelly, TWU Local 100 – Mr. Connelly spoke in favor of a collective bargaining agreement for employees of MTA Bus.

D.J. Small, TWU Local 100 – Mr. Small spoke against service cuts and closing of station booths.

Kellie Ullah, TWU Local 100, spoke in favor of the arbitration award regarding the TWU-NYC Transit collective bargaining agreement, and urged the Board to pay the arbitrator's fee.

3. **MINUTES.** Upon motion duly made and seconded, the Board approved the minutes of the regular Board meeting held on October 28, 2009.

4. **JOINT SESSION OF THE BOARD AND THE FINANCE COMMITTEE –
2010 FINAL PROPOSED BUDGET AND NOVEMBER FINANCIAL PLAN
2010-2013.**

Chairman Walder stated that the purpose of this joint session of the Board and Finance Committee was to present the proposed budget and financial plan to the Board members for discussion. The full Board will vote on the Budget material at its meeting on December 16, 2009.

Chairman Walder noted that there is some measure of stability in the financial plan: on balance, ridership is holding steady and the Board has taken the necessary actions to balance the budget in response to even worse than the forecasted tax receipts.

However, in a broader sense, the Chairman noted that MTA faces a number of substantial risks to its financial stability including costs of the TWU Local 100 arbitration award if confirmed, unpredictable revenues given the uncertain state of the larger economy and its recovery, and the State's own dire financial situation and the impact that could have on subsidies anticipated by the MTA. Notwithstanding all of these pressures, the MTA will have to provide even better customer service and value.

Chief Financial Officer Gary Dellaverson made a presentation to the Board and Finance Committee concerning the 2010 Final Proposed Budget and November Financial Plan 2010-2013. Mr. Dellaverson reviewed the process of presenting the budget. In November, the Board is presented with a review of the current year's budget and the proposed budget for next fiscal year. The proposed four-year financial plan is submitted at the same time. The agency operating committees and the Finance Committee then discuss the proposed documents and the final proposed budget is presented to the Board at its December meeting for approval.

The Chief Financial Officer's presentation began with a review of the July forecast and a comparison with the November Financial Plan. In July, the closing cash balances estimates were a \$29 million surplus in 2009; a \$39 million surplus in 2010, a \$1 million surplus in 2011, and a \$352 million deficit in 2012 and a \$233 million deficit in 2013.

Many features of the July estimate remain the same in the November plan including a balanced budget in 2009, after mid-year actions; no unfunded new needs; continuation of strict spending controls and PEG budget reductions; bi-annual fare and toll yield increases of 7.5% in 2011 and 2013; no scheduled service reductions; and a pay-as-you-go contribution to the Capital Program.

Mr. Dellaverson noted that changes in results since the July plan included declines in Real Estate tax receipts further than projected in July. However, farebox and toll revenue receipts were greater than projected in the July plan. A number of other changes from the July budget, including gap closing measures, cash management actions and year-to-year changes in expenses were identified. Mr. Dellaverson indicated that the revised November Financial Plan closing cash balances show a \$28 million surplus in 2009; a \$5 million surplus in 2010, a \$34

million deficit in 2011, a \$319 million deficit in 2012; and a \$58 million deficit in 2013.

Mr. Dellaverson noted that the financial plan was exposed to risks, including larger economy results varying negatively from the macro-economic forecast, Albany deficit reduction actions yet to be finally determined and the outcome of the labor arbitration award litigation, all of which could have significant impact on the financial plan projections.

Following the presentation by CFO Dellaverson, Chairman Walder stated that the MTA's financial position was fragile and that operating in the ongoing economic crisis would be a challenge. The Chairman noted that MTA has had to face such crises in the past, but in these past instances always had an expectation that Albany would come to the aid of the MTA, as was the case this past year. The Chairman stated that this tradition of looking to Albany is not the solution in addressing the circumstances MTA now confronts, which require MTA to internalize a new reality and require making a new MTA. Chairman Walder indicated that he plans to reconvene a working group to examine fundamental and permanent changes to the MTA's cost structure and the way it does its business. This will involve an analysis of past inefficiencies, a hard look at the way services are provided and what they cost; a review of the procurement process and staffing levels. It will also require work with MTA's labor partners to reach a different cost structure for this organization. The MTA will not just be closing its future budget gaps, but it will be seeking more permanent changes. The agency is now in a position and has the foundation to meet the challenges ahead.

The board members engaged in an extended discussion of the proposed budget, four year financial plan and related issues facing MTA. The details of Board members' comments are included in the audiotape of the meeting produced by the MTA and maintained in MTA records in view of their extensive nature.

5. COMMITTEE ON FINANCE.

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

1. **Bond Authorization.** Approved an amended and restated resolution and documents raising the total 2009 bond authorization amount to \$2,489,000,000 and authorizing other actions as described in the staff summary, including the execution and delivery of documents, and the taking of all other actions from time-to-time deemed necessary or desirable by such officers, in connection with the issuance of MTA debt.

B. Procurement Items. Upon motion duly made and seconded, the Board approved the following procurement item. The specifics are set forth in the attached documentation.

1. **Skyline Connections, Inc. – Web-based Contract Compliance System – No. 07167-0100.** Approved a competitive contract to provide a proprietary

web-based Contract Compliance System for the MTA Office of Civil Rights.

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.

Triborough Bridge and Tunnel Authority

1. Amendment of a license agreement with City of New York Department of Environmental Protection ("DEP") to extend occupancy of Block 702, Lot 1, Manhattan, N.Y., in connection with the Third Water Tunnel project.

Metro-North Railroad

2. Acquisition from George and Kimberly Grieco of property located at 14 Perin Lane (Block 4, Lot 687) and 229 Seaman Road (Block 4, Lot 681), for an MTA Police Department Canine training facility, Stormville, N.Y.
3. Amendment to extend term of a license agreement with Putnam County for the construction, operation and maintenance of a pedestrian bike path in the Maybrook-Beacon rail line right-of-way, Putnam County, N.Y.
4. License agreement with a new LLC to be formed by Yorkville Tennis Club, LLC for the operation of a tennis club located on the fourth floor, Hall D, Grand Central Terminal, New York, N.Y.
5. Approved Guidelines for Selection of Tenants for Grand Central Terminal, New York, N.Y.

Long Island Rail Road

6. License agreement with Palmetto Hospitality of Garden City II, LLC for the removal of debris, landscaping and replacement of fencing adjacent to a new Hyatt Hotel on the non-operating Roosevelt Spur, off of the LIRR Central Branch right-of-way (Block 08, Lot 135), Nassau County, N.Y.

Upon motion duly made and seconded, the Board voted to adjourn the meeting at 11:17 a.m.

Respectively submitted,

Victoria Clement
Assistant Secretary

Miriam Cukier
Secretary, 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, November 18, 2009
9:30 a.m.**

The following members were present:

Hon. Jay H. Walder, Chairman & CEO
Hon. Andrew Albert
Hon. John H. Banks, III
Hon. Robert C. Bickford
Hon. Norman E. Brown
Hon. Allen P. Cappelli
Hon. Donald Cecil
Hon. Doreen M. Frasca
Hon. Mark D. Lebow
Hon. Susan Metzger
Hon. Mark Page
Hon. Mitchell H. Pally
Hon. Norman Seabrook
Hon. James L. Sedore, Jr.

The following member was absent:

Hon. Andrew M. Saul, Vice Chairman
Hon. Jeffrey A. Kay
Hon. Nancy Shevell
Hon. Carl V. Wortendyke

Fredericka Cuenca, Acting Chief of Staff, Jerome F. Page, First Deputy General Counsel, Catherine A. Blue, Acting Corporate Secretary, Board Member James Blair, Board Member Ira Greenberg, Board Member Ed Watt, Howard H. Roberts, Jr., President of NYCTA, Howard Permut, President of Metro-North, Helena E. Williams, President, Long Island Railroad, Susan Kupferman, President of TBTA, John Hein, V.P. Regional Bus Management Team, 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 JAY WALDER CALLED THE MEETING TO ORDER

Details of Chairman Walder'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

Nine public speakers addressed NYC Transit/MTA Bus issues.

Kendra Hill, TWU Local 100, spoke against the closing of token booths and entrances to the subway stations.

Andreeva Pinder, TWU Local 100, spoke in support of enforcing the arbitration award regarding the TWU-NYC Transit collective bargaining agreement.

Bill Henderson, PCAC, thanked Howard Roberts for his hard work as President, NYC Transit.

Enzo Sinnona, TWU Local 100, spoke in favor of the arbitration award regarding the TWU-NYC Transit collective bargaining agreement.

Brian Clarke, TWU Local 100, urged the Board to honor the arbitration award regarding the collective bargaining agreement between NYC Transit and the TWU.

Sean Connelly, TWU Local 100, spoke in favor of a collective bargaining agreement for employees of MTA Bus.

D.J. Small, TWU Local 100, spoke against service cuts and closing of station booths.

Kellie Ullah, TWU Local 100, spoke in favor of the arbitration award regarding the TWU-NYC Transit collective bargaining agreement, and urged the Board to pay the arbitrator's fee.

Belen Hunter, TWU, thanked the Board for helping the employees of First Transit, requesting additional assistance.

3. MINUTES

Upon motion duly made and seconded, the Board unanimously approved the minutes of the regular board 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 October 28, 2009.

4. **2010 FINAL PROPOSED BUDGET & NOVEMBER FINANCIAL PLAN 2010-2013**

Details of the presentation of the 2010 final proposed budget and November Financial Plan 2010-2013 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.

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

Action Item: upon motion duly made and seconded, the Board approved an MTA NYC Transit tariff change to provide three-leg transfers to B61 and B62 customers using value-based MetroCards. This change will be effective January 1, 2010.

Procurements

Non-Competitive Procurements: Upon motion duly made and seconded, the Board approved the non-competitive procurements requiring a two-thirds vote (Schedule A in the Agenda) and those requiring a majority vote (Schedules E and G 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 majority vote (Schedules F, G and L 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 two-thirds vote (Schedule D in the Agenda) and those 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: None.

Competitive Procurements: None.

Procurement Ratifications: None.

6. **ADJOURMENT**

Upon motion duly made and seconded, the Members unanimously voted to adjourn the meeting at 11:17 a.m.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'Gena Usenheimer', written in a cursive style.

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
November 18, 2009
9:30 A.M.**

The following members were present:

Hon. Jay H. Walder, Chairman and CEO
Hon. Andrew Albert
Hon. John H. Banks, III
Hon. Robert C. Bickford
Hon. Norman E. Brown
Hon. Hon. Allen P. Cappelli
Hon. Donald Cecil
Hon. Doreen M. Frasca
Hon. Mark D. Lebow
Hon. Susan Metzger
Hon. Mark Page
Hon. Mitchell H. Pally
Hon. Norman Seabrook
Hon. James L. Sedore, Jr.

The following members were absent:

Hon. Andrew M. Saul, Vice Chairman
Hon. Jeffrey A. Kay
Hon. Nancy Shevell
Hon. Carl V. Wortendyke

Fredericka Cuenca, Acting Chief of Staff, Jerome F. Page, First Deputy General Counsel, Catherine A. Blue, Acting Corporate Secretary, Board Member James F. Blair, Board Member Ira Greenberg, Board Member Ed Watt, Howard H. Roberts, Jr., President of NYCTA, Howard Permut, President of Metro-North, Helena E. Williams, President, Long Island Railroad, Susan Kupferman, President of TBTA, John Hein, V.P. Regional Bus Management Team, Michael Horodniceanu, President of MTA Capital Construction, and Douglas Sussman, Director, Community Affairs, also attended the meeting.

1. CHAIRMAN'S PRESENTATION

The Chairman thanked former Chairman H. Dale Hemmerdinger for his service to the agency and presented him with a Board resolution. Board Members Sedore, Metzger, Blair, Frasca, Cecil, Pally, Cappelli, Brown, Lebow, Seabrook, Albert and Greenberg thanked Mr. Hemmerdinger for his service and leadership. Mr. Hemmerdinger thanked the members of the Board and acknowledged the dedication of the agency's employees. Chairman Walder presented Mr. Hemmerdinger with a chair in appreciation for his service as chairman. Details of the Chairman's presentation are contained in the minutes of the meeting of the Metropolitan Transportation Authority held this day.

2. PUBLIC SPEAKERS

There were ten (10) public speakers, none of whom addressed issues specific to the Long Island Rail Road.

3. APPROVAL OF MINUTES

Upon motion duly made and seconded, the Board unanimously approved the minutes of the Board meeting held on October 28, 2009.

4. 2010 BUDGET PRESENTATION

Gary J. Dellaverson, MTA Chief Financial Officer, gave a presentation regarding MTA's proposed 2010 budget. Prior to Mr. Dellaverson's presentation, Chairman Walder noted that the MTA's financial situation had stabilized somewhat, but that the agency was not yet out of the woods because of significant risks that have the potential to have an adverse impact upon the agency's finances. Details of Mr. Dellaverson's presentation, the Chairman's remarks before and after Mr. Dellaverson's presentation, and comments and questions by Board Members are contained in the minutes of the meeting of the Metropolitan Transportation Authority held this day.

5. COMMITTEE ON LIRR/LI BUS OPERATIONS

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

Non-Competitive Procurements

- | | |
|-----------------------------|----------------------|
| 1. HK Systems, Corp. | \$125,000 |
| Sole Source | Not-to-Exceed |
| Contract No. TBD | |

LIRR requests MTA Board approval to award a three-year sole source contract to HK Systems Corp. (HK) in an amount not-to-exceed \$125,000 to provide both on-site and off-site Technical Services required to support LIRR's Automated Material Handling System (AMHS) and Train Movement Alarm Systems (TMAS). HK Systems is the Original Equipment Manufacturer for these systems and therefore, the single responsible source for this service.

- | | |
|------------------------------------------------------------------|----------------------|
| 2. New York State Industries
For the Disabled (NYSID) | \$100,000 |
| Miscellaneous Services | Not-to-Exceed |
| Contract No. BP03518 | |

LIRR requests MTA Board approval to award a three-year, miscellaneous services contract in the not-to-exceed amount of \$100,000, to the New York State Industries for the Disabled ("NYSID") to provide direct mail services in support of LIRR's Public Affairs Department. The services include sorting, collating, folding, insertion, labeling and delivery of bulk LIRR mailings to a United States Post Office location identified by LIRR. The 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 Statutory competitive procurement requirements provided (i) it is capable of providing the service in the form, function and utility required by the LIRR and (ii) the price offered is as close to the prevailing market prices as is practical, but in no event greater than 15% above the prevailing market price. NYSID currently is under contract with New York City Dept. of Housing Preservation and Development ("HP&D") for similar direct mail services, and LIRR has determined that NYSID is able to comply with the contract specifications. When comparing NYSID's proposed LIRR pricing for services common to both the LIRR and HP&D, the LIRR found the pricing to be similar, and in some cases, lower than those contained in the HP&D contract. New York State Office of General Services has reviewed and approved NYSID's pricing. Funding for this contract is covered in LIRR's Operating Budget.

Competitive Procurement

Lichtenstein Consulting Engineers
Contract No. 5973-1-22-A

\$159,038
Not-to-Exceed

LIRR requests MTA Board approval to award additional funds to the existing Design and Construction Phase Services Agreement to Lichtenstein Consulting Engineers (LCE) in the not-to-exceed amount of \$159,038. This additional funding increases the total authorized amount to \$928,352 from the original Board authorized amount of \$769,313.

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

6. 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:

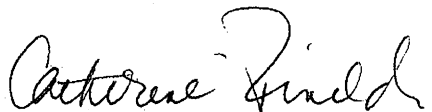
License agreement with Palmetto Hospitality of Garden City II, LLC, for the removal of debris, landscaping and replacement of fencing adjacent to a new Hyatt Hotel on the non-operating Roosevelt Spur, off of the LIRR Central Branch right of way, Garden City, New York.

Details of the above action item is set forth in a staff summary, a copy of which is on file with the records of this meeting.

7. ADJOURNMENT

Upon motion duly made and seconded, the Board unanimously voted to adjourn the meeting. The meeting was adjourned at 11:17 A.M.

Respectfully submitted,



Catherine A. Rinaldi
Secretary

Minutes of the Regular Meeting
Metro-North Commuter Railroad Company

Wednesday, November 18, 2009
9:30 a.m.

The following members were present:

The following members were present:

Hon. Jay H. Walder, Chairman & CEO
Hon. Andrew Albert
Hon. John H. Banks, III
Hon. Robert C. Bickford
Hon. Norman E. Brown
Hon. Allen P. Cappelli
Hon. Donald Cecil
Hon. Doreen M. Frasca
Hon. Mark D. Lebow
Hon. Susan Metzger
Hon. Mark Page
Hon. Mitchell H. Pally
Hon. Norman Seabrook
Hon. James L. Sedore, Jr.

The following member was absent:

Hon. Andrew M. Saul, Vice Chairman
Hon. Jeffrey A. Kay
Hon. Nancy Shevell
Hon. Carl V. Wortendyke

Fredericka Cuenca, Acting Chief of Staff, Jerome F. Page, First Deputy General Counsel, Catherine A. Blue, Acting Corporate Secretary, Board Member James Blair, Board Member Ira Greenberg, Board Member Ed Watt, Howard H. Roberts, Jr., President of NYCTA, Howard Permut, President of Metro-North, Helena E. Williams, President, Long Island Railroad, Susan Kupferman, President of TBTA, John Hein, V.P. Regional Bus Management Team, 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. Upon motion duly made and seconded, the Board unanimously approved the following resolution proposed by Chairman Walder. Thereafter, H. Dale Hemmerdinger was presented with a gift in appreciation for his service as a member of the Board.

WHEREAS, H. Dale Hemmerdinger served with distinction as Chairman of the Metropolitan Transportation Authority Board from October 2007 through September 2009; and

WHEREAS, H. Dale Hemmerdinger served as chair of the Capital Program Oversight Committee of the Board, guiding MTA capital improvement and expansion projects; and

WHEREAS, H. Dale Hemmerdinger served as chair of the Governance Committee of the Board, ensuring effective governance throughout the MTA and its operating agencies; and

WHEREAS, H. Dale Hemmerdinger made his business acumen and wisdom available to all MTA operations at Board Committee meetings; and

WHEREAS, H. Dale Hemmerdinger worked tirelessly to create a strong relationship between the MTA and its millions of customers by directly communicating to them at Board meetings, public meetings, and through in-system educational campaigns; and

WHEREAS, H. Dale Hemmerdinger has served the 17 million residents of the New York metropolitan region with honesty and integrity;

BE IT, THEREFORE, RESOLVED, that the members of the Board of the Metropolitan Transportation Authority and its subsidiaries and affiliates extend to H. Dale Hemmerdinger their appreciation and gratitude for his devotion to improving the region's transportation network and make him an honorary lifetime member of the Board, with all the perquisites of such position.

2. Public Comment:

There were 10 public speakers. Murray Bodin of Concerned Grandparents commented on Metro-North's new seat color, the public address system at Scarsdale Station, and the paper left on trains from ticket punchers; he expressed his opinion that Metro-North should clean the area along its tracks and that there should be community gardens along the railroad right-of-way. The details of the remaining 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 Regular Board Meeting of October 28, 2009 meeting were unanimously approved.

4. Joint Session of the MTA Board and the Committee on Finance:

Information Item:

- MTA 2010 Final Proposed Budget and November Financial Plan 2010-2013.

The details of Mr. Dellaverson's budget presentation are contained in the minutes of the meeting of the Board of the Metropolitan Transportation Authority held this day and the staff summaries and reports filed with those minutes.

5. Committee on Transit Operations

The Board voted on transit items. Among the items approved by the Board was a competitive personal service contract requiring majority vote to award four indefinite quantity multi-agency staffing contracts. 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.

6. Committee on Metro-North Railroad Operations:

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

Procurements:

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

Miscellaneous Procurement Contracts

- Harris Stratex Networks, Inc. – Software support services for MNR's Network Management System (NMS).

A staff summary and report setting forth the details of the above items are filed with the records of this meeting.

7. 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, approved the following real estate items recommended to it by the Committee on MTA Capital Construction, Planning & Real Estate.

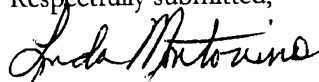
- Acquisition of property from George and Kimberly Grieco in the hamlet of Stormville, Town of East Fishkill, Dutchess County, New York, for the MTA Police Department K-9 training facility.
- Amendment to extend term of license agreement with Putnam County for the construction, operation and maintenance of a pedestrian bike path in the Maybrook-Beacon rail line right-of-way, Putnam County, New York.

- Lease agreement with LLC to be formed by Yorkville Tennis Club, LLC for the operation of a tennis club on the fourth floor of Hall D, Grand Central Terminal, New York.
- Guidelines for Selection of Tenants for Grand Central Terminal.

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

8. Next Meeting - December 16, 2009 at 9:30 a.m.
9. Upon motion duly made and seconded, the Board unanimously voted to adjourn the meeting at 11:17 a.m.

Respectfully submitted,



Linda Montanino
Assistant Secretary

Nov 2009 Board Minutes
Legal/Corporate

**Minutes of the Regular Meeting
Triborough Bridge and Tunnel Authority
November 18, 2009**

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

9:30 A.M.

The following members were present:

Hon. Jay H. Walder, Chairman & CEO
Hon. Andrew Albert
Hon. John H. Banks, III
Hon. Robert C. Bickford
Hon. Norman E. Brown
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 E. Sedore, Jr

Not Present:

Hon. Andrew M. Saul, Vice Chairman
Hon. Jeffrey A. Kay
Hon. Nancy Shevell
Hon. Carl V. Wortendyke

Frederick Cuenca, Acting Chief of Staff; Jerome F. Page, First Deputy General Counsel, MTA; Catherine Blue, Acting Corporate Secretary; Board Member James Blair; Board Member Ira Greenberg; Board Member Edward Watt; John Hein, Executive 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; Helena E. Williams, President, Long Island Rail Road; 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

On behalf of the Board, Chairman Walder thanked former Chairman Dale M. Hemmerdinger, for having served the Board and the People of the State of New York with distinction over the past two years.

Upon a motion duly made and seconded, the Board unanimously approved a Resolution proposed by Chairman Walder bestowing lifetime honorary board membership with all the perquisites of such position to former Chairman Hemmerdinger.

A copy of the Resolution is filed with the minutes of this meeting. Further details of Chairman Walder's remarks are contained in the minutes of the Board of the Metropolitan Transportation Authority.

1. Public Speakers

There were ten 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 Regular Meeting October 28, 2009

The Minutes of the meeting held October 28, 2009 were unanimously approved

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

MTA Chief Financial Officer, Gary Dellaverson, discussed the MTA 2010 Final Proposed Budget-November Financial Plan 2010-2013 which will be presented to the Board in December for approval.

Mr. Dellaverson stated that with respect to Gap Closing Actions, there is a B&T holdback for B&T's capital program since it internally funds its own capital program. Without the holdback, the funding would go to commuter transportation.

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.

4. Finance Committee

Upon a motion duly made and seconded, the MTA Board approved:

1. The following amended and restated resolution, documents and activities in connection with

the issuance of bonds in an increased aggregate principal amount necessary to finance an additional \$200 million of capital projects of the transit and commuter systems (including MTA Bus):

- Supplemental Resolution authorizing Metropolitan Transportation Authority Transportation Revenue Obligations, including providing for the issuance of the following:
 - An aggregate principal amount of Transportation Revenue Bonds in one or more series necessary to finance capital projects of the transit and commuter systems (including MTA Bus), plus applicable issuance costs and any original issue discount, and
 - Parity Reimbursement Obligations and other Parity Debt in an amount sufficient to secure any Credit Facilities in connection with the issuance of the Transportation Revenue Bonds.

2. The refunding of any and all outstanding bonds, notes and other obligations, provided that the MTA Chief Financial Officer or the MTA Director of Finance makes a determination that the refunding of such bonds, notes or other obligations will be beneficial to the obligors thereof and/or their affiliates and subsidiaries. All such refundings shall be in addition to the continuing existing approval of the MTA Board to bond out the commercial paper program from time to time, as necessary or convenient, and to continue rolling over or reissuing the commercial paper under the Transportation Revenue commercial paper program up to its existing authorization of not to exceed \$750 million and renewed or new Credit Facilities or program documentation related thereto. It is understood that, within any year, the full \$750 million in commercial paper notes may be issued, bonded out, and reissued again, and the amount of such notes issued from time to time shall not decrease the availability of \$2.489 billion in new money bonds, notes or obligations authorized to be issued by this Staff Summary.

3. With respect to the above-referenced financial transactions set forth in paragraphs 1 and 2, to obtain the MTA Board approval, as applicable, the delegation of authority to the Chairman and Chief Executive Officer, and the Chief Financial Officer of MTA, the Director of Budgets and Financial Management of MTA and the Director of Finance of MTA to award the obligations either pursuant to competitive bid or to members (or entities related to such firms) of the MTA underwriting syndicate (as defined in the Supplemental Resolution) to execute and/or deliver in each case, where appropriate:

- Notices of Sale and bid forms,
- Purchase Agreements with underwriters,
- Official Statements and other disclosure documents,
- Continuing Disclosure Agreements and related filings,
- Remarketing Agreements,
- Issuing and Paying Agent Agreements,
- Dealer and Broker-Dealer Agreements,
- Credit Facilities and related Parity Reimbursement Obligations and Parity Debt,
- Escrow Agreements, and

○ Investment Agreements.

Any such documents will be in substantially the form of any document previously entered into by MTA for previous issues and programs, with such changes as approved by any one or more of the foregoing officers. In addition, such officers are hereby authorized to terminate, amend supplement, replace or extend any such documents, including Credit Facilities (and related Parity Reimbursement Obligations and Parity Debt) and other documents related thereto, as they shall deem advisable. The MTA Board hereby further delegate to such officers authority to take such other actions as may be necessary or desirable to effectuate such transactions;

On behalf of MTA and its subsidiaries and affiliates, authorized the Chairman and Chief Executive Officer, the Vice Chairman, the Chief Financial Officer of the MTA, the Director of Budgets and Financial Management of MTA and the Director of finance of MTA to take such other actions as may be necessary or desirable to effectuate the issuance of the money bonds, commercial paper and other financial transactions set forth in paragraphs 1 through 3.

This authorization shall continue in effect until the adoption in 2010 by the MTA and TBTA Boards of subsequent new money bond issuance supplemental resolutions.

A copy of the Resolution, staff summary, and details of the above item are contained in the minutes of the Board of the Metropolitan Transportation Authority and filed with the minutes of that meeting.

5. Committee for MTA Bridges and Tunnels Operations

Procurements

Non Competitive Procurements

Commissioner Pally stated that there is one non-competitive procurement totaling \$144,000.

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

Non-Competitive Purchases and Public Work Contracts

Verizon Network Integration, Corp.	Contract No. 100967 Install new fiber optic cable from the Henry Hudson service building PBX room to Verizon's Manhattan central office.	\$144,233.08
---------------------------------------	------------------------------------------------------------------------------------------------------------------------------------------------------	--------------

Competitive Procurements

Chairman Pally stated that there is one competitive procurement totaling \$6.286 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.

Modifications to Purchase & Public Works Contracts

Conti of New York, LLC	Contract No. BW-89	\$6,286,860.00
	Additional work and a credit due to de-escalation of raw steel material prices under Contract BW-89, Replacement of the Bronx Approach and Miscellaneous Repairs to the Queens Approach at the Bronx-Whitestone Bridge.	

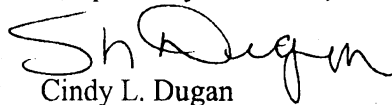
Ratifications

Commissioner Pally stated that are no ratifications.

6. Adjournment

Upon a motion duly made and seconded, the Board unanimously voted to adjourn the meeting 11:17 at a.m.

Respectfully submitted,


Cindy L. Dugan
Assistant Secretary

Regular Board Meeting
347 Madison Avenue
New York, NY 10017

Wednesday, November 18, 2009
9:30 a.m.

The following members were present:

Hon. Jay H. Walder, Chairman & CEO
Hon. Andrew Albert
Hon. John H. Banks, III
Hon. Robert C. Bickford
Hon. Norman E. Brown
Hon. Allen P. Cappelli
Hon. Donald Cecil
Hon. Doreen M. Frasca
Hon. Mark D. Lebow
Hon. Susan Metzger
Hon. Mark Page
Hon. Mitchell H. Pally
Hon. Norman Seabrook
Hon. James L. Sedore, Jr.

The following members were absent:

Hon. Andrew M. Saul, Vice Chairman
Hon. Jeffrey A. Kay
Hon. Nancy Shevell
Hon. Carl V. Wortendyke

Fredericka Cuenca, Acting Chief of Staff, Jerome F. Page, First Deputy General Counsel, Catherine A. Blue, Acting Corporate Secretary, Board Member James Blair, Board Member Ira Greenberg, Board Member Ed Watt, Howard H. Roberts, Jr., President of NYCTA, Howard Permut, President of Metro-North, Helena E. Williams, President, Long Island Railroad, Susan Kupferman, President of TBTA, John Hein, V.P. Regional Bus Management Team, Michael Horodniceanu, President of MTA Capital Construction, and Douglas Sussman, Director, Community Affairs also attended the meeting.

Chairman Walder 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 November 18, 2009.

MTA Capital Construction Action Items

There were no Capital Construction Items for the Board members to consider.

MTA Capital Construction Procurements

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

- A modification to the Fulton Street Transit Center construction management services contract with Parsons Brinckerhoff Quade & Douglas and Bovis Lend Lease, JV
- A modification to the Fulton Street Transit Center design services contract with Ove Arup & Partners Consulting Engineers PC
- Award of the East Side Access Northern Boulevard Crossing contract, procured through the competitive request for proposals process, to Schiavone/Kiewit, JV

Adjournment

Upon motion duly made and seconded, the MTA Board voted to adjourn the public meeting at 11:17 a.m.

Respectfully submitted,


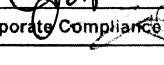
Miriam Cukier
Secretary

Staff Summary

Subject Revisions to Codes of Ethics
Department Corporate Compliance
Department Head Name Lamond W. Kearse, Chief Compliance Officer
Department Head Signature
Project Manager Name Lamond W. Kearse

Date December 16, 2009
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref #

Board Action					
Order	To	Date	Approval	Info	Other
1	Governance	12/9/09	X		
2	Board	12/16/09	X		

Internal Approvals			
Order	Approval	Order	Approval
2	Legal 		
1	Corporate Compliance 		

Purpose:

To amend the existing MTA All-Agency Code of Ethics and the MTA Board Members Code of Ethics.

Discussion:

In March of 2007, the MTA Board adopted the current MTA All-Agency Code of Ethics ("Code") and the MTA Board Member Code of Ethics. The Codes set forth the MTA's zero tolerance gift policy, as well as including provisions on conflicts of interests, attendance at industry events, outside employment and post-employment service.

The MTA Codes of Ethics already contain ethical conduct guidelines that, in many areas, are as rigorous as those set forth in Governor Paterson's Executive Order No. 7 of 2008 and the Public Employee Ethics Reform Act (PEERA). In a few areas, however, changes to the Codes are in order to ensure consistency. PEERA combined the NYS Ethics Commission and the temporary Commission on Lobbying to form the NYS Commission on Public Integrity. PEERA also, among other things, (1) Increased penalties for violating Public Officers Law §73 from a maximum of \$10,000 to \$40,000, (2) Prohibited nepotism and improper political considerations concerning government employment and contracting; and (3) Amended Public Officers Law §73(5) to redefine the term "gift" as that which has "more than nominal value" including lodging, meals, refreshments, discounts and forbearance.

The Codes that are being placed before the Board this month therefore incorporate revisions to ensure the MTA All-Agency Code of Ethics and the MTA Board Member Code of Ethics are consistent with PEERA. Governor Paterson's Executive Order No 7 and include a small number of other changes intended to add clarity to provisions of the Codes, including limitation on use of MTA's names and titles for fundraising by MTA employees and board members.

The Board Member Code of Ethics incorporates the changes recommended by the Corporate Governance Committee.

Recommendation:

It is recommended that the Board:

- Adopt the revised All-Agency Code of Ethics and the Board Member Code of Ethics

SUMMARY

2009 Substantive Revisions: All Agency Code of Ethics

- The definition for Family was revised and the explanatory chart removed. The definition as revised generally tracks the definition for relative contained in Public Officers Law § 73(1) (m).
- The definition of gift was revised by removing the benchmark of \$10 as to what constitutes nominal value. The Commission on Public Integrity (“COPI”) does not define nominal value as a monetary amount but rather as items of “insignificant value, as for example, a regular cup of coffee or a soft drink.” This revision is consistent with COPI Advisory Opinion 08-01.
- Section 1.05 (The Duty to Disclose) was revised to add a requirement that employees report allegations of corruption, fraud, criminal activity or abuse to the MTA Inspector General. This revision was requested by the MTA Inspector General.
- Section 1.06 (Whistle Blower Protection) was expanded to make clear reporting of potential violations and actual and potential violations was not limited only to the Code but included laws, regulations, policies and procedures.
- Section 3.06 was revised to clarify that Employees can not use the MTA’s name, their official title, position or authority in any fundraising activity unless authorized by MTA’s Chief Compliance Officer. This revision is consistent with COPI Advisory Opinion 97-28.
- Section 4.05(e) was added -- MTA Employees are prohibited from asking contractors questions regarding political matters, such as party affiliation, etc. This provision was added pursuant to requirements contained in the Public Employee Ethics Reform Act (“PEERA”).
- Section 4.07 (c) was revised to clarify that policy making employees must seek permission from the MTA to serve as an officer or director of a prohibited source even if that prohibited source is a nonprofit organization and requires Commission permission when the outside activity involves a profit making activity. This provision is consistent with COPI regulations on Outside Activities, 19 NYCRR Part 932.
- Section 4.07(e) was revised to clarify that policy makers need obtain Commission approval when they are running in a partisan election or when they are holding other public employment/office for which more than \$4,000 in compensation will be earned. This provision is consistent with COPI regulations on Outside Activities, 19 NYCRR Part 932.
- Section 4.08(d) was revised and (g) was added to prohibit considering political affiliations when making employment decisions. This provision was added pursuant to requirements contained in PEERA.
- Section 4.08(h) was added to restrict certain Senior Management at the MTA from seeking political office without first resigning from their position or taking an unpaid leave. This provision was added pursuant to requirements contained in PEERA.



Metropolitan Transportation Authority

CODE OF **ETHICS**

Adopted by the MTA Board ~~March 2007~~
December 2009

Introduction

The Metropolitan Transportation Authority provides services to more than eight million customers a day, each one of whom expects a high standard of service. As Employees of the MTA, you are entrusted with the duty to provide this high standard of service. The ability to provide a high standard of service is grounded in a strong work ethic, clear corporate policies, and the dedication of a creative work force. The adherence to a strict code of ethics is central to gaining and keeping the trust of our customers.

The Metropolitan Transportation Authority All-Agency Code of Ethics ("Code of Ethics") applies to every Employee of the MTA, including its current and future subsidiaries and affiliates. For ease of reference, this Code of Ethics will refer to all such Employees as "MTA Employees." In addition, persons performing services for the MTA and its subsidiaries and affiliates may be subject to the Code of Ethics by contract or agreement.

There is only one Code of Ethics for the entire MTA. You are expected to become familiar with this Code, and the various applicable statutes, regulations, professional codes of ethics, and disciplinary rules. **You are expected to read this Code immediately upon receipt.**

The Code of Ethics is intended to provide guidance to all MTA Employees with respect to applicable laws governing ethical conduct and the Agency's ethical standards, which sometimes exceed the requirements of State law.

While the Code of Ethics sets out specific standards, in our evolving business environment no written code can anticipate every possible situation. However, this Code of Ethics establishes a standard against which you can measure your daily decisions and actions. The Code of Ethics is not a restatement of all applicable laws and standards; you are expected to be familiar with and comply with all laws and standards related to your specific job. The principal source of most New York State law governing the ethical conduct of public employees and officers is the Public Officers Law, the applicable provisions of which are available from the State Ethics Commission on Public Integrity directly (www.nysethics.com) or from the law and human resources departments at each MTA Agency.

As an MTA Employee, you are expected to be an ethical role model. Managers and supervisors must foster an atmosphere that encourages employees to seek assistance if faced with ethical dilemmas. Every MTA Employee must be alert to potential ethical issues and be ready to respond appropriately.

Responsibility for compliance with the applicable rules and standards for ethical conduct, including the related financial disclosure requirements, ultimately rests with **YOU**. If you have an ethics-related question, you should ask your supervisor or the applicable Agency Ethics Committee for guidance. In addition, the State Ethics Commission on Public Integrity (the address and phone number are listed in Section 1.03) can provide guidance, often by phone or by rendering written informal and formal opinions.

VIOLATIONS OF THE CODE OF ETHICS OR APPLICABLE STATUTORY PROVISIONS MAY SUBJECT AN EMPLOYEE TO DISCIPLINE UP TO AND INCLUDING DISMISSAL AND/OR EXPOSE THE EMPLOYEE TO CIVIL OR CRIMINAL PENALTIES. (See Section 9.)

METROPOLITAN TRANSPORTATION AUTHORITY ALL AGENCY CODE OF ETHICS

TABLE OF CONTENTS

Chapter 1: Definitions/Structure	5
Section 1.01 Definitions	5
Section 1.02 Agency Ethics Committees	7
Section 1.03 Ethics & Financial Disclosure Questions	8
Section 1.04 Revocation of Agencies Ethics Policies	89
Section 1.05 Duty to Disclose	9
Section 1.06 No Reprisals/Whistle-Blowing	9
Section 1.07 Cooperation with Audits and Investigations	9
Chapter 2: Gifts, Awards and Honoraria	910
Section 2.01 Gift Prohibition-Zero Tolerance	910
Section 2.02 Monetary Gifts and Kickbacks	11
Section 2.03 Tips	112
Section 2.04 Reporting Gift or Gift Offers	12
Section 2.05 Awards, Plaques and Honors	12
Section 2.06 Honoraria	12
Chapter 3: Prohibited-Source Sponsored Events, Receptions, and Meals	13
Section 3.01 Business Meals	13
Section 3.02 Educational Seminars	1314
Section 3.03 Attendance at Prohibited-Source/Industry-Sponsored Events and Receptions	14
Section 3.04 Senior Management Attendance at Prohibited-Source Sponsored Events	14
Section 3.05 Attendance at Banquets, Galas and Fund-Raising Events	15
Section 3.06 Charitable or Political Benefits and Contributions and Fundraising Activities	15
Section 3.07 Events Honoring an Employee	15
Section 3.08 Reimbursement of Travel Expenses	15
Chapter 4: Conflicts Of Interest, Other Employment and Political Activities	16
Section 4.01 Conflicts of Interest	16
Section 4.02 Public Trust	17
Section 4.03 Confidential Information	18
Section 4.04 Financial Interest	18

METROPOLITAN TRANSPORTATION AUTHORITY ALL AGENCY CODE OF ETHICS

Section 4.05 Employees Engaged in Selection, Award and Administration of Contracts	18
Section 4.06 Representation of Other Parties and Certain Appearances and Services	19
Section 4.07 Other Employment and Outside Activities	20
Section 4.08 Political Activities of Employees	21
Section 4.09 Executive Order 127	22
Chapter 5: Future Employment	23
Section 5.01 Restrictions on Future Employment -- Purpose	23
Section 5.02 Restrictions on Future Employment -- Limited and Lifetime Bars	23
Section 5.03 Negotiations for Future Employment	24
Section 5.04 Notice of Future Employment Restrictions	26
Chapter 6: Financial Disclosure	27
Section 6.01 Covered Employees	27
Section 6.02 Dates for Filing and Related Penalties	28
Chapter 7: Books And Records	28
Section 7.01 Accuracy and Completeness of Financial Records	28
Section 7.02 Financial Statements And Accounts	28
Chapter 8: Other Ethics Issues	29
Section 8.01 Nepotism	29
Section 8.02 Business Relationships between Employees	29
Section 8.03 Financial Transactions between Employees	29
Section 8.04 Prohibition Against the Use of MTA Property	30
Chapter 9: Discipline/Penalty for Violation of this Code or State Ethics Laws	30
Section 9.01 General	30
Section 9.02 Civil Penalties	31
Section 9.03 Criminal Penalties	31
Chapter 1: Definitions/Structure	5
Section 1.01 Definitions	5
Section 1.02 Agency Ethics Committees	7
Section 1.03 Ethics & Financial Disclosure Questions	8
Section 1.04 Revocation of Agencies Ethics Policies	8
Section 1.05 Duty to Disclose	9
Section 1.06 No Reprisals/Whistle-Blowing	9
Section 1.07 Cooperation with Audits and Investigations	9
Chapter 2: Gifts, Awards and Honoraria	9
Section 2.01 Gift Prohibition-Zero Tolerance	9
Section 2.02 Monetary Gifts and Kickbacks	11
Section 2.03 Tips	11
Section 2.04 Reporting Gift or Gift Offers	12
Section 2.05 Awards, Plaques and Honors	12
Section 2.06 Honoraria	12

METROPOLITAN TRANSPORTATION AUTHORITY ALL AGENCY CODE OF ETHICS

Chapter 3: Prohibited-Source Sponsored Events, Receptions, and Meals	13
Section 3.01 Business Meals	13
Section 3.02 Educational Seminars	13
Section 3.03 Attendance at Prohibited-Source/Industry-Sponsored Events and Receptions	14
Section 3.04 Senior Management Attendance at Prohibited-Source Sponsored Events	14
Section 3.05 Attendance at Banquets, Galas and Fund-Raising Events	15
Section 3.06 Charitable or Political Benefits and Contributions	15
Section 3.07 Events Honoring an Employee	15
Section 3.08 Reimbursement of Travel Expenses	15
Chapter 4: Conflicts Of Interest, Other Employment and Political Activities	16
Section 4.01 Conflicts of Interest	16
Section 4.02 Public Trust	16
Section 4.03 Confidential Information	17
Section 4.04 Financial Interest	17
Section 4.05 Employees Engaged in Selection, Award and Administration of Contracts	18
Section 4.06 Representation of Other Parties and Certain Appearances and Services	18
Section 4.07 Other Employment and Outside Activities	19
Section 4.08 Political Activities of Employees	20
Section 4.09 Executive Order 127	21
Chapter 5: Future Employment	21
Section 5.01 Restrictions on Future Employment -- Purpose	21
Section 5.02 Restrictions on Future Employment -- Limited and Lifetime Bars	21
Section 5.03 Negotiations for Future Employment	23
Section 5.04 Notice of Future Employment Restrictions	25
Chapter 6: Financial Disclosure	25
Section 6.01 Covered Employees	25
Section 6.02 Dates for Filing and Related Penalties	26
Chapter 7: Books And Records	26
Section 7.01 Accuracy and Completeness of Financial Records	26
Section 7.02 Financial Statements And Accounts	27

METROPOLITAN TRANSPORTATION AUTHORITY ALL AGENCY CODE OF ETHICS

Chapter 8: Other Ethics Issues	27
Section 8.01 Nepotism	27
Section 8.02 Business Relationships between Employees	27
Section 8.03 Financial Transactions between Employees	28
Section 8.04 Prohibition Against the Use of MTA Property	28
Chapter 9: Discipline/Penalty for Violation of this Code or State Ethics Laws	29
Section 9.01 General	29
Section 9.02 Civil Penalties	29
Section 9.03 Criminal Penalties	29

METROPOLITAN TRANSPORTATION AUTHORITY ALL AGENCY CODE OF ETHICS

Chapter 1: Definitions/Structure

Section 1.01 Definitions

As used in this Code, capitalized terms shall have the following meanings:

Agency Ethics Committee means the ethics committee established at individual MTA Agencies.

All-Agency Ethics Committee means the committee comprised of the chairpersons of each Agency Ethics Committee and the Chief Compliance Officer.

Annual Statement of Financial Disclosure means the financial disclosure statement required to be filed with the ~~State Ethics Commission on Public Integrity~~ by certain public employees under the State Ethics in Government Act, Public Officers Law Section 73-a.

Business means any activity, paid or unpaid, by an Employee or any individual, firm, company, corporation or other entity, wherein the goal or objective is obtaining monetary income or other thing of value or operating an enterprise. Such activity may be for profit or not-for-profit.

Code means this MTA All-Agency Code of Ethics.

Confidential Information means information that is available to an Employee only because of such Employee's position within an MTA Agency and which is treated by such MTA Agency as being confidential or which the Employee has reason to believe is confidential. Information does not have to be formally labeled "confidential" to be confidential.

Department Head means a Department Head as that term is generally used within the applicable MTA Agency.

Employee means an officer or employee of an MTA Agency.

Employment means performance of services, for or on behalf of any entity or individual, to obtain economic or other material benefit.

Family Member means any person living in the same household as an MTA Employee, domestic partner, and any person related to the Employee within the third degree of consanguinity or affinity. ~~"See attached Consanguinity and Affinity relationship Chart, annexed as Appendix D to the Code."~~ who is a direct descendant of that MTA Employee's Grandparents or the spouse of such descendant.

Fundraising means the raising of funds for an organization through solicitation of funds or sale of items or participation in the conduct of an event.

Gift means the transfer, without equivalent consideration, of any thing or benefit, tangible or intangible, having more than nominal value, including, but not limited to, loans, forbearance,

METROPOLITAN TRANSPORTATION AUTHORITY ALL AGENCY CODE OF ETHICS

services, travel, gratuities of any kind, favors, money, meals, refreshments, entertainment, hospitality, promises, tickets to entertainment or sporting events, weekend trips, golf outings, loans of equipment, or other thing or benefit. (See definition of "Items of Nominal Value" below.)

Honoraria Disclosure Unit means the office within the applicable MTA Agency set forth in Appendix A hereto.

Honorarium means (a) payment, fee or other compensation in connection with a service rendered by an Employee not related to the person's official duties, and for which MTA Agency equipment or staff are not used, which is in the nature of a gratuity or as an award or an honor (e.g., for delivering a speech, for attending a conference, for writing an article); and (b) a payment, whether to a lodging site or a provider of transportation, for travel expenses made to or on behalf of an Employee, or reimbursement made to the Employee for travel expenses incurred, for services rendered by an Employee not related to their official duties.

Items of Nominal Value means items such as mugs, key rings, calendars, pens and the like that are of minimal value unless such items are being given under circumstances where it reasonably can be inferred that such item was intended to influence the Employee in the performance of such Employee's official duties. A general benchmark is that an item of nominal value would have a retail value of less than ten dollars (\$10). For purposes of determining the value of an item of nominal value, the State Ethics Commission on Public Integrity has advised that the value is not reduced by virtue of it being embossed or otherwise marked with a company logo, identification, or advertising.

MTA Agency or MTA means any of the following: Metropolitan Transportation Authority Headquarters, MTA New York City Transit, Manhattan and Bronx Surface Transit Operating Authority, MTA Long Island Rail Road, MTA Metro-North Railroad, MTA Long Island Bus, MTA Bus Company, MTA Capital Construction Company, the Staten Island Rapid Transit Operating Authority, the First Mutual Transportation Assurance Company, MTA Bridges and Tunnels and all future affiliated and subsidiary entities of the MTA.

New York State Agency means any New York State department, or division, board, commission, or bureau of any state department, any public benefit corporation, public authority, or commission at least one of whose members is appointed by the Governor, or the State University of New York, or the City University of New York, including all their constituent units except community colleges of the State University of New York and the independent institutions operating statutory or contract colleges on behalf of the State. All MTA Agencies are New York State Agencies for purposes of this Code.

Participation in the Conduct of an Event means active and visible participation in the promotion production or presentation of the event and includes serving as honorary chairperson or committee member or sitting at the head table during the event. The term does not mean the mere attendance at the event, provided the employee's attendance is not being used by the non-profit to promote the event.

METROPOLITAN TRANSPORTATION AUTHORITY ALL AGENCY CODE OF ETHICS

Policy-Making Position means those management and non-management positions designated as policy-making positions by each MTA Agency, because the individual holding the position exercises responsibilities of a broad scope in the formulation of plans for the implementation of action or policy for an MTA Agency or has an effective or substantial influence on an individual in such a position; e.g., positions in which Employees have discretion to (i) significantly influence, control, or bind an MTA Agency in the expenditure or receipt of money, (ii) significantly influence the discretionary selection or rejection of Employees, their promotion, transfer, or salary increases, (iii) select or supervise Vendors, (iv) negotiate leases, real estate agreements, estates, purchase or sale of goods or services, or (v) supervise or approve additional work orders and progress payments to Vendors retained by an MTA Agency.

METROPOLITAN TRANSPORTATION AUTHORITY ALL AGENCY CODE OF ETHICS

Prohibited Source means:

- (a) a Vendor including any person or non-governmental seller of goods or services, bidder, proposer, consultant, contractor, trade, contractor or industry association, or any other person/entity with which your MTA Agency is doing business, as well as those persons and business entities who have expressed an interest in doing business with your MTA Agency, whose activities directly or indirectly benefit your Agency, or who have a history of doing business with your Agency in the recent past;
- (b) a tenant or licensee of your MTA Agency; and
- (c) another individual or non-governmental entity who, on its own behalf or on behalf of another non-governmental entity: (1) is regulated by your MTA Agency, (2) appears before your MTA Agency on other than ministerial matters, (3) lobbies or attempts to influence your MTA Agency's procurements, or your MTA Agency's positions on legislation or regulation, (4) is involved in litigation adverse to your MTA Agency and no final order has been issued, or (5) has received or applied for funds from your MTA Agency within the preceding year.

For purposes of this definition, the term "your Agency" refers to the Agency by which you are employed. However, certain high-level Employees work on matters involving more than one MTA Agency. Such Employees may be considered an Employee of one or more MTA Agency.

Solicitation means any request, invitation, or suggestion (oral or written) made under circumstances where it reasonably could be concluded that the individual or entity receiving same is being asked to, or is expected to, comply with a request, invitation, or suggestion.

State Ethics Commission on Public Integrity means the Commission established within the New York Department of State under Section 94 of the New York Executive Law.

State Ethics Law means New York Public Officers Law Sections 73, 73-a, 74, and the rules and regulations promulgated ~~thereunder~~ there under as may be amended or modified by the New York State Legislature.

Section 1.02 Agency Ethics Committees

The Metropolitan Transportation Authority Headquarters, MTA New York City Transit, MTA Long Island Rail Road, MTA Metro-North Railroad, MTA Long Island Bus, MTA Bus Company, MTA Capital Construction Company, and MTA Bridges and Tunnels shall each establish an Ethics Committee and appoint an Agency Ethics Committee Officer ~~thereto~~ to render guidance on ethics-related questions, including conflicts of interest. The procedures for the ~~creation, role, and composition~~ appointment of the Agency Ethics Committee Officer shall be determined by each MTA Agency upon consultation with the Chief Compliance Officer. However, each Committee will designate one senior-level executive as Chairperson of the Agency Ethics Committee. Upon

METROPOLITAN TRANSPORTATION AUTHORITY ALL AGENCY CODE OF ETHICS

request, information disclosed to the Agency Ethics Committees and their members shall be deemed confidential, provided that appropriate disclosure of such information must be made in accordance with applicable laws, rules, and regulations.

The Chairperson of each Agency Ethics Committee will serve as a member of an All-Agency Ethics Committee, which will be chaired by the MTA's Chief Compliance Officer. The Committee will meet periodically to review the current state of ethics at the MTA and to review or revise the Code of Ethics as needed.

Section 1.03 Ethics & Financial Disclosure Questions

Questions concerning this Code or potential conflicts of interest may be directed to the applicable Agency Ethics Committee at the phone number set forth in Appendix C. It is not the function of a supervisor, an Agency Ethics Committee, or an MTA Agency lawyer to render legal advice to or act as counsel to any individual Employee.

Information regarding violations of this Code or questions concerning ethics-related matters, including the provisions of the New York State Ethics law or Annual Statement of Financial Disclosures, may also be directed to:

<u>Integrity</u>	<u>MTA Corporate Compliance</u>	<u>New York State Ethics Commission on Public</u>
	<u>Metropolitan Transportation Authority</u>	<u>Alfred E. Smith State Office Building</u>
	<u>2 Broadway, 16th Floor</u>	<u>50 Broadway</u>
	<u>New York, New York 10004</u>	<u>4th floor, Suite 1147 Albany, New York 12210</u>
	<u>800-873-8442</u>	<u>or Albany, New York 12210</u>
	<u>888-U-ASK-MTA (888-827-5682)</u>	<u>518-132-8207 or 800-873-8442</u>

The State Ethics Commission on Public Integrity website contains numerous guidance and reference documents. It can be accessed via the MTA Compliance Department Intranet site. The State Ethics Commission on Public Integrity can provide guidance on specific issues, often by phone, and otherwise by rendering written informal and formal opinions.

Any MTA Employee who has a complaint or allegation regarding the MTA may also contact the MTA Inspector General.

Office of the Inspector General,
Metropolitan Transportation Authority
111 West 40th Street Two Penn Plaza, 5th Floor
New York, New York 10018-10121
800-MTA-IG4U (800-682-4448)

METROPOLITAN TRANSPORTATION AUTHORITY ALL AGENCY CODE OF ETHICS

Section 1.04 Revocation of Agencies Ethics Policies

This Code supersedes and by effect rescinds the MTA All-Agency Acceptance of Gifts Policy Statement 11-007, the MTA Guideline Document—Gifts, and all MTA Agencies' Ethics Policies and Codes.

DRAFT 2009

METROPOLITAN TRANSPORTATION AUTHORITY ALL AGENCY CODE OF ETHICS

Section 1.05 Duty to Disclose

Employees must promptly report any violation of this Code or potential violation of the MTA's Codes of Ethics (All-Agency Code of Ethics, Board Member Code of Ethics or Vendor Code of Ethics) as well as any actual or potential violation of laws, law, regulations, or policies and procedures to either their Agency Ethics Committee or by contacting the MTA Chief Compliance Officer's Office, relating to the MTA, whether committed by an MTA Employee or by a person doing business with the MTA.

Employees should report to the MTA Inspector General allegations or information involving corruption, fraud, criminal activity or abuse.

Employees should report to their Agency's Ethics Officer, their Agency General Counsel, MTA's Chief Compliance Officer or to the MTA Inspector General, all other violations or potential violations. Employees should feel free to discuss their concerns initially with their supervisor, but no supervisor may discourage an Employee from making a report.

Employees who wish to remain anonymous may do so. Their anonymity will be protected, subject to applicable laws, regulations, or legal proceedings.

Note: Since it may be unclear whether a violation has occurred, Employees should feel free to discuss their concerns with their supervisor or their Agency Ethics Committee. Employees may also **NOTE:** To answer questions or increase their understanding, Employees are encouraged to discuss a particular situation with particular situations or concerns they have regarding violations or potential violations of this Code or any laws, regulations or policies or procedures with their Agency Ethics Officer, the MTA Chief Compliance Officer or the MTA Inspector General.

Section 1.06 No Reprisals/Whistle-Blowing

Employees who report violations or potential violations of this Code or any actual or potential violations of laws, regulations or policies and procedures will not be subjected to punitive sanctions, reprisals, or other penalties solely for reporting such violations. Employees who file an intentionally false report may be subject to appropriate disciplinary penalty, up to and including dismissal, as well as civil or criminal charges.

Section 1.07 Cooperation with Audits and Investigations

Employees must cooperate fully and honestly with audits and investigations conducted by the MTA Inspector General, New York State Ethics Commission on Public Integrity, Auditor General, Chief Compliance Officer, or other governmental agency. Failure to so cooperate will subject an Employee to appropriate disciplinary penalty, up to and including dismissal.

Chapter 2: Gifts, Awards and Honoraria

METROPOLITAN TRANSPORTATION AUTHORITY ALL AGENCY CODE OF ETHICS

Section 2.01 Gift Prohibition-Zero Tolerance

Employees are prohibited from soliciting or receiving Gifts, directly or indirectly, from any Prohibited Source. The defined term "Gift" does not include items of truly nominal value. (See definitions of "Gifts" and "Items of Nominal Value.")

However, Employees may accept Gifts from employees of a Prohibited Source if these Gifts are reflective of a personal relationship independent of the relationship between the Prohibited Source and the MTA. For example, if the sibling of an MTA Agency Employee worked for a Prohibited Source, the MTA Agency Employee could nonetheless accept a Gift that reflects this personal relationship. In addition, an Employee can accept a modest, reasonable, and customary offering on an extraordinary occasion, such as a wedding, retirement, or serious illness. A Gift shall not be considered representative of a personal relationship – and thus permissible – if the donor seeks to charge or deduct the value of the Gift as a business expense or seeks reimbursement from a Prohibited Source.

Employees are permitted to accept discounts or special offers from a Prohibited Source so long as those discounts or special offers are generally available to similarly situated employees of other public and private sector organizations. Examples of such permitted discounts and special offers are discounts on personal cell phone service.

Under no circumstances can an Employee accept an item, even an Item of Nominal Value, under circumstances in which it could be reasonably inferred that the item was intended to influence the Employee, or could reasonably be expected to influence the Employee, in the performance of the Employee's official duties or was intended as a reward for any official action on such Employee's part.

Reminders:

- (a) Employees should avoid accepting numerous items of nominal value from the same Prohibited Source because their aggregate value is likely to exceed the nominal threshold. The MTA and State Ethics Commission on Public Integrity will aggregate the value of items received from the same Prohibited Source in any 12-month period.
- (b) Accepting Gifts in connection with the performance of official duties from persons or entities other than Prohibited Sources could still be a violation of State law and this Code, if it could be reasonably inferred that the Gift was intended to influence the Employee, or could reasonably be expected to influence the Employee, in the performance of the Employee's official duties or was intended as a reward for any official action on such Employee's part.
- (c) Proof that an Employee was actually influenced by a Gift is not necessary for a finding of a violation of this Code or State Ethics Law.

METROPOLITAN TRANSPORTATION AUTHORITY ALL AGENCY CODE OF ETHICS

(d) Employees should use caution in accepting such items they believe are of nominal value because it may not always be easy to determine if an item is truly of nominal value.

(e) An Employee may not designate a friend, family member, or entity (such as a charity) to receive a Gift that the Employee would not be permitted to receive.

Examples:

(a) A Prohibited Source offers an Employee a briefbag with the Prohibited Source's logo embroidered on it. Because that briefbag, without such logo, would have a retail cost greater than nominal value of over \$10, the Employee is prohibited from accepting it, even if the Employee considers it valueless because of the logo.

(b) An Employee receives 10 coffee mugs valued at ~~\$2.50~~\$1.00 each within a 12-month period from the same Prohibited Source. Your total value received is ~~\$25.00~~\$10.00 and therefore you have received a Gift (the mugs) in excess of \$10 of greater than nominal value.

Common Gift Issues: It is not practical in a code of this type to describe all of the circumstances that might give rise to a prohibited Gift. The following are some of the situations that have come up in the past and are examples of Gift-related actions that are prohibited:

- (a) Any Solicitation or attempt to Solicit a job for a relative from a Prohibited Source, including a summer job; or
- (b) Any Solicitation or acceptance from a Prohibited Source of:
 - (1) tickets to a concert, play, sporting event, or show;
 - (2) a golf outing, a weekend trip, a vacation, use of a vacation home, or an airline ticket;
 - (3) individual discounts to Employees on goods or services (such as televisions, computers, clothing, home improvements, or car or appliance repairs).

Section 2.02 Monetary Gifts and Kickbacks

Gifts of money to an Employee from a Prohibited Source are prohibited regardless of amount and shall be **deemed to be a kickback or bribe** intended to influence the Employee in the performance of the Employee's official duties.

METROPOLITAN TRANSPORTATION AUTHORITY ALL AGENCY CODE OF ETHICS

Employees may not give or promise to give any portion of their compensation or any money or valuable thing to any person, nor shall any person accept any such money, or valuable thing, in connection with appointment, employment, promotion, assignment, or reassignment by an MTA Agency. Employees may not, directly or indirectly, make (or request that other Employees make) any contribution or pay any assessment in order to secure promotion, compensation, or to affect job status, duties, or functions, or in consideration of being appointed or employed at an MTA Agency.

Section 2.03 Tips

Employees are not permitted to accept tips or other gratuities in connection with the performance of their official duties unless:

- (1) the Employee is represented by a labor union; and
- (2) it has been customary in the past for MTA Agency Employees in the relevant job classification to receive tips in connection with the performance of their official duties; and
- (3) in the private sector it would be customary for an Employee in the equivalent job classification (such as a bartender) to receive tips as part of their income.

Section 2.04 Reporting Gift or Gift Offers

An Employee to whom a Gift is offered or given in violation of Section 2.01 above shall promptly report such offer or Gift to the applicable Agency Ethics Committee and, in the case where a Gift has been given, the Employee or Agency Ethics Committee shall promptly return the Gift to the person or entity giving the Gift with a copy of the MTA Gift return memorandum letter. A copy of the gift return letter should be sent to MTA's Chief Compliance Officer.

Section 2.05 Awards, Plaques and Honors

Awards and plaques publicly presented in recognition of an Employee's service to an MTA Agency or non-job-related public service may be accepted. Employees must notify and seek the approval of their Agency Ethics Committee prior to accepting an award, plaque, or honor presented by a Prohibited Source.

However, awards or plaques presented by a Prohibited Source in recognition of job-related MTA Agency service and valued at more than seventy-five dollars (\$75) shall become the property of the applicable MTA Agency. The MTA Agency's Ethics Committee can determine the disposition of the award or plaque.

Section 2.06 Honoraria

Employees must comply with the State Ethics Commission on Public Integrity's regulations pertaining to limitations on the receipt of honoraria from outside parties. An Employee cannot

METROPOLITAN TRANSPORTATION AUTHORITY ALL AGENCY CODE OF ETHICS

accept an honorarium for services related to his or her duties for the MTA. A detailed statement of all of the circumstances in which an Employee may accept an honorarium from a third party are set forth in Part 930 of the State Ethics Commission on Public Integrity's regulations. www.dos.state.ny.us/ethc/rules/part930.htm.

The following is a summary of the rules relating to honoraria.

Permitted Honoraria. An Employee may accept an honorarium under certain circumstances, including where the individual or organization offering the honorarium is not involved with the applicable MTA Agency in any context other than in ministerial matters.

Prohibited Honoraria. An honorarium to any Employee from any individual or organization that (i) does any business with the applicable MTA Agency, (ii) is regulated by the MTA Agency, (iii) is involved in litigation adverse to the MTA Agency, (iv) receives funds from the MTA Agency, or (v) lobbies before an MTA Agency, is prohibited.

Payment in Lieu of Honoraria. A payment in lieu of an honorarium that is offered for services related to an Employee's official duties cannot be accepted by the Employee and must be paid by the granting organization directly to the applicable MTA Agency.

Disclosure. Each year ~~every~~ the MTA Agency is required to file a report with the State Ethics Commission on Public Integrity, which lists honoraria received by its Employees. Therefore, every Employee who has received one or more honoraria during the reporting period must file a report with the Honoraria Disclosure Unit for their MTA Agency identified on Exhibit A hereto, using the form provided at Appendix B of this Code, as may be amended from time to time. Each Honorarium recipient must file with such Honoraria Disclosure Unit no later than April 15 of each year for the period April 1 of the previous year through March 31 of the current year. It is strongly encouraged, although not mandatory, that Employees who have been offered an honorarium obtain written approval in advance from their Department Head Ethics Officer in the form of a memorandum. Where prior approval was received, the Employee shall include a copy of the Department Head Ethics Officer's authorizing memorandum as an attachment to the annual report to the applicable Honoraria Disclosure Unit. Irrespective of whether approval was obtained in advance, however, any receipt of an honorarium must be reported to the applicable Honoraria Disclosure Unit.

Chapter 3: Prohibited-Source Sponsored Events, Receptions, and Meals

Section 3.01 Business Meals

In general, Employees are prohibited from accepting a meal from a Prohibited Source. However, an Employee may accept free **modest** meals or refreshments from a Prohibited Source under the following limited circumstances:

METROPOLITAN TRANSPORTATION AUTHORITY ALL AGENCY CODE OF ETHICS

- (a) in the course of and for the purpose of conducting MTA Agency business at a Prohibited Source's facility, when offered unexpectedly during a meeting which the Employee is attending for official reasons, or when offered at a company cafeteria or other company facility at the Prohibited Source's place of business and individual payment is **impractical**; or
- (b) when attending a seminar or conference in connection with an MTA Agency and meals or refreshments are provided to all participants.

An Employee may not accept a meal from a Prohibited Source outside of a Prohibited Source's facility (except at a seminar or conference as set forth in Section 3.01(~~a~~**b**) above). If an Employee has a meal with a Prohibited Source, the Employee shall pay the full value of such meal with his or her own funds with or without MTA Agency reimbursement.

Reminders: If you have a meal with a Prohibited Source and simply split the bill you may be in violation of this Code if you do not pay the full value of your meal. **It is prudent for Employees to obtain proof of payment because simply putting money on the table may not provide an adequate basis for proving that an Employee paid for his or her own meal. The better practice is to get a separate check and keep the receipt.**

Section 3.02 Educational Seminars

Employees are encouraged to continue to participate in events that will enhance their professional development. In certain professions, it is customary for Prohibited Sources, including companies that do business with the MTA, and industry groups, to sponsor lectures and continuing education seminars. Occasionally, such educational events are targeted to MTA Employees and do not include other similarly situated public or private sector employees. Employees may attend such educational events if attendance at the event would further the interests of the MTA Agency, if the event relates to the Employee's official duties, and if the invitation does not involve recreational activities such as golf, tennis, or cruises.

However, Employees who manage the Prohibited Source's work or are involved in the review/approval of payments to the Prohibited Source must consult with their Agency's Ethics' Officer before accepting professional continuing education credits.

Section 3.03 Attendance at Prohibited-Source/Industry-Sponsored Events and Receptions

Employees are encouraged to continue to participate in events that will enhance their professional development. Employees frequently receive complimentary invitations to Prohibited Source/industry groups sponsored events that include receptions or hospitality suites sponsored by a Prohibited Source/industry group. **Employees should evaluate any such invitations with caution.** Employees may attend complimentary Prohibited Source/industry-sponsored events, including receptions or hospitality suites only if **all** of the following conditions are met:

- (1) Attendance at the event would further the interests of the MTA Agency; **and**

METROPOLITAN TRANSPORTATION AUTHORITY ALL AGENCY CODE OF ETHICS

- (2) The event relates to the Employee's official duties; **and**,
- (3) There is broad participation and wide attendance at the event and the event is open and complimentary to members throughout a given industry or profession, or those in attendance represent a broad range of persons interested in the matter; **and**
- (4) Any reception or hospitality suite is open to all event attendees; **and**
- (5) The event does not include a formal sit-down meal or involve recreational activities such as golf, tennis, or cruises.

An Employee's travel expenses relating to attendance at an industry or Prohibited Source-sponsored event may not be reimbursed or paid for by the event sponsor or other Prohibited Source. (See Travel Reimbursement Section ~~3.07~~ 3.08.)

An Employee may attend a Prohibited Source-sponsored event at his or her own expense but the cost paid by the Employee shall be based on the price paid by the other paying attendees or if there is no admission fee required, then based on the actual cost to the sponsor. **It is prudent for Employees to obtain proof of payment.**

Section 3.04 Senior Management Attendance at Prohibited-Source Sponsored Events

The ~~Executive Director~~ Chair/Chief Executive Officer of MTA, the President of an MTA Agency, or their designee(s) may attend functions sponsored and paid for by Prohibited Sources when attendance is related and appropriate to that attendee's official duties or when the purpose of attendance is the performance of a ceremonial or other function that is appropriate to that attendee's official duties with their MTA Agency. The attendee shall provide advance written notice of such invitation to the MTA Chief Compliance Officer and their Agency's General Counsel.

~~Section 3.05~~ Attendance at Banquets, Galas and Fund-Raising Events

(a) Employees may purchase tickets using their own funds and may attend fund-raising and charitable events sponsored by Prohibited Sources on their own time, subject to compliance with the applicable provisions of the State Ethics Law, this Code, and any other applicable statutes, rules, regulations, policies, or procedures.

(b) Employees may attend fund-raising and charitable events with tickets purchased by an MTA Agency in compliance with the applicable policies and procedures relating to such purchases.

(c) Employees may not accept from any individual or firm, directly or indirectly, tickets to any banquet, gala, or fund-raising event by a Prohibited Source, if those tickets were subsidized or paid for directly or indirectly by the Prohibited Source including without limitation the Transit Museum

METROPOLITAN TRANSPORTATION AUTHORITY ALL AGENCY CODE OF ETHICS

Gala. Such tickets may not be donated by an individual or firm to an MTA Agency and then distributed to Employees of an MTA Agency.

Section 3.05 ~~Section 3.06~~ **Charitable or /Political Benefits and Contributions and Fundraising Activities**

Solicitation by Employees of charitable or political contributions from Prohibited Sources, including giving Prohibited Sources invitations to charitable or political functions or events, is prohibited.

Employees are prohibited from using the MTA's name, their official title, position or authority in any fundraising activity unless authorized by MTA's Chief Compliance Officer. Authorization maybe granted **only if** the fundraising is in furtherance of the MTA's mission and does not create an appearance of or any actual conflict of interest.

Employees may engage in fundraising in a personal capacity provided they do not use their title, position or authority to further their fundraising activities and do not personally solicit funds from a subordinate or from persons known to the employee to be a prohibited source.

Section 3.07 ~~Events Honoring an Employee~~

Prohibited Sources should only be invited to events honoring an Employee (such as an Employee retirement dinner or an event where the Employee is one of the honored guests) if they have a personal relationship with the honored Employee and there is no actual, implied, or apparent promise of benefit from accepting, or actual, implied, or apparent threat of retaliation from refusing, such invitation. Such invitations should be made with caution.

Section 3.06 ~~Section 3.08~~ **Reimbursement of Travel Expenses**

Under no circumstances shall an Employee accept reimbursement of travel expenses from a Prohibited Source.

However, Employees may accept reimbursement from government agencies for travel expenses related to the Employees' official duties at the applicable MTA Agency if the purpose of the travel benefits the MTA Agency in the conduct of its business and prior approval has been received in accordance with the procedures set by the applicable MTA Agency.

Reminder: All Employees must comply with the State Ethics Commission on Public Integrity's regulations pertaining to limitations on the reimbursement of travel expenses from outside parties. A detailed statement of all of the circumstances in which an Employee may accept reimbursement of travel expenses from a third party is set forth in Part 930 of the State Ethics Commission on Public Integrity's regulations.

www.dcs.state.ny.us/ethc/rules/part930.htm<http://www.dcs.state.ny.us/ethc/rules/part930.htm>

Chapter 4: Conflicts Of Interest, Other Employment and Political Activities

METROPOLITAN TRANSPORTATION AUTHORITY ALL AGENCY CODE OF ETHICS

Section 4.01 Conflicts of Interest

Employees shall not have any interest, financial or otherwise, direct or indirect, or engage in any business or transaction or professional activity or incur any obligation of any nature, which is or may be in conflict with the proper discharge of his or her duties. Employees must notify their

DRAFT 2009

METROPOLITAN TRANSPORTATION AUTHORITY ALL AGENCY CODE OF ETHICS

Ethics Committee regarding any possible conflict of interest.

Reminders:

- (a) If an Employee is uncertain as to whether a given situation creates a real or potential conflict of interest, such Employee should promptly disclose that situation to, and seek guidance from, his or her supervisor, Department Head, the applicable Agency Ethics Committee, or the applicable Agency law department MTA Chief Compliance Officer.
- (b) With respect to all work an Employee performs, such Employee must be vigilant about the existence of any circumstances, interests, or relationships which might create or might be reasonably perceived by others as constituting a conflict of interest. If an Employee is uncertain as to whether a given situation creates a real or potential conflict of interest, such Employee must promptly disclose that situation to, and seek guidance from, such Employee's supervisor, Department Head, applicable Agency Ethics Committee, or applicable Agency law department MTA Chief Compliance Officer. In order to avoid a conflict of interest or the appearance of one, it may be necessary for Employees to recuse themselves from involvement with a matter before an MTA Agency. Employees must adhere strictly to the conflict of interest guidance they receive from their supervisor, Department Head, applicable Agency Ethics Committee, or applicable Agency law department.

Example: It would be a conflict of interest if an Employee participated in a transaction involving an MTA Agency in which transaction the Employee or someone associated with the Employee (Family Member or by a Business or financial relationship) had, directly or indirectly, a financial or other private interest (other than a de minimis financial interest as discussed in Section 4.04 below).

Section 4.02 Public Trust

- (a) Employees shall not engage in a course of conduct that will raise suspicion among the public that they are likely to be engaged in acts that are in violation of the public trust. Employees shall avoid even the appearance that they can be improperly (1) influenced in the performance of their official duties or (2) induced to violate the public trust or impair their independence of judgment in the exercise of their official duties.

Example: An Employee's undisclosed social relationship with a Prohibited Source might create an impression of impropriety if the Employee were in a position to act favorably toward the Prohibited Source in an MTA Agency matter.

- (b) Employees shall not use or attempt to use their official position to secure unwarranted privileges or exemptions for themselves or others.

METROPOLITAN TRANSPORTATION AUTHORITY ALL AGENCY CODE OF ETHICS

- (c) Employees shall not by their conduct give reasonable basis for the impression that any person can improperly influence them or unduly enjoy their favor in the performance of their official duties, or that they are affected by the kinship, rank, position, or influence of any party or person.

Section 4.03 Confidential Information

Employees shall not disclose Confidential Information without the permission of the General Counsel of the MTA Agency at which such individual is employed for any purpose, or use such information to further their personal interests.

Section 4.04 Financial Interest

- (a) An Employee, or firm or association of which such Employee is a member, or corporation, ten per cent (10%) or more of the stock of which is owned or controlled directly or indirectly by such Employee, shall not (1) sell any goods or services having a value in excess of twenty-five dollars (\$25) to any New York State Agency, or (2) contract for or provide such goods or services with or to any private entity where the power to contract, appoint or retain on behalf of such private entity is exercised, directly or indirectly, by a New York State Agency or officer thereof, unless such goods or services are provided pursuant to an award or contract let after public notice and competitive bidding.

Exception: This restriction does not apply to the publication of resolutions, advertisements, or other legal propositions or notices in newspapers designated pursuant to law for such purpose and for which the rates are fixed pursuant to law.

- ~~(b) If any Employee has a financial interest, direct or indirect, having a value of ten thousand dollars (\$10,000) or more in any activity that is subject to the jurisdiction of a New York State regulatory agency, they should file with the Secretary of State a written statement that they have such a financial interest in such activity.~~ (c) Employees shall not knowingly engage in any transaction on behalf of an MTA Agency with any business entity in which they or a family member has a direct or indirect financial interest, excluding mutual funds, that might reasonably tend to conflict with the proper discharge of their official duties. These provisions may be waived if **both** the Head of the Agency's Procurement Department and the Agency General Counsel state in writing that it is in the best interests of the Agency to waive the provisions of Section 4.04(c).

In addition, NY CLS Pub A § 1211 makes it a misdemeanor offense for an Employee of NYCT to have any interest, direct or indirect, in any contract entered into by the Employee's Agency.

Section 4.05 Employees Engaged in Selection, Award and Administration of Contracts

- (a) Employees shall not participate in the selection, award, or administration of a contract if the Employee knows that he/she or any of his/her family members, his/her business partner, or an organization that employs or is about to employ any of the above, has a financial or other interest, other than mutual funds, in any of the companies, their parent company, its affiliates or

METROPOLITAN TRANSPORTATION AUTHORITY ALL AGENCY CODE OF ETHICS

subsidiaries ("the company") that propose or bid on or are awarded such contract. Except with respect to participation in matters in which an Employee's family members have a financial or other interest, which is absolutely barred by Executive Order No. 1 of 2007, the provisions of Section 4.05(a) may be waived if the Head of the Agency's Procurement Department, the Agency's General Counsel, and the Agency's Ethics Committee state in writing that it is in the best interests of the Agency to waive the provisions of this Section for a specific procurement or contract.

(b) If a waiver is granted, (1) the Employee engaged in the **award or selection** of a contract, shall not during the selection process and for two weeks after the award of the contract buy or sell any of the company's securities or (2) the Employee engaged in the **administration** of a contract shall not buy or sell any of the awarded company's securities for six months after the award of the contract.

(c) An Employee shall not buy or sell any of the company's securities based upon information received as a result of their employment with an MTA Agency or for two weeks after the public release of information by any MTA Agency regarding the company.

(d) For two years from the commencement of employment with an MTA Agency, an Employee shall not do either of the following in relation to the Employee's immediate past non-governmental employer: (1) participate in the selection or award of a contract in which a bidder or proposer is such immediate past employer; or (2) administer a contract awarded to such immediate past employer, unless the Employee has notified the Employee's Department Head in writing of the potential conflict and has received from such Department Head and the Agency's General Counsel a waiver stating that it is in the best interests of the applicable MTA Agency for such Employee to act in such a role. The Department Head and General Counsel must submit a copy of such waiver to the applicable Agency Ethics Committee.

(e) No MTA employee may ask a current or former contractor, or any officer, director or employee thereof, to disclose: (i) the party affiliation of such contractor, or any officer, director or employee thereof; (ii) whether such contractor, or any officer, director or employee thereof, has made campaign contributions to any party, elected official, or candidate for elective office; or (iii) whether such contractor, or any officer, director or employee thereof, cast a vote for or against any elected official, candidate or political party. No MTA employee may award or decline to award any contract, or recommend, promise or threaten to do so, in whole or in part, because of a current or prospective contractor's refusal to answer any inquiry regarding the above.

Section 4.06 Representation of Other Parties and Certain Appearances and Services

Employees shall not, directly or indirectly, act or appear on behalf of any individual, firm, or corporation, in any Business dealings with, or any matter against the interests of, an MTA Agency, or any other New York State Agency, other than as a fact witness. Employees of an MTA Agency are prohibited from appearing for compensation of any kind before a New York State Agency in connection with the purchase or sale of real estate, any rate-making proceeding, licensing, obtaining grants of money or loans, proceedings related to franchise(s), or the adoption or repeal of any rule having the force of law.

Exceptions

METROPOLITAN TRANSPORTATION AUTHORITY ALL AGENCY CODE OF ETHICS

(a) Employees may appear before an MTA Agency or any New York State Agency or tribunal (1) in a representative capacity on behalf of an Employee organization or association or (2) in connection with a ministerial matter, such as acting as a notary or translator.

(b) Uncompensated work by Employees for not-for-profit entities doing Business with the State or City is not automatically a conflict of interest if the Employee takes no part in such Business dealings and the entity in question is not subject to supervision, control, or regulation by an MTA Agency. For example, an Employee might serve, without fee, on the Board of a community or church-sponsored day-care center that receives State funds. In such a case, the Employee cannot communicate with the State concerning receipt of those funds.

Section 4.07 Other Employment and Outside Activities

Employees are prohibited from outside employment, business, professional, or other outside activity that interferes or is in conflict with the proper and effective discharge of the individual's official duties or responsibilities. Each MTA Agency requires that Employees devote appropriate time and attention to their employment with that agency. Full-time employment with an MTA Agency is deemed to be an Employee's primary employment. All Employees must be fit for duty during their work hours.

Outside employment may pose ethical issues if there is a conflict between the Employee's duties as an MTA Employee and the requirements of the outside employment.

MTA Employees who engage in outside employment must consult with their Agency's Human Resources Department to determine whether a dual employment policy exists at the employing Agency. Any such dual employment policies are not superseded by this Code of Ethics.

Employees of those MTA Agencies that do not have dual employment policies are required to notify their Agency's Human Resources Department of any outside employment.

Employees may engage in other employment provided that (1) such employment does not interfere with their ability to devote appropriate time and attention to their employment with their MTA Agency; (2) such employment does not violate the specific guidelines for other employment set by their MTA Agency; (3) they do not use any MTA Agency resources (e.g., time, equipment, telephone, etc.) in connection with such employment, and (4) for policy makers, they obtain the required approvals as set forth in the specific procedures for approval of other employment set by their MTA Agency. Employees in Policy-Making Positions shall not engage in any private employment, profession or Business or other outside activity, without the following prior approvals:

- (1) Annual compensation up to \$1,000—No approval required.

METROPOLITAN TRANSPORTATION AUTHORITY ALL AGENCY CODE OF ETHICS

- (2) Annual compensation in excess of \$1,000 to \$4,000—Approval by the applicable MTA Agency.

DRAFT 2009

METROPOLITAN TRANSPORTATION AUTHORITY ALL AGENCY CODE OF ETHICS

- (3) Annual compensation in excess of \$4,000—Approval by the applicable MTA Agency and State Ethics Commission on Public Integrity.

Remember:

- (a) These approvals are in addition to any approvals which may be required by your Agency.
- (b) Even if no approval is required for outside activities because the monetary thresholds have not been met, the Employee must comply with all conflict of interest rules and may not use any MTA Agency resources in connection with such activities.
- (c) Employees holding Policy-Making Positions are prohibited from serving as a director or officer of a Prohibited Source (including nonprofit organizations) or corporation or institution engaged in profit-making activities, without the prior approval of the applicable Agency Ethics Committee, which will seek Employees must also receive the approval of the State Ethics Commission on Public Integrity prior to serving as a director or officer of a corporation or institution engaged in profit-making activities.
- (d) Employees holding Policy-Making Positions who request approval from the State Ethics Commission on Public Integrity to engage in outside activities must file a written request with the Commission which contains the approval of the activity by the applicable MTA Agency. Each Agency Ethics Committee shall establish a form for requests of approval of such outside activity. The Agency Ethics Committee acts as the agent of the applicable MTA Agency in approving or disapproving such requests. The Agency Ethics Committee's disapproval is final.
- (e) ~~Employees holding Policy-Making Positions shall not hold any other public office or employment/office for which more than \$4000 in compensation is received or run as a candidate in any partisan election without the prior approval of the applicable MTA Agency and the State Ethics Commission on Public Integrity.~~

Section 4.08 Political Activities of Employees

- (a) An Employee interested in running for elective office shall give written notice of his or her intentions to the applicable Agency Ethics Committee, so that it may determine whether, and upon what conditions, the Employee would be permitted to seek elective public office.
- (b) Employees shall not conduct political activities during work hours. MTA Agency property, including, without limitation, telephone, copy machines, computers, and other MTA Agency equipment, vehicles, office space, and services may not be used for political activities under any circumstances.

METROPOLITAN TRANSPORTATION AUTHORITY ALL AGENCY CODE OF ETHICS

(c) Employees are prohibited from using federal funds for partisan political purposes of any kind in the administration of MTA Agency programs, either directly or through individuals or organizations with whom the MTA Agency contracts.

(d) Employees shall not use their positions or influence for the purpose of interfering with or affecting the result of an election ~~for nomination for office~~. No Employee shall, directly or indirectly, use his or her official authority to compel or induce any other employee or state official to make or promise to make any political contribution, whether by gift of money, service or other thing of value.

(e) Employees holding Policy-Making Positions shall not serve as: (1) officers of any political party or political organization; (2) members of any political party committee, including political party district leaders or as members of a political party national committee. "Political organization" means any organization affiliated with a political party but does not include a judicial nominating committee, an organization supporting a particular cause with no partisan activities, a campaign or fundraising committee, or serving as a delegate to a state or national part convention.

(f) Consistent with this Code, Employees are otherwise free to participate in the political process on their own time, but there must be a clear separation between their political activities and the discharge of their duties as Employees of an MTA Agency.

(g) No MTA employee may during the consideration of an employment decision ask any applicant to disclose: (i) their political party affiliation; (ii) whether they made campaign contributions to any party, elected official or candidate for elective office; or (iii) whether the applicant cast a vote for or against any elected official, candidate or political party. The provisions of this paragraph shall not apply where such inquiry is necessary for the proper application of any state law or regulation.

No MTA employee may decline to hire or promote, discharge, discipline, or in any manner change the official rank or compensation of any employee, or applicant for employment, or promise or threaten to do so, based upon a refusal to answer any inquiry prohibited by this section or for giving or withholding or neglecting to make any contribution of money or service or any other valuable thing for any political purpose.

(h) The MTA's Chairman and Chief Executive Officer and Agency Presidents shall not seek nomination or election to any compensated federal, state or local public office, or shall become a candidate for such office, unless such individual first resigns from his or her employment, or requests and is granted a leave of absence without pay, such resignation or leave must commence before such individual engages in any campaign activities, including but not limited to, announcing a candidacy, circulating petitions, soliciting contributions, distributing literature, or taking any other action to actively promote oneself as a candidate for elective office.

Section 4.09 — Executive Order 127

METROPOLITAN TRANSPORTATION AUTHORITY ALL AGENCY CODE OF ETHICS

Executive Order 127 was rescinded and revoked on June 13, 2006. Employees should consult the Procurement Director or General Counsel for their Agency regarding application of the Omnibus Lobbying Reform Act of 2005, which addresses, among other things, requirements regarding persons and organizations contacting MTA Agencies about procurement and real estate transactions.

Chapter 5: Future Employment

Section 5.01 Restrictions on Future Employment -- Purpose

Employment with an MTA Agency restricts to a degree the type of employment one may accept upon leaving an MTA Agency. These restrictions are based upon statutory requirements. Both this Code and applicable statutes seek to discourage actual conflicts of interest and conduct from which reasonable inferences may be drawn that Employees of an MTA Agency might not have been loyally serving such MTA Agency's interests during their employment or, thereafter, might be taking undue advantage of inside information or positioning derived from their former employment with an MTA Agency.

Section 5.02 Restrictions on Future Employment -- Limited and Lifetime Bars

(a) Two-Year Bar

No former Employee shall, within two (2) years after termination of employment with an MTA Agency, appear before such agency or receive compensation for, or render compensated services on behalf of, any person, firm, corporation, or association in relation to any case, proceeding or application or any other matter before such MTA Agency.

METROPOLITAN TRANSPORTATION AUTHORITY ALL AGENCY CODE OF ETHICS

(b) Lifetime Bar

No former Employee shall ever appear, practice, communicate, or otherwise render any services or receive compensation for such services rendered before an MTA Agency or any New York State Agency for, or on behalf of, any person, firm, corporation, or other entity in relation to any case, proceeding, or transaction with respect to which such person was directly concerned and in which he or she personally participated during the period of service or employment, or which was under their active consideration. The definition of what constitutes "ever appear, practice, communicate or otherwise render any services" is given a broad interpretation by the State Ethics Commission on Public

Integrity. Employees should contact their Ethics Officer or the State Ethics Commission on Public Integrity regarding this definition before rendering any such service.

Exceptions:

- (a) These restrictions on future employment do not apply to subsequent services rendered in an official capacity as an elected official or an Employee of another governmental entity.
- (b) The Agency may seek a waiver with respect to a former Employee pursuant to Public Officer Law Section 73 if the Employee has expertise, knowledge, or experience with respect to a particular matter that meets the needs of the agency and is otherwise unavailable at a comparable cost.
- (c) The Agency may seek a waiver with respect to a former Employee pursuant to Public Officer Law Section 73 if the services of such former officer or Employee are required in connection with the agency's response to a disaster emergency declared by the governor pursuant to section twenty-eight of the Executive Law.

Reminders:

- (a) For purposes of the post-employment bars, certain Employees, particularly those at MTA Headquarters, may be considered to be Employees of multiple MTA Agencies based on the scope of their job responsibilities. For clarification of their particular circumstances, the Employees may seek guidance from their former ~~General Counsel~~ Ethics Officer, MTA Corporate Compliance or the State Ethics Commission on Public Integrity.
- (b) The State Ethics Commission on Public Integrity may not consider not-for-profit entities in the transportation field and certain quasi-governmental organizations as governmental entities for purposes of the exception noted above and employment at such entities may be subject to the post-employment bars described above.

METROPOLITAN TRANSPORTATION AUTHORITY ALL AGENCY CODE OF ETHICS

The following are examples of the application of the two-year and lifetime bars:

Example 1: A former Construction Manager in the Department of Capital Program Management at New York City Transit (NYCT) may not, within two years after termination of NYCT employment, render services on behalf of a contractor in connection with any Business the contractor has with NYCT.

Example 2: No former Metro-North Employee, for a period of two years subsequent to his or her termination from employment (including retirement) may contract with Metro-North as a consultant to perform services of any kind on behalf of Metro-North, unless MNR has obtained a waiver from the State Ethics Commission on Public Integrity as set forth above.

Example 3: A former procurement representative in the procurement department at LIRR who was directly concerned with, or was responsible for, the negotiation of a contract during his or her LIRR employment may never appear before an MTA Agency or any other New York State Agency or render services on behalf of any outside person or firm, such as a contractor or subcontractor with regard to that contract, including but not limited to, the preparation or evaluation of claims, or the negotiations of change orders, relating to the contract.

Section 5.03 Negotiations for Future Employment

(a) Solicited

MTA Employees are prohibited from soliciting an employment opportunity with a non-governmental individual or entity that has a specific pending matter before the Employee.

Those Employees seeking employment outside of government with an entity or individual that has a specific pending matter before the Employee may only solicit an employment opportunity with the non-governmental individual or entity after waiting:

- (a) 30 days from the time the matter before the Employee is closed, or
- (b) 30 days from the time the Employee has no further involvement with the matter because of recusal or reassignment.

(b) Unsolicited

MTA Employees who receive an unsolicited post-government employment-related communication from a non-governmental individual or entity that has a specific pending matter before the Employee cannot pursue employment with the non-governmental entity or individual unless the following occurs:

METROPOLITAN TRANSPORTATION AUTHORITY ALL AGENCY CODE OF ETHICS

- (a) they recuse themselves from the matter and any further official contact with the entity or individual and
- (b) they wait 30 days from such recusal to enter into post-government employment communications with the entity or individual.

(c) Notification

MTA Employees must promptly notify their supervisor and Agency ethics officer of such outside employment related communications whether or not they intend to pursue the post-government employment opportunity.

In the event of such notification of a solicitation and Employee's desire to pursue the solicitation, the Employee's supervisor is obligated to advise such supervisor's superiors, in writing, up to and including the Department Head, of the Employee's desire to pursue the solicitation and the managers intention to establish recusal procedures, if practical, to reassign the individual or to refuse reassignment.

(d) Recusal

Recusal procedures shall be applied only if practical and in the best interests of the applicable MTA Agency. Reassignment shall be refused when the manager determines that reassignment would be impractical or inappropriate. The manager may not take action with respect to notifying the Employee of such manager's decision until approved by the Department Head. If recusal procedures are not practical and in the best interests of the applicable MTA Agency or if reassignment is refused, the Employee is prohibited from pursuing the solicitation.

Exception: This provision does not apply to employment negotiations with other government agencies.

Remember: The higher the level of responsibility which an Employee holds within an MTA Agency, the greater the number of matters which are likely to be deemed as specific pending matters before him or her. Employees should take an expansive view as to the existence of possible conflicts when deciding whether to give notice as described in this Section.

The following are examples of the application of the employment negotiation procedures:

Example 1: A Deputy Vice President in the Department of Capital Program Management at NYCT who receives an unsolicited job offer from

METROPOLITAN TRANSPORTATION AUTHORITY ALL AGENCY CODE OF ETHICS

a Prohibited Source with specific pending matters before such Employee may not negotiate for such position without full compliance with the notice, approval and recusal procedures set forth above.

Example 2: A manager at LIRR whose duties include procurement is approached by a firm which he or she has a specific pending matter and told "if you ever decide to leave the LIRR we have a place for you in our firm." The LIRR manager must notify his or her supervisor and ethics officer of this conversation because it would be considered a communication intended to solicit employment.

Section 5.04 Notice of Future Employment Restrictions

An employee who provides notice of leaving service at an MTA Agency, either by retirement or resignation, or whose employment is terminated, will receive a memorandum summarizing the future-employment restrictions of the Ethics Law and of this Code. All Employees in management and non-represented titles and Employees in certain represented titles designated by the applicable MTA Agency may be required to sign a certification stating that the policies outlined in the memorandum have been complied with, and to state the name of a new employer, if applicable.

Exception: From time to time, the Future-Employment restrictions have been legislatively modified to permit exceptions to these policies when Employees are laid off. An Employee in such a position should consult with the applicable Agency Ethics Committee if there is a question of whether such exceptions are in force.

METROPOLITAN TRANSPORTATION AUTHORITY ALL AGENCY CODE OF ETHICS

Chapter 6: Financial Disclosure

Section 6.01 Covered Employees

Employees must file an Annual Statement of Financial Disclosure if such Employee:

- (a) Has a gross salary within the preceding calendar year that exceeded the annual salary of state employees at the SG-24 job rate as of April 1 of the year in which the Annual Statement of Financial Disclosure is to be filed, unless specifically exempted in accordance with the State Ethics in Government Act; or
- (b) Regardless of income, holds a Policy-Making Position.

Notes:

- (a) ~~The State Ethics Commission on Public Integrity~~ is required to make Annual Statement of Financial Disclosures available to the public upon request, except as to values and amounts, and except to the extent the reporting individual has obtained a ruling from the ~~State Ethics Commission on Public Integrity~~ preventing or limiting public disclosure.
- (b) Each MTA Agency shall establish a list of Employees in Policy-Making Positions and shall, during February of each year, notify the ~~State Ethics Commission on Public Integrity~~ of the identity of all such titles and persons required to file Annual Statement of Financial Disclosures with the Commission. Procedures shall also be established for identifying to the ~~State Ethics Commission on Public Integrity~~ all Employees newly subject to the filing requirements by reason of having assumed Policy-Making Positions. The ~~State Ethics Commission on Public Integrity~~ may be asked to render advisory opinions or issue guidelines for such determinations.
- (c) The Annual Statement of Financial Disclosure solicits various items of information concerning the finances and employment of the Employee, the Employee's spouse, and unemancipated children.

Exceptions:

- (a) Non-policy making Employees, or their bargaining or other representatives, may request that the ~~State Ethics Commission on Public Integrity~~ grant exemptions, either in whole or in part, from the reporting requirements. Appeals from denials of such an exemption are to be made to the ~~State Ethics Commission on Public Integrity~~.
- (b) Employees who are required to file an Annual Statement of Financial Disclosure based on their gross salary but do not hold Policy-Making Positions may be entitled to an

METROPOLITAN TRANSPORTATION AUTHORITY ALL AGENCY CODE OF ETHICS

exemption from the financial disclosure requirements, on the grounds that the public interest does not require disclosure and that the Employee is not involved with the discretionary, Business, or regulatory activities of the applicable MTA Agency.

(c) Employees may seek an exemption from any requirement to report one or more items of information pertaining to the financial status of their spouse or unemancipated child. An Employee may also request deletion of portions of information called for on the Annual Statement of Financial Disclosure form that could otherwise be publicly disclosed. Grounds supporting such requests are that the spouse or child (where applicable) objects to providing the information necessary to make such disclosure and that such information would have no material bearing on the discharge of the reporting Employee's duties.

Section 6.02 Dates for Filing and Related Penalties

(a) Employees required to file pursuant to Section 6.01 must file their Annual Statement of Financial Disclosures by May 15th of each year, **or within thirty (30) days of a covered Employee's appointment or promotion**, whichever is later. An Employee may indicate with respect to any item of the Annual Statement of Financial Disclosure that information with respect thereto is lacking and will be supplied in a supplemental statement to be filed no later than the seventh (7th) day following the date to which that Employee could have received an automatic extension to file their income tax returns for that year. The State Ethics Commission on Public Integrity may also grant hardship applications.

(b) If an Employee fails to file the Annual Statement of Financial Disclosure or omits relevant information, he or she shall be subject to discipline, up to and including denial of discretionary salary increases ~~dismissal~~. In addition, criminal or civil penalties may be imposed as set forth in Chapter 9 below.

Chapter 7: Books And Records

Section 7.01 Accuracy and Completeness of Financial Records

(a) Employees who are involved in the preparation of the MTA Agency's financial records must ensure that the accounting and financial records of their MTA Agency meet the highest standards of accuracy and completeness. Reporting accurate and complete information about the MTA Agency's financial condition is an essential responsibility of all Employees.

(b) If you have reason to believe that any of the MTA Agency's financial records are not being maintained in an accurate or complete manner, you are expected to report this immediately to your General Counsel's Office, your Agency's Chief Financial Officer, the Auditor General, or the Chief Compliance Officer.

Section 7.02 Financial Statements And Accounts

METROPOLITAN TRANSPORTATION AUTHORITY ALL AGENCY CODE OF ETHICS

Employees who are involved in the preparation of the MTA Agency's financial statements must do so according to generally accepted accounting principles and other applicable accounting standards and rules, so that the statements fairly and completely reflect the operations and financial condition of the MTA Agency.

Chapter 8: Other Ethics Issues

Section 8.01 Nepotism

It is the policy of the MTA Agencies to ensure that all job opportunities at MTA Agencies are based on merit and qualifications. Employees are prohibited from participating in any hiring or employment decision relating to a family member. If a hiring or employment matter arises relating to a family member, then the employee must advise his or her supervisor of the relationship, and must be recused from any and all discussions or decisions relating to the matter. There will be no preferential treatment for family members of current Employees and/or union officials.

MTA Agencies ~~also cannot permit~~ must ensure that contracting opportunities ~~to be~~ based only on ~~other than~~ merit and qualifications. There will be no preferential treatment for family members of current or former Employees and/or union officials. Employees are prohibited from taking part in any contracting decision: (i) relating to a family member; or (ii) relating to any entity in which either they or a family member is an officer, director or partner, or in which a family member owns or controls 10% or more of the stock (or 1% or more if in the case of a corporation whose stock is regularly traded on an established securities exchange) of such entity. If a contracting matter arises relating to a family member, then the employee must advise his or her supervisor of the relationship, and must be recused from any and all discussions or decisions relating to the matter.

An MTA Employee can not participate in any decision to invest MTA funds in any security of any entity in which that employee or any relative of that employee has a financial interest, is an underwriter, or receives any brokerage, origination or servicing fees

MTA Employees should consult with their Agency's Human Resources Department to determine their Agency's policy for avoiding Nepotism. Any such avoidance of Nepotism policy must be consistent with this Section of the Code and Executive Order No. 1 issued by Governor Eliot Spitzer on January 1, 2007.

Section 8.02 Business Relationships between Employees

MTA managers and supervisors are prohibited from hiring MTA Employees that they directly or indirectly supervise or manage to work for or with them as full-time, part-time, or temporary employees or as consultants in any outside business entity.

Section 8.03 Financial Transactions between Employees

METROPOLITAN TRANSPORTATION AUTHORITY ALL AGENCY CODE OF ETHICS

MTA managers and supervisors are prohibited from engaging in financial transactions with MTA Employees that they directly or indirectly supervise or manage. MTA managers and supervisors may not obtain or use or attempt to use the credit of any MTA Employee that they directly or indirectly supervise or manage as applicant, maker, co-signer, or endorser of any credit instrument in any connection with a loan or similar transaction.

DRAFT 2009

METROPOLITAN TRANSPORTATION AUTHORITY ALL AGENCY CODE OF ETHICS

Section 8.04 Prohibition Against the Use of MTA Property

MTA supplies, equipment, computers, personnel and other resources may not be utilized for non-governmental purposes, including for personal purposes or for outside activities of any kind except as may be specifically authorized herein:

- a) Official stationery may not be used for non-governmental purposes, nor may MTA resources be used to mail personal correspondence. The designation "personal" on MTA Agency stationery means only that the contents are meant for the personal viewing of the addressee and not that the sender is acting unofficially. All letters and other written materials printed on such official stationery are considered official, and thus the designation "unofficial" has no meaning and may not be used.
- b) Under no circumstances may MTA mail, postage, internal office mail, or inter-city couriers be used for non-governmental purposes.
- c) MTA telephones may not be used for non-governmental long-distance calls, except for toll-free calls, collect calls, and calls billed to a personal telephone number. MTA telephones may be used for incidental and necessary personal local calls that are of limited number and duration and do not conflict with the proper exercise of the duties of the MTA employee.
- d) MTA computers may be used for incidental and necessary personal purposes, such as sending personal electronic mail messages, provided that such use is in a limited amount and duration and does not conflict with the proper exercise of the duties of the MTA employee.
- e) MTA vehicles shall be used for official business or incidental use associated with official business away from an employee's official work station. Individuals who are authorized by their Agency to use a vehicle for personal purposes shall keep records of such use, and the value of such personal use shall be calculated and reported as personal income to such individual for tax purposes.

Any Agency policy regarding use of MTA property must be consistent with or more restrictive than this Section of the Code.

METROPOLITAN TRANSPORTATION AUTHORITY ALL AGENCY CODE OF ETHICS

Chapter 9: Discipline/Penalty for Violation of this Code or State Ethics Laws

Section 9.01 General

Employees who violate any provision of the State Ethics Laws or of this Code may be subject to disciplinary action consistent with that administered for violations of the rules and regulations of the applicable MTA Agency, including the denial of discretionary salary increases, reprimand, suspension, or up to and including termination.

METROPOLITAN TRANSPORTATION AUTHORITY ALL AGENCY CODE OF ETHICS

Section 9.02 Civil Penalties

A violation of Public Officers Law Sections 73(2), (3), (4), (5), (7), (8), (12), and Sections 73-a, may result in the ~~State Ethics Commission~~ Commission on Public Integrity imposing a civil penalty of up to ~~ten~~ forty thousand dollars ~~(\$10,000)~~ 40,000 and the value of any gift, compensation, or benefit received as a result of such violation. These sections include but are not limited to prohibitions concerning gifts, future employment, and financial interests in MTA contracts as well as obligations in connection with the filing of Annual Statements of Financial Disclosure.

A violation of Public Officers Law Sections 74, may result in the Commission on Public Integrity imposing a civil penalty of up to ten thousand dollars (\$10,000) and the value of any gift, compensation, or benefit received as a result of such violation.

Section 9.03 Criminal Penalties

A violation of Public Officers Law Section 73(2), (3), (4), (5), (7), (8), (12), and Section 73-a, may result, in lieu of civil penalties, the ~~State Ethics Commission~~ Commission on Public Integrity referring the violation to the New York State Attorney General or local prosecutor for criminal prosecution as a Class A misdemeanor, punishable by imprisonment for up to one year and a fine up to one thousand dollars (\$1,000).

METROPOLITAN TRANSPORTATION AUTHORITY ALL AGENCY CODE OF ETHICS

APPENDIX A: Contact Information for each Agency's Honoraria Disclosure Unit

MTA Headquarters

~~Lamond Kearse~~

~~646-252-1329~~

Michael Amrick

212-878-7422

MTA New York City Transit

Barbara Jansen

347-643-8101

MTA Long Island Rail Road

John Curcio

718-558-8297

MTA Long Island Bus

John Mallios

516-542-0100 x4430

MTA Metro-North Railroad

Richard Bernard

212-340-4933

MTA Bridges and Tunnels

Catherine Sweeney

646-252-7421

MTA Capital Construction

Anthony D'Amico

646-252-4200

MTA Bus Company

~~William Bennett~~

~~212-878-0352~~

Cheryl Hartell

516-542-0100 x4429

To obtain a current list, you can call the Helpline at 888-U-ASK MTA or go to the MTA Intranet Home Page and click Compliance.

METROPOLITAN TRANSPORTATION AUTHORITY ALL AGENCY CODE OF ETHICS

APPENDIX B: Form for Annual Report of Receipt of Honoraria

ANNUAL REPORT OF HONORARIUM

Employee's Name _____

Title _____

Department/Division _____

Office Phone _____

Source of Honoraria	Date Received	Nature of Activity	Description of Event	Location of Activity	Amount Received
Madison Avenue Baseball Group	1/1/05	Speech on Baseball Trivia	Annual Baseball Conference	Cooperstown, NY	\$500

If you need additional space, complete and sign a separate Annual Report of Honorarium form. Separate forms must be attached and submitted at the time.

- The above organizations do not do business with my Agency
- The service was not part of my individual duties
- Service was performed on other than work time or was charged to accrued leave

METROPOLITAN TRANSPORTATION AUTHORITY ALL AGENCY CODE OF ETHICS

- Agency resources were not used to prepare or deliver service
- My Agency did not reimburse my travel expenses

Employee Signature _____ Date: _____

This form can be obtained from your Agency's Honoraria Disclosure Unit or the MTAHQ Intranet Home Page by clicking on the word Compliance and following the links:

EXPIRED 2009

METROPOLITAN TRANSPORTATION AUTHORITY ALL AGENCY CODE OF ETHICS

APPENDIX C: AGENCY ETHICS COMMITTEE CONTACT INFORMATION

MTA Headquarters

Lamond Kearsce
646-252-1329

MTA New York City Transit

David Goldenberg
718-694-5454

MTA Long Island Rail Road

John Curcio
718-558-8297

MTA Long Island Bus

Cheryl Hartell
516-542-0100 x4429

MTA Metro-North Railroad

Richard ~~Bernard~~ Bernard Seth Cummins
212-340-4933

MTA Bridges and Tunnels

Bob O'Brien
646-252-7617

MTA Capital Construction

Veronique Hakim
646-252-4274

MTA Bus Company

~~Helene Fromm~~
~~212-878-0252~~
Cheryl Hartell
516-542-0100 x4429

To obtain a current list you can call the Helpline at 888 U ASK MTA or go to the MTA Intranet Home Page and click Compliance.

METROPOLITAN TRANSPORTATION AUTHORITY ALL AGENCY CODE OF ETHICS

APPENDIX D: CONSANGUINITY OR AFFINITY CHART

CONSANGUINITY AND AFFINITY RELATIONSHIP CHART

MTA Employee					
Consanguinity (includes individuals related to the MTA Employee)			Affinity (Includes the MTA Employee's Spouse and individuals related to the Spouse)		
First Degree	Second Degree	Third Degree	First Degree	Second Degree	Third Degree
Father or Mother	Grandparents	Great Grandparents	Spouse	Grandparents	Great Grandparents
Son or Daughter (& Spouse)	Grandchildren (& Spouse)	Great Grandchildren (& Spouse)	Father or Mother	Grand Children	Great Grandchildren
	Uncle or Aunt (& Spouse)	Great Uncle or Aunt (& Spouse)	Son or Daughter	Uncle or Aunt	Great Uncle or Aunt
	First Cousin (& Spouse)	Children of Great Uncle or Aunt (& Spouse)		First Cousin	Children of Great Uncle or Aunt
	Nephew or Niece (& Spouse)	Second Cousin (& Spouse)		Nephew or Niece	Second Cousin
	Brother or Sister (& Spouse)	Children of First Cousin (& Spouse)		Brother or Sister	Children of First Cousin
		Grand Nephew or Niece (& Spouse)			Grand Nephew or Niece

MTA Employee is the starting point from which all degrees of relationship are calculated.

METROPOLITAN TRANSPORTATION AUTHORITY ALL AGENCY CODE OF ETHICS

~~Under the Degrees of Consanguinity, where Spouse is indicated, the relationship of the spouse is in the same degree as that of the person related by consanguinity, but the spouse is related only by affinity.~~

DRAFT 2009

Document comparison by Workshare Professional on Wednesday, December 02, 2009
1:21:48 PM

Input:	
Document 1 ID	file:///K:/PROJECT FILES/Code of Ethics Project/2009 Revisions/All Agency Code/2007 All Agency Code of Ethics Rev8 .doc
Description	2007 All Agency Code of Ethics Rev8
Document 2 ID	file:///K:/PROJECT FILES/Code of Ethics Project/2009 Revisions/All Agency Code/2009 All Agency Code of Ethics Revision 23.doc
Description	2009 All Agency Code of Ethics Revision 23
Rendering set	Standard

Legend:	
Insertion	
Deletion	
Moved from	
Moved to	
Style change	
Format change	
Moved/deletion	
Inserted cell	
Deleted cell	
Moved cell	
Split/Merged cell	
Padding cell	

Statistics:	
	Count
Insertions	195
Deletions	182
Moved from	2
Moved to	2
Style change	0
Format changed	0
Total changes	381

SUMMARY

2009 Substantive Revisions: Board Member Code of Ethics

- The definition for Family was revised to remove the explanatory chart. The definition as revised generally tracks the definition for relative contained in Public Officers Law § 73(1) (m).
- The definition of gift was revised by removing the benchmark of \$10 as to what constitutes nominal value. The Commission on Public Integrity does not define nominal value as a monetary amount but rather as items of “insignificant value, as for example, a regular cup of coffee or a soft drink.”
- Section 4.06 was revised pursuant to Governor Paterson’s Executive Order No. 7 of 2008, which prohibits a Board Member from making or offering to make any monetary contribution to the campaign of the Governor, or to any political campaign committee organized by or for the specific benefit of the Governor. In addition no Board Member may request or demand that any other person make or offer to make any monetary contribution to the campaign of the Governor, or to any political campaign committee organized by or for the specific benefit of the Governor.



Metropolitan Transportation Authority

BOARD MEMBERS'

CODE OF ETHICS

COMMITMENT
INTEGRITY

ACCOUNTABILITY

~~INTEGRITY~~
COMPLIANCE

TRANSPARENCY

Adopted by the Board ~~March 2007~~ December
2009

METROPOLITAN TRANSPORTATION AUTHORITY BOARD CODE OF ETHICS

As Board Members of the MTA, we have been entrusted with the responsibility of overseeing the operation of an organization that serves more than 2.4 billion people on its subways, buses and railroads and almost 300 million people on its bridges and tunnels each year. The MTA is committed to fostering a climate of transparency and the highest ethical standards in its operations and in its dealings with the public. In accordance with the Public Authorities Accountability Act of 2005, the MTA Board is required to adopt a Board Member Code of Ethics that reflects these goals. The Board Member Code of Ethics is intended to provide guidance with respect to applicable laws and standards governing ethical conduct and help Board Members recognize and deal with ethical issues that they may confront in their capacity as Board Members.

The principal source of most New York State law governing the ethical conduct of Board Members is Section 74 of the Public Officers Law of the State of New York, which establishes certain rules with respect to conflicts of interest. Copies of this statute are available from the ~~State Ethics~~ Commission on Public Integrity directly (www.nyethics.com) or from the MTA Compliance Department. Under this section, no Board Member “should have any interest, financial or otherwise, direct or indirect, or engage in any business or transaction or professional activity or incur any obligation of any nature, which is in substantial conflict with the proper discharge of his duties in the public interest.”

Board Members are encouraged to bring questions about particular circumstances that may implicate the State Ethics Law or one or more of the provisions of this Code to me or to either the MTA General Counsel or the Chief Compliance Officer.

Each MTA Board Member brings his or her unique personal experiences and perspectives to bear in making official decisions on behalf of the MTA as a whole. We have a duty to exhibit high standards of integrity and commitment in the performance of our official duties. I am proud of the tremendous progress that MTA has made in improving its corporate governance practices, and this Board Member Code of Ethics reaffirms and memorializes MTA’s commitment to the highest ethical standards in the manner in which it conducts its official business.

~~Peter S. Kalikow~~

Jay H. Walder

Chairman and Chief Executive Officer

Chapter 1: DEFINITIONS/STRUCTURE

Section 1.01

Definitions

As used in this Code, capitalized terms, except where it is clear by the context that another meaning is intended, shall have the following meanings:

Annual Statement of Financial Disclosure means the financial disclosure statement required to be filed with the ~~State Ethics Commission~~ on Public Integrity by certain public employees and board members under the State Ethics in Government Act, Public Officers Law Section 73-a.

Board Member means the Chairman or any of the individuals appointed to serve as a Member of the Board, both voting and non-voting, of the Metropolitan Transportation Authority. All Board Members also serve *ex officio* as members of MTA New York City Transit, Manhattan and Bronx Surface Transit Operating Authority, MTA Long Island Rail Road, MTA Metro-North Railroad, MTA Long Island Bus, MTA Bus Company, MTA Capital Construction Company, the Staten Island Rapid Transit Operating Authority, the First Mutual Transportation Assurance Company, MTA Bridges and Tunnels, and all future affiliated or subsidiary entities of the MTA. All of such entities are hereinafter collectively referred to as the MTA.

Business means any activity, paid or unpaid, by a Board Member or any individual, firm, company, corporation or other entity, wherein the goal or objective is obtaining monetary income or other things of value or operating an enterprise. Such activity may be for profit or not-for-profit.

Code means this MTA Board Member Code of Ethics.

Confidential Information means information whether or not set forth in writing that is available to a Board Member only because of such Member's position and which is treated by the MTA as being confidential or which the Board Member has reason to believe is confidential. Information does not have to be formally labeled "confidential" to be confidential. Confidential information includes information disclosed during an executive session of the MTA Board.

Compensation means any money, thing of value or financial benefit conferred, directly or indirectly, in whatever form, in return for services rendered or to be rendered. With regard to matters undertaken by a firm, corporation or association, compensation shall mean net revenues, as defined in accordance with generally accepted accounting principles.

METROPOLITAN TRANSPORTATION AUTHORITY BOARD CODE OF ETHICS

Employment means performance of services, for or on behalf of any entity or individual, to obtain economic or other material benefit.

Family Member means any person living in the same household as an MTA ~~Employee~~**Board Member**, domestic partner, and any person ~~related to the Employee within the third degree of consanguinity or affinity. See attached chart. (See Appendix A)~~who is a direct descendant of that MTA Board Member's Grandparents or the spouse of such descendant.

Fundraising means the raising of funds for an organization through solicitation of funds or sale of items or participation in the conduct of an event.

Gift means the transfer, without equivalent consideration, of any thing or benefit, tangible or intangible, having more than nominal value, including, but not limited to, loans, forbearance, services, travel, gratuities of any kind, favors, money, meals, refreshments, entertainment, hospitality, promises, tickets to entertainment or sporting events, weekend trips, golf outings, loans of equipment, or other thing or benefit. (See definition of "Items of Nominal Value" below.)

Items of Nominal Value means items such as mugs, key rings, calendars, pens and the like that are of minimal value unless such items are being given under circumstances where it reasonably can be inferred that such item was intended to influence the Board Member in the performance of such Board Member's official duties. ~~A general benchmark is that an item of nominal value will have a retail value of less than ten dollars (\$10).~~ For purposes of determining the value of an item of nominal value, the ~~State Ethics Commission~~on Public Integrity has advised that the value is not reduced by virtue of it being embossed or otherwise marked with a company logo, identification, or advertising.

New York State Agency means any New York State department, or division, board, commission, or bureau of any state department, any public benefit corporation, public authority, or commission at least one of whose members is appointed by the Governor, or the State University of New York, or the City University of New York, including all their constituent units except community colleges of the State University of New York and the independent institutions operating statutory or contract colleges on behalf of the State. All MTA Agencies are New York State Agencies for purposes of this Code.

Participation in the Conduct of an Event means active and visible participation in the promotion production or presentation of the event and includes serving as honorary chairperson or committee member or sitting at the head table during the event. The term does not mean the mere attendance at the event, provided the Board Member's attendance is not being used by the non-profit to promote the event.

Prohibited Source means:

- (a) a Vendor, including any person or non-governmental seller of goods or services, bidder, proposer, consultant, contractor, trade, contractor or industry association, or any other person/entity with which the MTA is doing business, as well as those persons and business entities who have expressed an interest in doing business with the MTA, or who have a history of doing business with the MTA in the recent past;
- (b) a tenant or licensee of the MTA; and
- (c) another individual or non-governmental entity who, on its own behalf or on behalf of another non-governmental entity: (1) is regulated by the MTA, (2) appears before the MTA on other than ministerial matters, (3) lobbies or attempts to influence the MTA's procurements or positions on legislation or regulation, (4) is involved in litigation adverse to the MTA and no final order has been issued, or (5) has received or applied for funds from the MTA within the preceding year.

Representative Capacity means the representation of the interests of a client or other person pursuant to an agreement express or implied, for compensation for services

Regulatory agency shall mean the banking department, insurance department, state liquor authority, department of agriculture and markets, department of education, department of environmental conservation, department of health, division of housing and community renewal, department of state (other than the division of corporations and state records), department of public service, the industrial board of appeals in the department of labor and the department of law (other than when the attorney general or his agents or employees are performing duties specified in Section Sixty-Three of the Executive Law such as investigation, prosecution and defense of actions in which the State is interested).

Solicitation means any request, invitation, or suggestion (oral or written) made under circumstances where it reasonably could be concluded that the individual or entity receiving same is being asked to, or is expected to, comply with a request, invitation, or suggestion.

~~State Ethics~~ **Commission on Public Integrity** means the Commission established within the New York Department of State under Section 94 of the New York Executive Law.

State Ethics Law means New York Public Officers Law Section 74 and the rules and regulations promulgated there under as may be amended or modified by the New York State Legislature.

Section 1.02 Training

Under the Public Authorities Accountability Act of 2005, all new Board Members are required to participate in an orientation program to familiarize new members with their legal, fiduciary, financial, and ethical responsibilities. Existing Board Members are required to participate in continuing education regarding their ethical and fiduciary obligations.

Section 1.03 Ethics & Financial Disclosure Questions

All Board members are required to complete the Annual Statement of Financial Disclosure. Questions concerning the Annual Statement of Financial Disclosure may be directed to the Chairman, the MTA General Counsel, or the MTA Chief Compliance Officer, who may direct you to the New York State Ethics Commission on Public Integrity.

Any questions regarding this Code may be directed to the Chairman or to the MTA General Counsel, or the MTA Chief Compliance Officer. Any general question regarding the State Ethics Law may also be directed to the New York State Ethics Commission on Public Integrity.

The ~~State Ethics~~ Commission on Public Integrity website contains numerous guidance and reference documents. ~~http://www.ethics.ny.gov/ethic/ethic.html~~. The ~~State Ethics~~ Commission on Public Integrity can provide guidance on specific issues, often by phone, and otherwise by rendering written informal and formal opinions.

Chapter 2: DUTIES

Section 2.01 Confidentiality

The State Ethics Law requires Board Members to maintain the confidentiality of Confidential Information entrusted to them by the MTA and any other confidential information about the MTA that comes to them, from whatever source, in their capacity as Board Members, except when disclosure is authorized or legally mandated. A Board Member shall not use Confidential Information to further his or her own interest. Board Members are expected to maintain this confidentiality both while Board Members and after their services to the MTA have ended.

Section 2.02 Compliance with Laws, Rules and Regulations

Board Members shall comply with all applicable laws, rules and regulations applicable to the MTA.

Section 2.03 Encouraging The Reporting ~~Of~~ Any Illegal ~~Or~~ Unethical Behavior

Board Members shall encourage ethical behavior and take steps to ensure that the MTA: (a) encourages Employees to report violations of laws, rules, regulations or the MTA's Code of Ethics to appropriate personnel; and (b) encourages Employees to talk to supervisors, managers and other appropriate personnel when in doubt about the best course of action in a particular situation.

Section 2.04 Duty to Disclose

Board Members shall promptly report any violation or possible violation of this Code, as well as any actual or potential violation of laws, regulations, or policies and procedures to the Chairman or the Chairman of the Audit Committee.

Section 2.05 Corporate Directorships or Board Memberships

In order to protect against conflicts of interest in violation of the State Ethics Law, Board Members should inform the Chairman or the Chairman of the Audit Committee prior to accepting a position as a director, officer, or board member of a corporation or charitable organization. The Chairman or Chairman of the Audit Committee, as the case may be, may direct the Chief Compliance Officer, as needed, to review the business of the company or organization to determine whether a conflict of interest exists between the MTA and the Company and to advise, as necessary, on steps to address any such conflict.

Section 2.06 Law Firm and Other Professional Association

The State Ethics Law provides that Board members are not permitted to accept other employment that will impair the independence of judgment in the exercise of their official duties. Accordingly, Board Members should inform the Chairman or the Chairman of the Audit Committee prior to affiliating with a law firm, accounting firm or other business that provides services to the MTA. The Chairman or Chairman of the Audit Committee, as the case may be, may direct the Chief Compliance Officer, as needed, to determine whether a conflict of interest exists between the MTA and the Company and to advise, as necessary, on steps to address any such conflict.

Chapter 3: GIFTS, EVENTS, RECEPTIONS, AND MEALS

Section 3.01 Gifts

The State Ethics Law provides that Board members should not by their conduct give reasonable basis for the impression that any person can improperly influence them or enjoy their favor in the performance of their official duties. In the Code of Ethics applicable to its employees, MTA has adopted a zero-tolerance policy for Gifts as has the State Governor, in

issuing Executive Order No. 1 of 2007. The defined term "Gift" does not include items of truly nominal value. (See definitions of "Gifts" and "Items of Nominal Value"). Board members are required to adhere to the zero-tolerance policy on gifts, as contained in the MTA Code of Ethics ~~and Executive Order No. 1 of 2007.~~

As is the case with employees, Board Members may accept Gifts from employees of a Prohibited Source if these Gifts are reflective of a personal relationship independent of the relationship between the Prohibited Source and the MTA.

Section 3.02 Reporting Gift or Gift Offers

A Board Member to whom a Gift is offered or given arising out of his or her affiliation with MTA shall promptly report such offer or Gift either to the Chairman or to the Chairman of the Audit Committee. Board Members should promptly return Gifts to the person or entity giving the Gift.

Section 3.03 Business Meals

It is possible that Board Members may receive invitations for business meals from Prohibited Sources. To the extent that those invitations arise out of the Board Member's affiliation with MTA, such invitations should be viewed with caution because acceptance of such invitations may create the impression that they can be improperly influenced in the performance of their official duties. Board Members may accept free, modest meals in the course of and for the purpose of conducting MTA Agency business at a Prohibited Source's facility or when attending a seminar or conference in connection with MTA business and meals or refreshments are provided to all participants.

Section 3.04 Awards, Plaques and Honors

Awards and plaques publicly presented in recognition of a Board Member's service to the MTA may be accepted. However, Board Members should notify the Chairman or the Chairman of the Audit Committee prior to accepting such an award, plaque, or honor presented by a Prohibited Source. The Board Member or their designee(s) may attend functions sponsored and paid for by Prohibited Sources when attendance is related and appropriate to that attendee's official duties or when the purpose of attendance is the performance of a ceremonial or other function that is appropriate to that attendee's official duties with their MTA Agency. In such cases, however, the Board Member shall provide advance written notice of such invitation to the Chairman or to the Chairman of the Audit Committee.

Chapter 4: CONFLICTS OF INTEREST

Section 4.01 Financial or Business Interest

In order to preserve independence of judgment in the exercise of their official duties, Board Members shall not have any interest, financial or otherwise, direct or indirect, or engage in any business or transaction or professional activity or incur any obligation of any nature, or accept any non-governmental employment, which is in substantial conflict with the proper discharge of the Board Member's duties in the public interest.

Section 4.02 Unwarranted Privileges

Board Members shall not use or attempt to use their official position to secure unwarranted privileges or exemption for the Board Member or others.

Section 4.03 Undue Influence

Board Members' conduct should not give reasonable basis for the impression that any person can improperly influence the Board Member or unduly enjoy the Board Member's favor in the performance of the Board Member's official duties, or that the Board Member is affected by the kinship, rank, position or influence of any party or person.

Section 4.04 Course of Conduct

Board Members should endeavor to pursue a course of conduct which will not raise suspicion among the public that they are likely to be engaged in acts that are in violation of the Board Members' trust.

Section 4.05 Recusal/Conflict of Interest

Board Members must not only avoid conflicts of interest with the MTA but also even the appearance of a conflict. If a Board Member believes he or she has an actual or potential conflict of interest with the MTA on a particular matter, or if the Board Member becomes aware that he or she has an actual or potential conflict of interest on a particular matter during a Committee or Board meeting, the Board Member shall promptly notify the Chairman of the Board or the Chairman of the Committee and shall immediately recuse themselves from further consideration of or action on such matter.

NOTE: **Recusal** requires that the Board Member not participate in any discussion, decision or vote by the Board or Committee that in any way relates to the matter that gives rise to the conflict of interest. Whenever practicable, the Board Member must leave the Board room until any discussion about the matter that gives rise to the conflict of interest has concluded.

Section 4.06 Financial Interest

No Board Member or firm or association of which such Board Member is a member, or corporation, ten per cent or more of the stock of which is owned or controlled directly or indirectly by such Board Member, shall sell any goods or services to the MTA, unless such goods or services are provided pursuant to an award of contract after public notice and competitive bidding or after a competitive request for proposal process. For the purposes of this paragraph, the term "services" shall not include employment as an employee.

This paragraph shall not preclude a firm, association or corporation from selling goods or services to the MTA if the interested Board Member did not participate in any way on behalf of any party in the bidding, solicitation or negotiation process, does not share in the net revenues derived from that sale and does not participate in the decision to award the contract.

Except as permitted above, no Board Member shall be in any way or any manner interested, directly or indirectly, in any contract made by the MTA.

No Board Member, pursuant to Paterson Executive Order No. 7, may make or offer to make any monetary contribution to the campaign of the Governor, or to any political campaign committee organized by or for the specific benefit of the Governor.

No Board Member may request or demand that any other person make or offer to make any monetary contribution to the campaign of the Governor, or to any political campaign committee organized by or for the specific benefit of the Governor.

Section 4.07 Compensation

No Board Members, other than in the proper discharge of official duties as a Board Member of the MTA or as an officer or employee of a federal, state or local government or agency, shall receive, directly or indirectly, or enter into any agreement, express or implied, for any compensation for the appearance or rendition of services by the Board Member or another in relation to any case, proceeding, application or other matter before the MTA..

A Board Member who is a member, associate, retired member, of counsel to, or shareholder of, any firm, association or corporation which is appearing or rendering services, with or without compensation, in connection with any matter before, or transacting any business with, the MTA shall not communicate as to the merits of such cause with an officer (including another Board Member) or employee of the MTA, without first disclosing the nature and extent of his or her interest in the matter before, or business being transacted with, the MTA.

Section 4.08 Appearance before MTA

A Board Member may appear before the MTA (i) in a representative capacity on behalf of an employee organization, a federal, state or local government or agency, or a transportation advocacy organization or (ii) in connection with a ministerial action.

Section 4.09 Nepotism in Hiring and Contracting

No person who has served as a Board Member shall take part in any hiring or employment decision relating to a family member. If such matter arises the Board Member must notify the Chairman and recuse themselves from any discussions or decisions related to that matter.

No person who has served as a Board Member shall take part in any contracting decision: (1) relating to a family member: or (2) relating to any entity in which a family member is an officer, director or partner, or in which a family member owns or controls 10% or more of the stock of such entity. If such matter arises the Board Member must notify the Chairman and recuse themselves from any discussions or decisions related to that matter

Section 4.010 Prohibition Against the Use of MTA Property

MTA supplies, equipment, computers, personnel and other resources may not be utilized for non-governmental purposes, including for personal purposes or for outside activities of any kind. This prohibition includes but is not limited to the following:

- a) Official stationery may not be used for non-governmental purposes, nor may MTA resources be used to mail personal correspondence. The designation "personal" on MTA stationery means only that the contents are meant for the personal viewing of the addressee and not that the sender is acting unofficially. All letters and other written materials printed on such official stationery are considered official, and thus the designation "unofficial" has no meaning and may not be used.
- b) Under no circumstances may MTA mail, postage, internal office mail, or inter-city couriers be used for non-governmental purposes.
- c) MTA telephones may not be used for non-governmental long-distance calls, except for toll-free calls, collect calls, and calls billed to a personal telephone number. MTA telephones may be used for incidental and necessary personal local calls that are of limited number and duration and do not conflict with the proper exercise of the duties of the MTA Board Member.
- d) MTA computers may be used for incidental and necessary personal purposes, such as sending personal electronic mail messages, provided that such use is in a limited amount and duration and does not conflict with the proper exercise of the duties of the MTA Board Member

- c) No Board Member shall use the MTA's name, their official title, position or authority in any fundraising activity unless authorized by MTA's Chief Compliance Officer. Authorization may be granted only if the fundraising is in furtherance of the MTA's mission and does not create an appearance of or any actual conflict of interest. A Board Member may engage in fundraising in a personal capacity provided they do not use their title, position or authority to further their fundraising activities and do not personally solicit funds from MTA employees or from persons known to the Board Member to be a prohibited source.

Chapter 5: POST BOARD SERVICE RESTRICTIONS

Section 5.01 Two-Year Post Service Bar

No person who has served as a Board Member shall, within a period of two years after the termination of such service, appear or practice before the MTA or receive compensation for any services rendered by such former Board Member on behalf of any person or any non-governmental firm, corporation, association or other entity in relation to any case, proceeding or application or other matter before the MTA.

Section 5.02 Lifetime Bar

No person who has served as a Board Member shall, after the termination of such service, appear, practice, communicate or otherwise render services before the MTA or receive compensation for any such services rendered by such former, Board Member on behalf of any person or any non-governmental firm, corporation, association or other entity in relation to any case, proceeding, application or transaction with respect to which such person was directly and personally concerned during the period of his or her service.

Exception: The restrictions contained in this paragraph shall not apply to any appearance, practice, communication or rendition of services before the MTA, or to the receipt of compensation for any such services rendered by a former Board Member, which is made while carrying out official duties as an elected official or employee of a federal, state or local government or one of its agencies.

Section 5.03 Waiver of Post Service Bar

To the extent permitted by law, nothing contained in this Code shall be construed or applied to prohibit the MTA, at any time, from contracting with or hiring any former Board Member to provide services to the MTA for a specific matter in circumstances in which contracting with or hiring such former Board Member would be in the public interest due to such former Board Member's specialized knowledge of the matter and the efficient and cost-effective results that contracting with or hiring such former Board Member would produce.

APPENDIX A: CONSANGUINITY OR AFFINITY CHART

CONSANGUINITY AND AFFINITY RELATIONSHIP CHART

MTA Board Member					
Consanguinity (includes individuals related to the MTA Board Member)			Affinity (Includes the MTA Board Member's Spouse and individuals related to the Spouse)		
First Degree	Second Degree	Third Degree	First Degree	Second Degree	Third Degree
Father or Mother	Grandparents	Great-Grandparents	Spouse	Grandparents	Great-Grandparents
Son or Daughter (& Spouse)	Grandchildren (& Spouse)	Great Grandchildren (& Spouse)	Father or Mother	Grand-Children	Great-Grandchildren
	Uncle or Aunt (& Spouse)	Great Uncle or Aunt (& Spouse)	Son or Daughter	Uncle or Aunt	Great Uncle or Aunt
	First Cousin (& Spouse)	Children of Great Uncle or Aunt (& Spouse)		First Cousin	Children of Great Uncle or Aunt
	Nephew or Niece (& Spouse)	Second Cousin (& Spouse)		Nephew or Niece	Second Cousin
	Brother or Sister (& Spouse)	Children of First Cousin (& Spouse)		Brother or Sister	Children of First Cousin
		Grand Nephew or Niece (& Spouse)			Grand Nephew or Niece

MTA Board Member is the starting point from which all degrees of relationship are calculated.

Under the Degrees of Consanguinity, where Spouse is indicated, the relationship of the spouse is in the same degree as that of the person related by consanguinity, but the spouse is related only by affinity.

Pages 95-98 intentionally omitted

Pages 95-98 intentionally omitted

Staff Summary

Subject Revisions Governance Guidelines
Department Corporate Compliance
Department Head Name Lamond W. Kearse
Department Head Signature
Project Manager Name N/A

Date DECEMBER 2, 2009
Vendor Name N/A
Contract Number N/A
Contract Manager Name N/A
Table of Contents Ref # N/A

Board Action					
Order	To	Date	Approval	Info	Other
1	Corporate Governance	12/9/09	X		
2	Board	12/16/09	X		

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

Narrative

Purpose: To seek Board approval of the proposed revisions to the MTA Governance Guidelines.

Discussion: On May 6, 2009, the New York State legislature enacted S 5451 and A 8180, commonly referred to as the MTA Rescue legislation (the "Legislation"), which was subsequently signed into law by Governor Paterson as Chapter 25 of the Laws of 2009. Part II of the Legislation amended, among other things, certain sections of the Public Authorities Law addressing the role and responsibilities of the MTA Chairman. Revisions to the Governance Guidelines are proposed to conform to the Legislation.

A copy of the revised Governance Guidelines along with a redline version is included in the materials provided to the Board.

Recommendation: That the Board adopt the proposed revisions to the Governance Guidelines.

METROPOLITAN TRANSPORTATION AUTHORITY

GOVERNANCE GUIDELINES

The following mission statement and governance guidelines, as amended, have been recommended by the Governance Committee and approved by the Chairman and a majority of the members of the MTA Board and, along with the laws of the State of New York, the MTA By-laws, the by-laws of certain MTA subsidiaries and component units, and the charters and key practices of certain Committee of the Board, provide the framework for the governance of the MTA and its subsidiaries and component units. The Chairman and the Governance Committee will review these guidelines and other aspects of MTA governance annually or more often if deemed necessary.

Adopted by the Board on December 16, 2009

**Prepared by
MTA Corporate Compliance**



Metropolitan Transportation Authority

New York City Transit
Long Island Rail Road
Long Island Bus
Metro-North Railroad
Bridges and Tunnels
Capital Construction
Bus Company

The Mission of the Metropolitan Transportation Authority

The Metropolitan Transportation Authority ("MTA") is the public benefit corporation of the State of New York responsible for an integrated mass transportation system for the City of New York and Dutchess, Nassau, Orange, Putnam, Rockland, Suffolk and Westchester counties. The statutory purposes set forth in the MTA enabling act are:

"the continuance, further development and improvement of commuter transportation and other services related thereto within the metropolitan commuter transportation district, including but not limited to such transportation by railroad, omnibus, marine and air, in accordance with the provisions of this title. It shall be the further purpose of the authority, consistent with its status as the ex officio board of both the New York city transit authority and the triborough bridge and tunnel authority, to develop and implement a unified mass transportation policy for such district." (Public Authorities Law §1264(1))

These Governance Guidelines apply to MTA and the other public benefit corporations under common control of MTA (collectively with MTA, the "MTA Agencies"). The MTA Agencies consist of:

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

Governance Guidelines

1. Functions of the MTA ChairChairman/Chief Executive Officer.

(a) The ChairChairman of the MTA shall be primarily responsible for (a) providing leadership to the MTA Board in performing oversight of the Authority's Executive Director and other senior management in the effective and ethical management of the MTA Agencies's integrated mass transportation system, and (b) coordinating the development and approval by the Board of long-term strategy for the maintenance and expansion of that system, with the assistance of the Executive Director. The Chairman, inter alia, convenes and presides over Board meetings, establishes Board committees and appoints committee members and chairs, and shall serve as the principal liaison between MTA management and the Board.

(b) The Chairman, pursuant to statute, is the chief executive officer of the Authority and shall have responsibility to discharge the executive and administrative functions and powers of the Authority. In discharging the executive and administrative functions and powers of the Authority, the Chairman shall, inter alia, be responsible for (i) managing the day-to-day operations of the MTA's integrated mass transportation system, (ii) coordinating the development and approval by the Board of long term strategy for the maintenance and expansion of that system, (iii) overseeing and providing appropriate direction to the President of each of the MTA's constituent Agencies and (iv) appointing, disciplining, and removing officers or employees.

2. **Functions of the MTA Board.** The Board shall meet no less than 11 times a year at which the Board shall review and discuss reports by management on the performance of the MTA, its plans and prospects, as well as immediate issues facing the MTA. Board members are expected to attend all scheduled meetings of the Board and meetings of Committees on which they serve. The entire Board shall be responsible for the general oversight of the Authority's ~~Executive Director and other~~ senior management in furtherance of the effective and ethical management of the entire MTA, as required by law. In addition to this general responsibility, the entire Board (with the assistance of Committees of the Board as appropriate) shall also perform a number of specific functions, including

(a) ~~appointing, evaluating and compensating the Executive Director;~~

(a) ~~(b)-providing counsel and oversight on the selection, evaluation, development and compensation of senior management but subject to the provisions of 3(a)-~~
"Functions of Senior Management - Executive Director". When determining compensation for the Chairman/Chief Executive Officer, the Board, as required by law, shall act without the participation of the Chairman/Chief Executive Officer;

(b) ~~(c)-reviewing, approving and monitoring fundamental financial and business strategies and major actions, including fundamental financial and management controls;~~

(c) ~~(d)-assessing major risks facing the MTA and reviewing options for the mitigation of these risks; and~~

(d) ~~(e)-ensuring processes are in place for maintaining the integrity of the MTA, including the integrity of the financial statements of the MTA (and the financial statements of the MTA subsidiaries or component units that are required by law to issue separate financial statements), the integrity of the MTA's compliance with law and ethics (including by adopting and updating codes of ethics applicable to MTA directors, officers and employees that at a minimum incorporate the standards established in section seventy-four of the Public Officers Law), the integrity of the MTA's relationships with customers~~

and suppliers, and the integrity of the MTA's relationship with the public at large.

- (e) ~~(f)~~—establishing written policies and procedures on personnel including policies protecting employees from retaliation for disclosing information concerning acts of wrongdoing, misconduct, malfeasance, or other inappropriate behavior by an employee or board member of the authority; investments; travel; the acquisition of real property; the disposition of real and personal property; and the procurement of goods and services; and
- (f) ~~(g)~~—adopting a defense and indemnification policy and disclose such plan to any and all prospective board members.

3. **Functions of Senior Management**

- (a) ~~**Executive Director.** The Executive Director of the MTA shall serve as the chief executive officer of the Authority and shall have responsibility to discharge the executive and administrative functions and powers of the Authority. In discharging the executive and administrative functions and powers of the Authority, the Executive Director shall, inter alia, be responsible for (i) managing the day-to-day operations of the MTA's integrated mass transportation system, (ii) assisting the Chair in coordinating the development and approval by the Board of long term strategy for the maintenance and expansion of that system, (iii) overseeing and providing appropriate direction to the President of each of the MTA's constituent authorities and (iv) appointing, disciplining, and removing officers or employees.~~

- 3. ~~(b) **Agency Presidents.** Functions of Senior Management: The Chairman/Chief Executive Officer serves ex officio as the chair and chief executive officer of each of affiliated and subsidiary MTA Agencies and is responsible for appointing such other officials and employees (including, in his or her discretion, an Executive Director) as he or she determines is necessary and appropriate. These other officials and employees serve under the direction and at the pleasure of the Chairman/Chief Executive Officer. The Presidents of the MTA's constituent authorities Agencies, pursuant to the direction of the Chairman/Chief Executive Officer, are primarily responsible for the general management and operations of such constituent authorities. Agencies.~~

- 4. **Committees of the Board.** The Chairman has established the following Committees to assist him and the Board in discharging their responsibilities: (1) the Audit Committee; (2) the Committee on Finance; (3) the Committee on Operations of the New York City Transit Authority, the Manhattan and Bronx Surface Transit Operating Authority and the Staten Island Rapid Transit Operating Authority (which is also responsible for the MTA Bus Company); (4) the Committee on Operations of the Long Island Rail Road and the Metropolitan Suburban Bus Authority; (5) the Committee on Operations of the Metro-North Commuter Railroad; (6) the Committee on Operations of the Triborough Bridge and Tunnel Authority; (7) the Committee on Capital Program Oversight; (8) the Capital

Construction, Planning, and Real Estate Committee; (9) the Safety and Security Committee; (10) the Diversity Committee, and (11) the Corporate Governance Committee. The current charters and key practices of these Committees shall be maintained on the MTA website. The Committees may hold meetings in conjunction with the entire Board, as appropriate.

5. **Self-Evaluation Assessment.** The Board, as a whole, and each of the Committees, individually, will perform an annual self-evaluation ~~assessment~~. The Board will be requested to provide their assessments of the effectiveness of the Board, as a whole, and of the Committees on which they serve. The individual assessments will be organized and summarized for discussion with the Board and the Committees.
6. **Setting Agendas for Meetings of the Board.** The Chairman, ~~in consultation with the Executive Director,~~ shall be responsible for the agenda of the Board meetings. ~~At each meeting~~ Upon the request of the Board ~~Chairman, one~~ Chairman, ~~an~~ one Agency President shall report to the Board regarding that Agency's operations, finances, and performance (with specific reference to the benchmarks established by the ~~Executive Director~~ for that Agency) since the last time such Agency President reported to a meeting of the Board. ~~At the December meeting of the Board, the Chairman shall set forth a schedule of reports to be made by the Agency Presidents, such that each Agency President shall make a report to a meeting of the Board approximately one time every 7 months.~~ The Chairman, or Committee chair as appropriate, in consultation with the ~~Executive Director~~ Chairman, shall determine the nature and extent of information that shall be provided regularly to Board members before each scheduled Board or Committee meeting. Committee chairs shall report to the entire Board for approval the matters discussed or recommended at Committee meetings as appropriate. Board members are urged to make suggestions for agenda items, or additional pre-meeting materials, to the ~~Executive Director, the Chairman,~~ or the appropriate Committee chair at any time.
7. **Ethics and Conflicts of Interest.** The Chairman, Board members, ~~as well as the Executive Director~~ and the other officers and employees of the MTA are expected to act ethically at all times, to acknowledge their adherence to the policies comprising the MTA All-Agency and MTA Board Members Codes of Ethics and to comply in all respects with the Codes of Ethics. If an actual or potential conflict of interest arises for an MTA Board Member, the MTA Member shall promptly inform the Chairman ~~and the Executive Director~~. All Board members will recuse themselves from any discussion or decision affecting their personal or commercial interests. Other than in such instances where jurisdiction over a conflict matter lies with the New York State Commission on Public Integrity, the Board shall resolve any unresolved conflict of interest question involving the Chairman, a Vice Chairman, an MTA Member, the ~~Executive Director, the Auditor General, or an Agency President,~~ and the ~~Executive Director~~ Chairman shall resolve any unresolved conflict of interest issue involving any other officer of the MTA. If a significant conflict exists and cannot be resolved, the MTA Board Member should resign.
8. **Oversight of Significant MTA Policies.** The Board shall ensure that the MTA has policies addressing significant issues, and shall regularly review and, as appropriate,

suggest changes or additions to, all such statements of significant MTA policy. Each statement of a significant MTA policy should be published in an accessible manner.

9. **Access of Senior Management to the Board.** ~~The Executive Director and senior~~Senior management are encouraged to, from time to time, bring managers into meetings of the Board who (a) can provide additional insight into the items being discussed because of personal involvement in these areas, an/or (b) are managers with future potential that the senior management believes should be given exposure to the Board.
10. **Access to Independent Advisors.** The Board or any Committee thereof shall have the right at any time to retain independent outside financial, legal or other advisors.
11. **MTA Member Orientation.** Each new MTA Board member shall, within three months of appointment as an MTA Board member, spend a day at MTA headquarters for personal briefing by the Chairman, ~~Executive Director~~ and other senior management on the MTA's strategic plans, its financial statements, and its key policies and practices. In addition, within one year of appointment, each new MTA Board member must participate in State-approved training regarding their legal, fiduciary, financial and ethical responsibilities. The ~~Chief Executive Director~~Officer, the MTA General Counsel and Chief Compliance Officer shall be responsible for providing additional orientation materials and programs for new Board members, as appropriate. MTA Board members shall participate in such continuing training as may be required to remain informed of best practices, regulatory and statutory changes relating to the effective oversight of the management and financial activities of the MTA and to adhere to the highest standards.

Document comparison done by DeltaView on Wednesday, December 09, 2009 7:49:26 AM

Input:	
Document 1	WORLD\DOX://S:\LEGAL\corporat\CBLUE\CAB0804.DOC
Document 2	WORLD\DOX://S:\LEGAL\corporat\CBLUE\CAB0803.DOC
Rendering set	Standard

Legend:	
<u>Insertion</u>	
Deletion	
Moved from	
<u>Moved to</u>	
Style change	
Format change	
Moved deletion	
Inserted cell	
Deleted cell	
Moved cell	
Split/Merged cell	
Padding cell	

Statistics:	
	Count
Insertions	51
Deletions	42
Moved from	6
Moved to	6
Style change	0
Format changed	0
Total changes	105

Staff Summary



Subject						Date			
Revisions to the MTA By-Laws						December 16, 2009			
Department						Vendor Name			
General Counsel						N/A			
Department Head Name						Contract Number			
James Henly						N/A			
Department Head Signature						Contract Manager Name			
						N/A			
Project Manager Name						Table of Contents Ref #			
N/A									
Board Action									
Order	To	Date	Approval	Info	Other	Order	Approval	Order	Approval
1	Corporate Governance					2	Chief Compliance Officer		
2	Board					1	Legal		

Narrative

Purpose: To seek Board approval of proposed revisions to the MTA By-laws.

Discussion: On May 6, 2009, the New York State legislature enacted S 5451 and A 8180, commonly referred to as the MTA Rescue legislation (the "Legislation"), which was subsequently signed into law by Governor Paterson as Chapter 25 of the Laws of 2009. Part H of the Legislation amended, among other things, certain sections of the Public Authorities Law addressing the role and responsibilities of the MTA Chairman. Amendments to the MTA By-laws are proposed to conform to the Legislation. Other revisions, such as allowing email notice to board members of a special meeting and the process for approving indemnification of the chairman or other employees of the MTA reflect existing MTA practices and procedures. A copy of the By-laws with the proposed revisions marked and annotated to explain the changes is included in the materials provided to board members.

Recommendation: That the Board adopt the proposed revisions to the MTA By-laws.

BY-LAWS METROPOLITAN TRANSPORTATION AUTHORITY

ARTICLE 1. OFFICES

The principal office of the Metropolitan Transportation Authority (the "Authority") shall be located in the City of New York, County of New York. The Authority may have such other offices as the board may designate or as the business of the Authority may require from time to time.

ARTICLE II. THE BOARD

Section 1. General Affairs. The business and affairs of the Authority shall be managed by its board.

Section 2. Number, Tenure and Qualifications. The Authority ("the board" or "the board of the Authority") as used herein shall consist of all of those persons who from time to time hold office as chairman or members of the Metropolitan Transportation Authority pursuant to §1263 of the Public Authorities Law of the State of New York. Each member shall hold office for the term established by law and until his successor shall have been appointed and qualified. Members shall meet all requirements of law respecting their qualification for office.

Section 3. Regular Meetings. A regular meeting of the board shall be held without other notice than these by-laws at 9:30 A.M. on the fourth Wednesday of each month except that there shall be no regular meeting in the month of August and except that in the months of November and December the regular meetings shall be held on the third Wednesday of the month. The board may provide by resolution for the time and place for the holding of additional regular meetings without other notice than such resolution. The chairman may adjust the date and time of any regular meeting by written notice provided to members at least forty-eight hours prior to such adjusted date and time. Such written notice shall be provided to members by the same means required by Section 4(b) of Article II of these by-Laws for delivery of notice to members of special meetings.¹

Section 4. Special Meetings. (a) Special meetings of the board may be called by the chairman or, in his or her absence or in case of his or her disability, a vice chairman. In addition, a ~~Special Meetings~~special meeting of the board shall be called by the secretary or in his or her absence by an assistant secretary upon the request of any two members. The person or persons authorized to call special meetings of the board may fix the time and any place within the City of

¹ Occasions have arisen in the past where the time or date of a regular meeting has been adjusted by the Chairman with notice. The by-laws should more explicitly provide for such inevitable adjustments.

Version approved by Board
as of 4/26/06 and read against
Board Book version

Rev'd 11-02-09

New York as the place for holding any special meeting of the board called or requested by them.

(b) Written notice of each special meeting shall be given by the chairman or secretary or by an assistant secretary, specifying the time and place of the meeting. Such notice shall be addressed to the respective members at such address as each member notifies at the member's postal address on record with the Authority is his official address for the receipt of such notices and shall be deposited in the post office and deposited with the U.S. Postal Service at least forty-eight hours prior to the time fixed for such meeting, and in addition, sent by facsimile or email to each member having a facsimile number or email address on record with the Authority at least forty-eight hours prior to the time fixed for such special meeting.² Such notice shall also state the purpose of such meeting, and no business other than that stated in the notice shall be transacted at such special meeting unless every member of the Authority then in office is present, and it is unanimously agreed to consider matters other than those specifically provided for in the notice of such meeting. Notwithstanding the foregoing, in the event of an emergency the chairman may call a special meeting without advance notice and by means other than the delivery of a writing to the members.

Section 5. Open Meetings. All meetings of the board shall be conducted in compliance with the provisions of the Open Meetings Law, being Chapter 511 of the Laws of 1976, as amended, and with all rules and regulations promulgated thereunder.

Section 6. Quorum. A majority of the whole number of voting members of the board as defined in §1263 (1) (a) of the Public Authorities Law of the State of New York then in office shall constitute a quorum for the transaction of any business or the exercise of any power of the Authority. Those voting members of the board from appointed upon the recommendation of the chief executive officers of Dutchess, Orange, Putnam and Rockland counties (the "Hudson Valley Member" or "Hudson Valley Members")³ shall be considered to be a single member, and the presence of that member for purposes of determining a quorum shall be ascertained pursuant to section 4110 of this article. Except as otherwise specified by law, for the transaction of any business or exercise of any power of the Authority, the Authority shall have power to act by a majority of the voting members of the board present and voting at any meeting at which a quorum is in attendance—with the chairman having one additional vote in the event of a tie vote. For purposes of determining a tie vote, an abstention shall be counted as a vote against a motion. If a meeting is validly called but a quorum is not present, a

² Notice has routinely been given by both mailing and electronic means, where available. This change simply reflects this practice.

³ The use of the defined term "Hudson Valley Members" describes the members from Dutchess, Orange, Putnam and Rockland counties who share one vote and who are each appointed by the county executive of such county, and negates the need to fully describe them whenever they are mentioned in the by-laws.

Version approved by Board
as of 4/26/06 and read against
Board Book version

majority of the members of the board then present may adjourn the meeting from time to time without further notice.⁴

Section 7. Attendance at Meetings. Any one or more members of the board or of a committee thereof may attend a meeting of such board or committee by means of a conference telephone or similar communications equipment allowing all persons attending the meeting to hear each other at the same time; however, attendance by such means shall not constitute presence ~~in person at a meeting~~ for the purposes of section 6, section 8 or section 10 of this Article.⁵

Section 8. Presumption of Assent. A member of the board who is present at a meeting of the board at which action on any matter is taken shall be presumed to have assented to the action taken unless his abstention or dissent is stated at the meeting, which dissent or abstention shall be duly entered in the minutes of the meeting.

Section 9. Committees. The chairman may establish one or more committees of the board, each committee to consist of one or more of the members ~~and~~ each of which committees shall have and may exercise the powers conferred upon it by the chairman. Such committees shall have such names as shall be given them by the chairman. The chairman shall also establish such committees of the board as shall be mandated by law. Except in an emergency, the chairman ~~the executive director~~ and each board member shall be given advance written notice of the time and place of any meeting of any committee of the board.

~~**Section 10. Executive Director.** On recommendation of the chairman, the board shall appoint an executive director who shall be responsible for discharge of the executive and administrative functions and powers of the Authority, including the administration and the day-to-day operations of the Authority, and who shall not be a member of the Authority.~~ **Section 11. Quorum, and Voting and Committee Membership for members of the Board from the counties of Dutchess, Orange, Putnam and Rockland.**

(a) ~~The voting members of the board from Dutchess, Orange, Putnam and Rockland counties~~ Hudson Valley Members shall be considered to be a

⁴ Public Authorities Law § 1263 (3) (a) and (b) provides the applicable quorum standard which is a majority of "members then in office"; the majority of member present standard for acting by majority vote; and provides for the tie breaking vote of the chairman. Under the majority of members present standard for passing a motion an abstention and "nay" vote have the same effect.

⁵ The change makes clear, as required by the Open Meetings Law that a member may not be counted present for purposes of quorum (sections 6 and 11) or voting (section 8) unless physically present.

⁶ The section describing the executive director was deleted since the Public Authorities Law no longer provides for the appointment of an executive director by the board; the revised law allows the chairman to appoint an executive director and other officials and employees as in his judgment are necessary to discharge the executive and administrative functions of the authority.

Version approved by Board
as of 4/26/06 and read against
Board Book version

single member. For the purposes of determining a quorum, ~~the~~such single voting member of the board constituting the members from Dutchess, Orange, Putnam and Rockland counties shall be considered present if one or more ~~members~~Hudson Valley Members is present.

(b) The single collective vote of the members from Dutchess, Orange, Putnam and Rockland counties Hudson Valley Members shall be determined as follows:

~~(i) if at least three members of the board from Dutchess, Orange, Putnam and Rockland counties~~(i) if at least three Hudson Valley Members are then in office: (A) if one such member is present, the single collective vote shall be recognized; (B) if two or more such members are present but only one such member votes, the single collective vote shall be recognized as the vote of such member; (C) if two or more such members are present and two or more such members vote, the majority vote shall be recognized as the single collective vote; and (D) if two or more such members are present and two or more of such members vote but no majority is achieved, the single collective vote shall not be recognized; and

~~(ii) if two or one member(s) of the board from Dutchess, Orange, Putnam and Rockland counties~~Hudson Valley Member(s) are then in office: (A) if one such member is present, the single collective vote shall be recognized as the vote of such voting member; (B) if two such members are present but only one such member votes, the single collective vote shall be recognized as the vote of such voting member; and (C) if two such members are present and both vote, only a unanimous vote shall be recognized as the single collective vote.

To evidence the single collective vote, each such member that is present may be polled as to his vote and such poll shall be recorded in the minutes.

ARTICLE III. OFFICERS

Section 1. Number. The officers of the Authority shall be a chairman, one or more vice chairmen (the number and exact designation thereof and the separate functions to be determined by the board if there is more than one), an executive director, ~~if one is appointed by the chairman, a counsel, deputy executive directors~~other senior officials (the number and exact designation thereof and the separate functions to be determined by the ~~executive director~~chairman), and a secretary. The chairman shall be appointed and shall serve as provided by law. The vice chairmen shall be appointed by the board, upon recommendation by the Chairman, and shall serve at its pleasure. The executive director ~~shall be~~if one is appointed by the board on the recommendation of the chairman and, shall serve at its~~the~~ pleasure. The deputy executive directors of the chairman. Other

senior officials⁷, the counsel, and the secretary shall be appointed by the executive director~~chairman~~ and shall serve at his or her~~the~~ pleasure of the chairman. Such other ~~officers~~officials or employees as may be deemed necessary may be provided for by resolution of the board, but they shall be appointed by the ~~executive director~~chairman, and each shall serve at his or her~~the~~ pleasure of the chairman.

Section 2. Chairman. (a) The chairman shall ~~preside at all meetings of the board and is primarily~~serve as the chairman of the board of the Authority and as the chief executive officer of the Authority. The chairman shall be responsible for providing leadership to the Authority and the board as it oversees the management of the Authority and, with the assistance of the executive director, for coordinating the development and approval by the board of a long term strategy for the Authority's operations. The chairman shall preside at all meetings of the board. The chairman may delegate any or all of his or her powers relating to the leadership of the board to a vice-chairman. In the event of a tie vote, the chairman may cast an additional vote.

(b) The chairman shall also serve as the chief executive officer of the Authority. As chief executive officer of the Authority, the chairman shall be responsible for the discharge of the executive and administrative functions and powers of the Authority.⁸

Section 3. The Vice Chairman. In the event of the chairman's death or inability to act, or in the event the position of chairman is for any other reason vacant, ~~the~~a vice chairman designated by the board shall perform the duties of the chairman and when so acting, shall have all the powers of and be subject to all the restrictions upon the chairman. Such powers and duties shall terminate upon the appointment by the Governor of a successor chairman as provided by law or upon the cessation of the chairman's inability to act.⁹

Section 4. The Executive Director. ~~The executive director shall have the powers, duties and functions enumerated by law and in Article II, Section 10 of these By-laws.~~

⁷ This change is made to track the Public Authorities Law which refers to "other officials and employees" and covers those positions currently titled as "deputy executive directors".

⁸ This change is made to reflect the revisions to the Public Authorities Law which gives the chairman the additional role/responsibility of the chief executive officer.

⁹ This language clarifies the fact that the Vice Chairman's term as acting chairman will end upon the appointment of a new chairman by the governor, or, if the Vice Chairman is acting as chairman due to the chairman's inability to act, for example, due to illness or travel, the Vice Chairman's term as acting chairman ends upon the chairman's return after his illness or travel.

Section 4. Such Other Officials and Employees.¹⁰ The chairman may, in his or her judgment, appoint such other officials and employees, including an executive director, as shall in his or her judgment be needed to discharge the executive and administrative functions and powers of the of the Authority. The chairman may delegate such of his or her powers relating to the discharge of the executive and administrative functions, including the administration and day to day operations of the Authority as the chairman may deem appropriate to such other officials and employees.

Section 5. The Agency Presidents. The presidents of the subsidiary and affiliate agencies of the Authority are primarily responsible for the general management and operation of their agencies.

Section 6. The Secretary. The secretary shall keep the minutes of the proceedings of the board, see that all notices are duly given as required by law, be custodian of the corporate records and of the seal of the Authority, see to it that the seal of the Authority is affixed to all documents the execution of which on behalf of the Authority under its seal is duly authorized, and in general shall perform all duties incident to the office of secretary. The ~~executive director~~chairman may appoint one or more assistant secretaries who may perform the duties of the secretary in the event of the absence, disability or incapacity of the secretary.

Section 7. Salaries. The salaries fixed by the chairman ~~and the executive director~~ for those officers and employees appointed by ~~them~~the chairman shall at all times be within the amounts budgeted therefore by the board.

ARTICLE IV. CONTRACTS, LOANS, CHECKS AND DEPOSITS

Section 1. Contracts. The board may authorize any officer or officers, agent or agents, to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Authority, and such authority may be general or confined to specific instances.

Section 2. Loans. No loans shall be contracted on behalf of the Authority and no evidences of indebtedness shall be issued in its name unless authorized by a resolution of the board. Such authority may be general or confined to specific instances.

Section 3. Checks, Drafts, etc. All checks, drafts or other orders for the payment of money, notes or other evidences of indebtedness issued in the name

¹⁰ This change reflects the changes in the Public Authorities Law which allow the chairman to appoint such other officials and employees as in the chairman's discretion are needed to discharge the chairman's executive and administrative functions. It also allows the chairman to delegate so much of his authority to such officials and employees as is necessary for them to perform their roles.

Version approved by Board
as of 4/26/06 and read against
Board Book version

Rev'd 11-02-09

of the Authority shall be signed by such officer or officers, agent or agents of the Authority and in such manner as shall from time to time be determined by resolution of the board.

Section 4. Deposits. All funds of the Authority not otherwise employed shall be deposited from time to time to the credit of the Authority in such banks, trust companies or other depositories as the board may select.

ARTICLE V. FISCAL YEAR

The fiscal year of the Authority shall begin on the first day of January and end on the thirty-first day of December in each year.

ARTICLE VI. CORPORATE SEAL

The board shall provide a corporate seal which shall be circular in form and shall have inscribed thereon the name of the Authority and the words "Corporate Seal".

ARTICLE VII. INDEMNIFICATION

The Authority shall save harmless and indemnify any person (or his or her estate) who shall have served as a member, officer or employee of the Authority or of a subsidiary of the Authority against financial loss, including punitive damages, or litigation expense incurred in connection with any claim, demand, suit, action or proceeding, whether civil or criminal, or the defense thereof, and arising out of (a) any transaction of the Authority or of a subsidiary of the Authority, or (b) any act or failure to act by any such member, officer or employee while engaged in the discharge of his or her duties on behalf of the Authority or its subsidiaries, or the discharge of his or her duties as a fiduciary of a benefit plan for Authority employees or employees of a subsidiary of the Authority. In the event any such claim, demand, suit, action or proceeding shall occur, such member, officer or employee shall be saved harmless and indemnified as herein provided unless such individual is determined by the Authority or its designee not to have acted, in good faith, for a purpose which he or she reasonably believed to be in the best interests of the Authority or of its subsidiaries or affiliates, and, in criminal actions or proceedings, in addition, not to have had reasonable cause to believe that his or her conduct was lawful. The provisions of this Article shall inure only to the members, officers and employees of the Authority or of its subsidiaries, and to their estates, shall not enlarge or diminish the rights of any other party, and shall not impair, limit or modify the rights and obligations of any insurer under any policy of insurance. The foregoing shall be conditional on (a) the prompt delivery to the Authority of a copy of the summons, complaint, process, notice, demand or pleading commencing any such claim, demand, suit, action or proceeding; and, in civil cases only, (b) a contemporaneous offer to

Version approved by Board
as of 4/26/06 and read against
Board Book version

Rev'd 11-02-09

name counsel to the Authority as counsel to the member, officer or employee in the defense of such claim, demand, suit, action or proceeding; (c) the full cooperation of the member, officer or employee, in the event the offer is accepted, in making of such defense; and (d) an agreement that the Authority may enter into a settlement on behalf of the member, officer or employee. If the Authority or its designee determines that the defense shall not be provided by counsel for the Authority because of a conflict of interests or other grounds warranting separate counsel, the member, officer or employee may select another attorney and the Authority shall pay reasonable attorney's fees and expenses incurred by or on behalf of an such member, officer or employee represented by outside counsel. The Authority's payment of such fees and expenses may be conditioned upon an the member, officer or employee's agreement that more than one member, officer or employee shall be represented by the same counsel. The provisions of Section 18 of the Public Officers Law relating to defense and indemnification shall supplement and be available in addition to the provisions of this ~~article~~ Article; provided, however, that in the event of any conflict between the substantive provisions of this Article and those of Section 18 of the Public Officers Law, the provisions that afford the greater protection to such members, officers and employees shall control. In the event that the chairman or other member requests indemnification under this section, such request shall be submitted to the board for its determination. In the event that an officer or employee, other than the chairman, requests indemnification under this section, such request shall be determined by the chairman.¹¹ The provisions of this Article replace and supersede the provisions of the prior Article VII governing Indemnification, and govern any claim, demand, suit, action or proceeding that is pending as of the date of the adoption of this Article.

ARTICLE VIII. AMENDMENTS

These by-laws may be altered, amended or repealed and new by-laws may be adopted by the board at any regular or special meeting as to which nature of the proposed alterations, amendments or repeals have been sent in writing to the members of the board together with the notice of meeting if it is a special meeting or if at a regular meeting at least seventy-two hours in advance of such regular meeting.

¹¹ This change incorporates the process approved by the board in 2006 for handling indemnification requests.

Document comparison done by DeltaView on Monday, November 30, 2009
3:11:00 PM

Input:	
Document 1	WORLDGX://S:\LEGAL\corporat\CBLUE\CAB0048.DOC
Document 2	WORLDGX://S:\LEGAL\corporat\CBLUE\CAB0752.DOC
Rendering set	Standard

Legend:	
Insertion	
Deletion	
Moved from	
Moved to	
Style change	
Format change	
Moved deletion	
Inserted cell	
Deleted cell	
Moved cell	
Split/Merged cell	
Padding cell	

Statistics:	
	Count
Insertions	80
Deletions	56
Moved from	3
Moved to	3
Style change	2
Format changed	0
Total changes	144

Staff Summary

Subject						Date			
Amendment of Charters						December 16, 2009			
Department						Vendor Name			
Corporate Compliance						N/A			
Department Head Name						Contract Number			
Lamond Kears						N/A			
Department Head Signature						Contract Manager Name			
						N/A			
Project Manager Name						Table of Contents Ref #			
N/A									
Board Action						Internal Approvals			
Order	To	Date	Approval	Info	Other	Order	Approval	Order	Approval
1	Corporate Governance					1	Chief Compliance Officer		
2	Board					2	Legal		

Narrative

Purpose: To seek Board approval of proposed amendments to the committee charters.

The committee charters would be amended to add language to paragraph 4 that outlines the responsibilities of the staff to provide each committee with relevant information regarding matters before the committee. The new language also requires the staff to provide the information the committee needs to perform its monitoring and oversight function.

The Audit committee charter is amended to **delete** any references to "Executive Director" and replace those references with "Chairman/CEO."

The Corporate Governance Committee charter is amended to reflect that committee shall consist of "3 or more" members.

Discussion: When the committee charters were first drafted, the purpose of the charter was to spell out the role and responsibilities of the committee. This revision rounds out the charter by clarifying responsibilities of the staff to furnish information relevant to the work of the committees.

Recommendation: That the Board adopt the proposed amendments to the committee charters.

The Metropolitan Transportation Authority

AUDIT COMMITTEE

This Charter for the Audit Committee was adopted by the Board Chair and a majority of the members of the Metropolitan Transportation Authority, a public benefit corporation established under the laws of the State of New York (together with any other entity or corporation for which the members of the Metropolitan Transportation Authority serve as a board of directors, the "MTA"), on the 29th day of July, 2004. , This charter was amended on the 17th day of December, 2008 and further amended on December _____, 2009.

Deleted: and

I. PURPOSE

The Audit Committee (the "Committee") shall assist and provide guidance to the Board Chair and the Board in monitoring and overseeing (a) the conduct of the MTA's financial reporting process, the application of accounting principles, and the engagement of the MTA's outside accountants; (b) the MTA's internal controls and risk management systems; and (c) general matters relating to legal, regulatory and ethical compliance at the MTA (hereinafter referred to as the "Purpose").

II. COMMITTEE AUTHORITY

The Committee's role is one of oversight. In carrying out this oversight function, the chairperson of the Committee (the "Committee Chair") and the vice-chairperson of the Committee (the "Committee Vice-Chair") shall have additional responsibilities, as set forth in Section VI of this Charter. The Committee Chair and/or the Committee Vice-Chair regularly shall report to the entire Committee their findings with respect to these additional responsibilities and refer to the entire Committee for its consideration any matter relating thereto as the Committee Chair and/or the Committee Vice-Chair deem necessary or appropriate. MTA Audit Services' organizational independence is derived from its reporting structure as it reports to the MTA Audit Committee and MTA Chairman/CEO.

Deleted: Executive Director

Notwithstanding these oversight responsibilities, the MTA and each of its subsidiary corporations and affiliates are responsible for preparing their own financial statements and the respective outside auditors are responsible for auditing the respective financial statements. The Committee, the Committee Chair, and the Committee Vice-Chair recognize that the Auditor General and the outside auditors have more time, knowledge and detailed information about the MTA and each of its subsidiary corporations and affiliates than do Committee members. Consequently, in carrying out its oversight responsibilities, no member of the Committee shall be deemed to provide (i) any expert or special assurance as to the financial statements of the MTA or of any subsidiary corporation or affiliate or (ii) any professional certification as to the work of any outside auditor.

In discharging its role, the Committee is empowered to investigate any matter brought to its attention. To facilitate any such investigation, the Committee Chairman and/or Vice

Chairman shall have access to all books, records, facilities and staff of the MTA (including any of its subsidiary corporations or affiliates). The foregoing is not intended to alter or curtail existing rights of individual board members to access books, records or staff in connection with the performance of their fiduciary duties as board members. With the prior approval of the Board Chair or a majority of the Board, the Committee may retain, compensate and/or terminate outside counsel, auditors or other experts as it deems necessary and will receive adequate funding from the MTA to engage such advisors in accordance with MTA procedures.

III. COMMITTEE MEMBERSHIP

The Committee shall consist of 3 or more members of the Board, appointed by the Board Chair. If not otherwise a member of the Committee, each Vice-Chair of the Board shall be an *ex officio* member of the Committee. The Board Chair shall appoint the Committee Chair and the Committee Vice-Chair. A member of the Committee may be removed, for cause or without cause, by the Board Chair. In the absence of the Committee Chair or the Committee Vice-Chair at a meeting of the Committee, the Board Chair shall appoint a temporary chairperson to chair such meeting. No member of the Committee shall be employed by (a) the MTA, or (b) a private entity that does, or is likely to do, business with the MTA. Insofar as practicable, at least one member of the Committee shall have financial experience.

IV. COMMITTEE MEETINGS

The Committee shall meet on a regularly-scheduled basis at least 6 times per year, and more frequently as circumstances dictate. The Committee will cause to be kept adequate minutes of all its proceedings and records of any action taken and will report on its proceedings and any action taken to the next full meeting of the Board. Committee members will be furnished with copies of the minutes of each meeting. Meetings of the Committee shall be open to the public, and the Committee shall be governed by the rules regarding public meetings set forth in the applicable provisions of the Public Authorities Law and Article 7 of the Public Officers Law that relate to public notice, public speaking and the conduct of executive session. The Committee may form and assign responsibilities to subcommittees when appropriate.

The Committee may request that any member of the Board, the Auditor General, the Chief Compliance Officer, any officer or staff of the MTA, or any other persons whose advice and counsel are sought by the Committee, attend any meeting of the Committee to provide such pertinent information at the Committee requests. The Auditor General shall (1) furnish the Committee with all material information pertinent to matters appearing on the Committee agenda relating to the Purpose, (2) provide the chairperson of the Committee with all information regarding the Purpose that is material to the Committee's monitoring and oversight of the Purpose, and (3) inform the chairperson of the Committee of any matters not already on the Committee agenda that should be added to the agenda in order for the Committee to be adequately monitoring and overseeing the Purpose.

V. COMMITTEE REPORTS.

The Committee Chair shall report on the Committee's proceedings, and any recommendations made.

VI. KEY RESPONSIBILITIES OF COMMITTEE CHAIR AND VICE-CHAIR

The following responsibilities are set forth as a guide. The Committee Chair and the Committee Vice-Chair are authorized to carry out these and such other responsibilities assigned by the Committee, the Board Chair or the Board, from time to time, and take any actions reasonably related to the mandate of this Charter.

To assist the Committee in fulfilling its purpose, the Committee Chair and/or the Committee Vice-Chair shall:

Auditors, Financial Statements & Accounting Policies:

1. review and discuss with the Auditor General, the relevant MTA employees, each outside auditor, and the internal auditors any audit problems or difficulties encountered in the course of audit work, including any restrictions on the scope of activities or access to required information and advise the Committee as to how to resolve any disagreements regarding financial reporting;
2. inquire as to each outside auditor's view of the accounting treatment related to significant new transactions or other significant matters or events not in the ordinary course of business;
3. review and discuss with the Auditor General, the relevant MTA employees, and each outside auditor any material financial or non-financial arrangements that do not appear on the financial statements of the MTA (or of any subsidiary corporation or affiliate);
4. review and discuss with the Auditor General and each outside auditor: (i) any accounting adjustments that were noted or proposed by the auditors but were "passed" (as immaterial or otherwise), (ii) any communications between the audit team and the audit firm's national office respecting auditing or accounting issues presented by the engagement and (iii) any "management" or "internal control" letter issued, or proposed to be issued, by any outside auditor to the MTA (including to any subsidiary corporation or affiliate);
5. review with the Auditor General and the outside auditor the periodic financial statements and footnotes of the MTA (and of each subsidiary corporation or affiliate, as applicable) and discussing the adequacy of the system of internal and the appropriateness of the accounting principles used, and the judgments made, in the preparation of such periodic financial statements;

6. meet annually (or more frequently if necessary) with each respective outside auditor (without the Auditor General or any other officers or staff of the MTA present) to discuss the periodic financial statements of the MTA (and of each subsidiary corporation or affiliate, as applicable).

Internal Controls & Risk Management:

7. together with the Auditor General and the Chief Compliance Officer, review, discuss and (if necessary) investigate compliance with MTA policies and/or refer instances of non-compliance to the MTA Inspector General for investigation;
8. review and discuss with the Auditor General, the Chief Compliance Officer, the relevant employees of the MTA, and each outside auditor: (i) any significant deficiencies in the design or operation of the internal controls of the MTA (ii) any fraud, whether or not material, involving any MTA employees and (iii) related findings and recommendations of the outside auditors together with management's responses;
9. review and discuss with the Auditor General, the Chief Compliance Officer, the relevant MTA employees, and each outside auditor the MTA's risk assessment and risk management systems, and oversee the underlying policies with respect to risk assessment and risk management;
10. together with the Auditor General and the Chief Compliance Officer, serve as the point of contact for the MTA Inspector General, including by reviewing all reports and draft reports delivered to the MTA by the MTA Inspector General, and being available to meet with the MTA Inspector General as part of the Inspector General's audits of the MTA's books and records;
11. recognizing the statutory obligations of the MTA Inspector General, and without denigrating from those obligations, seek to communicate with the MTA Inspector General with respect to any matter the Committee Chair and/or Vice Chair, the entire Committee, the Board Chair, the Board or the MTA Inspector General deem appropriate;

Miscellaneous:

12. submit to the entire Committee for its consideration any matters (including matters relating to the foregoing) that the Committee Chair and/or Committee Vice-Chair deem should appropriately be considered by the entire Committee; and
13. report regularly to the Committee on the findings and recommendations of the Committee Chair and the Committee Vice-Chair relating to the foregoing, and on any other matters the Committee Chair and/or the Committee Vice-Chair deem appropriate or the Committee, the Board Chair or the Board request.

VII. KEY RESPONSIBILITIES OF THE COMMITTEE

The following responsibilities are set forth as a guide with the understanding that the Committee may diverge as appropriate given the circumstances. The Committee is authorized to carry out these and such other responsibilities assigned by the Board Chair or the Board, from time to time, and take any actions reasonably related to the mandate of this Charter.

To fulfill its purpose, the Committee shall:

Auditors, Financial Reporting & Accounting Policies:

1. in consultation with the Auditor General and the officer primarily responsible for the finances of the MTA and each subsidiary corporation and affiliate, oversee the work of the MTA's outside auditor and provide guidance to the Board Chair and the Board with respect to the appointment (and if appropriate dismissal), evaluation, compensation of the outside MTA's auditors;
2. review and provide guidance to the Board with respect to any auditing and non-auditing services provided to the MTA by any of the MTA's the outside auditor;
3. review and provide guidance to the Board with respect to the annual audit plan and risk assessment as proposed by the Auditor General in consultation with the MTA, Chairman/CEO and the President of each subsidiary corporation and affiliate;
4. review and discuss with the Auditor General, the relevant MTA employees, each outside auditor, and the internal auditors: (i) any significant audit findings during the year, including the status of previous audit recommendations; (ii) any changes required in the scope of the audit plan; (iii) the audit budget and staffing; and (iv) the coordination of audit efforts, status of the internal audit plan and the adequacy of internal audit resources (both numbers and capabilities);
5. review and discuss with the Auditor General, the relevant MTA employees, and the outside auditor accounting policies that may be viewed as critical, as well as any recent or proposed significant changes in MTA accounting policies; and inquire as to the outside auditors' views as to the application of accounting principles;
6. monitor the consistency and comparability of the financial reporting processes of the MTA;
7. monitor the integrity, consistency and comparability of the financial reports and other financial information provided by the MTA to any other governmental or regulatory body, the public or other users thereof, including reconciliations where necessary;

Deleted: Executive Director

8. review and provide guidance to the Board with respect to the appointment, compensation and (if necessary) dismissal of the Auditor General;
9. at least annually, review with the Auditor General a report by each outside auditor describing: (i) such outside auditor's internal quality-control procedures; (ii) any material issues raised by the most recent internal quality-control review, or peer review, of the firm, or by any inquiry or investigation by governmental or professional authorities, within the preceding five years, regarding one or more independent audits carried out by the firm, and any steps taken to deal with any such issues; and (iii) all relationships between the outside auditor and the MTA (or any subsidiary corporation or affiliate);
10. on an annual basis, in each case together with the Auditor General: (i) review a formal written statement from each outside auditor delineating all relationships between such outside auditor and the MTA; (ii) actively engage in a dialogue with each outside auditor with respect to any disclosed relationships or services that may impact the objectivity and independence of such outside auditor and take appropriate action in response to such outside auditor's report to satisfy itself of such auditor's independence; (iii) consider whether, in the interest of assuring continuing independence of each outside auditor, the MTA's respective outside auditors should be rotated; and (iv) set clear hiring policies for employees or former employees of the outside auditors;

Internal Controls & Risk Management:

11. review and discuss with the Auditor General, the Chief Compliance Officer, the relevant MTA employees, and each outside auditor the adequacy of the MTA's internal and disclosure controls and procedures;
12. together with the Chief Compliance Officer, review and discuss with the relevant MTA employees, and each outside auditor any significant risks or exposures and assess the steps such employees have taken to minimize such risks;
13. review periodically with the Chief Compliance Officer and the General Counsels of the MTA and each subsidiary corporation and affiliate: (i) legal and regulatory matters that may have a material impact on the financial statements of the MTA (or any subsidiary corporation or affiliate); and (ii) the scope and effectiveness of compliance policies and programs;

Ethics & Conflicts of Interests:

14. together with the Chief Compliance Officer, review periodically with the relevant MTA employees the level of compliance with all applicable ethics codes, guidelines, and regulations;

Miscellaneous:

15. conduct an annual self-evaluation of the performance of the Committee, including its effectiveness and compliance with this Charter;
16. review and reassess the adequacy of this Charter annually;
17. consider any matter referred to the entire Committee by the Committee Chair and/or Vice-Chair; and
18. report regularly to the Board on Committee findings and recommendations and any other matters the Committee deems appropriate, or the Board Chair or the Board request.

The Metropolitan Transportation Authority

**COMMITTEE ON OPERATIONS OF
THE TRIBOROUGH BRIDGE AND TUNNEL AUTHORITY**

This Charter for the Committee on Operations of the Triborough Bridge and Tunnel Authority was adopted by the Board Chair and a majority of the members of Board of the Metropolitan Transportation Authority, a public benefit corporation established under the laws of the State of New York (together with any other entity or corporation for which the members of the Metropolitan Transportation Authority serve as a board of directors, the "MTA"), on the 29th day of July, 2004. This charter was amended on the 17th day of December, 2008 and further amended on December _____, 2009.

Deleted: and

I. PURPOSE

The Committee on Operations of the Triborough Bridge and Tunnel Authority (the "Committee") shall assist the Board Chair and the Board in fulfilling their responsibility to monitor and oversee the operations of the Triborough Bridge and Tunnel Authority (together with its subsidiaries, "B&T").

II. COMMITTEE AUTHORITY

In discharging its role, the Committee is empowered to investigate any matter brought to its attention. To facilitate any such investigation, the chairperson of the Committee shall have access to all books, records, facilities and staff of the MTA and/or the B&T. The foregoing is not intended to alter or curtail existing rights of individual board members to access books, records or staff in connection with the performance of their fiduciary duties as board members.

III. COMMITTEE MEMBERSHIP

The Committee shall consist of 3 or more members of the Board, appointed by the Board Chair. If not otherwise a member of the Committee, each Vice-Chair of the Board shall be an *ex officio* member of the Committee. The Board Chair shall appoint the chairperson of the Committee. In the absence of the chairperson at a meeting of the Committee, the Board Chair shall appoint a temporary chairperson to chair such meeting. A member of the Committee may be removed, for cause or without cause, by the Board Chair.

IV. COMMITTEE MEETINGS

The Committee shall meet on a regularly-scheduled basis at least 11 times per year, and more frequently as circumstances dictate. The Committee shall cause to be kept adequate minutes of all its proceedings. Committee members will be furnished with copies of the minutes of each meeting. Meetings of the Committee shall be open to the public, and the Committee shall be governed by the rules regarding public meetings set forth in the applicable provisions of the Public Authorities Law and Article 7 of the Public Officers Law that relate to public notice, public speaking and the conduct of executive session. The Committee may form and assign responsibilities to subcommittees when appropriate.

The Committee may request that any member of the Board, the Auditor General, any officer or staff of the MTA, or any other person whose advice and counsel are sought by the Committee, attend any meeting of the Committee to provide such pertinent information at the Committee requests. The President of the B&T shall (1) furnish the Committee with all material information pertinent to matters appearing on the Committee agenda relating to his or her organization; (2) provide the chairperson of the Committee with all information regarding the affairs of his or her organization that is material to the Committee's monitoring and oversight of the operations of such organization, and (3) inform the chairperson of the Committee of any matters not already on the Committee agenda that should be added to the agenda in order for the Committee to be adequately monitoring and overseeing the operations of his or her organization.

V. COMMITTEE REPORTS.

The chairperson of the Committee shall report on the Committee's proceedings, and any recommendations made.

VI. KEY RESPONSIBILITIES

The following responsibilities are set forth as a guide with the understanding that the Committee may diverge as appropriate given the circumstances. The Committee is authorized to carry out these and such other responsibilities assigned by the Board Chair or the Board from time to time, and take any actions reasonably related to the mandate of this Charter.

To fulfill its purpose, the Committee shall:

1. monitor and update the Board Chair and the Board on the operating performance of B&T, including information on the service and conditions of the bridges and tunnels operated by B&T and the operation, maintenance, construction and reconstruction of B&T projects;
2. monitor and update the Board Chair and the Board on the finances of B&T, including financial reports the use of funds by the B&T, and the collection and distribution of B&T revenue, such as tolls, fees and rentals charged for the use of B&T projects;
3. review and make recommendations to the Board Chair and the Board regarding proposed procurement contracts of B&T that require Board approval;
4. review and make recommendations to the Board Chair and the Board on proposed projects of B&T and monitor the status of such projects;
5. review and make recommendations to the Board Chair and the Board regarding B&T policy changes;

6. review periodically with the Counsel of the MTA, the Chief Compliance Officer, and the Counsel of B&T: (i) legal and regulatory matters that may have a material impact on B&T; and (ii) the scope and effectiveness of compliance policies and programs;
7. conduct an annual self-evaluation of the performance of the Committee, including its effectiveness and compliance with this Charter;
8. review and assess the adequacy of this Charter annually; and
9. report regularly to the Board Chair and the Board on Committee findings and recommendations and any other matters the Committee deems appropriate or the Board Chair or the Board requests, and maintain minutes or other records of Committee meetings and activities.

The Metropolitan Transportation Authority

CAPITAL CONSTRUCTION, PLANNING AND REAL ESTATE COMMITTEE

Real Estate and Capital Construction Committee Charters were originally adopted by the Board Chair and a majority of the members of Board of the Metropolitan Transportation Authority, a public benefit corporation established under the laws of the State of New York (together with any other entity or corporation for which the members of the Metropolitan Transportation Authority serve as a board of directors, the "MTA"), on the 29th day of July, 2004. On the 13th day of December, 2006, these charters were merged to reflect the combining of the two committees into the Capital Construction, Planning and Real Estate Committee (the "Committee"). This charter was amended on the 17th day of December 2008 and was further amended on December _____, 2009.

Deleted: This

Deleted: were

Deleted: ,

Deleted: on

Deleted: and

I. PURPOSE

The Capital Construction, Planning and Real Estate Committee (the "Committee") shall assist the Board Chair and the Board (1) by reviewing, providing guidance, and making recommendations with respect to all of the MTA's real estate related matters, and (2) by overseeing the operations of the MTA Capital Construction Company ("MTACC"), including the MTACC's implementation of system expansion and security-related capital projects.

II. COMMITTEE AUTHORITY

In discharging its role, the Committee is empowered to investigate any matter brought to its attention. To facilitate any such investigation, the chairperson of the Committee shall have access to all books, records, facilities and staff of the MTA (including any of its subsidiary corporations or affiliates). The foregoing is not intended to alter or curtail existing rights of individual board members to access books, records or staff in connection with the performance of their fiduciary duties as board members.

III. COMMITTEE MEMBERSHIP

The Committee shall consist of 3 or more members of the Board, appointed by the Board Chair. If not otherwise a member of the Committee, each Vice-Chair of the Board shall be an *ex officio* member of the Committee. The Board Chair shall appoint the chairperson of the Committee. In the absence of the chairperson at a meeting of the Committee, the Board Chair shall appoint a temporary chairperson to chair such meeting. A member of the Committee may be removed, for cause or without cause, by the Board Chair.

IV. COMMITTEE MEETINGS

The Committee shall meet on a regularly-scheduled basis at least 11 times per year, and more frequently as circumstances dictate. The Committee shall cause to be kept adequate minutes of all its proceedings and records of any action taken. Committee members will be furnished with copies of the minutes of each meeting. Meetings of the Committee shall be open to the public, and the Committee shall be governed by the rules regarding

Formatted: Font: 8 pt

public meetings set forth in the applicable provisions of the Public Authorities Law and Article 7 of the Public Officers Law that relate to public notice, public speaking and the conduct of executive session. The Committee may form and assign responsibilities to subcommittees when appropriate.

The Committee may request that any member of the Board, the Auditor General, any officer or staff of the MTA, or any other person whose advice and counsel are sought by the Committee, attend any meeting of the Committee to provide such pertinent information as the Committee requests. The President of the MTA Capital Construction Company and the MTA Director of Real Estate shall each (1) furnish the Committee with all material information pertinent to matters appearing on the Committee agenda relating to the MTA Capital Construction Company and MTA's real estate related matters, as the case maybe; (2) provide the chairperson of the Committee with all information (a) regarding the operations of MTA Capital Construction Company that is material to the Committee's monitoring and oversight of the MTA Capital Construction Company's operations or (b) information regarding MTA's real estate matters that is material to the Committee's monitoring and oversight of such real estate related matters, and (3) inform the chairperson of the Committee of any matters not already on the Committee agenda that should be added to the agenda in order for the Committee to be adequately monitoring and overseeing the operations of MTA Capital Construction Company or MTA's real estate matters.

V. COMMITTEE REPORTS.

The chairperson of the Committee shall report on the Committee's proceedings, and any recommendations made.

VI. KEY RESPONSIBILITIES

The following responsibilities are set forth as a guide with the understanding that the Committee may diverge as appropriate given the circumstances. The Committee is authorized to carry out these and such other responsibilities assigned by the Board Chair or the Board, from time to time, and take any actions reasonably related to the mandate of this Charter.

To fulfill its purpose, the Committee shall, with respect to the MTACC:

1. Monitor the performance and finances of the MTACC;
2. Review and make recommendations to the Board Chair and the Board with respect to proposed procurements relating to the operations of the MTACC that require the approval of the Board;
3. Review and make recommendations to the Board Chair and the Board with respect to contract procurement solicitations relating to capital projects undertaken by the MTACC that require the approval of the Board;

Formatted: Font: 8 pt

4. Monitor the progress of all capital projects undertaken by the MTACC, and report, as necessary, to the Board Chair and the Board with respect thereto;
5. Monitor the budget and the schedule of all capital projects undertaken by the MTACC;
6. Monitor the progress of contract commitments and completions with respect to all capital projects undertaken by the MTACC;
7. Track the funding needs of all capital projects undertaken by the MTACC, as well as the availability of funds to meet such needs from all sources of funding;
8. Review periodically with the Counsel of the MTA, the Chief Compliance Officer, and the Counsel of the MTACC: (i) legal and regulatory matters that may have a material impact on the MTACC; and (ii) the scope and effectiveness of compliance policies and programs;

With respect to the MTA Real Estate Department, the Committee shall:

1. Review and make recommendations to the Board with respect to the leasing and acquisition of real property; the licensing of customer services and amenities; the maximizing of advertising opportunities; the disposition or conveyance of interests in real property; the management of occupancies on the property of the MTA; and the adoption or amendment of any policies relating thereto;
2. Review and make recommendations to the Board with respect to the procurement of certain professional services in support of the activities of the real estate department, including real estate brokerage and other specialized consultant services;
3. Review the MTA's offering and management of leasing, licensing, or other business opportunities on the property of the MTA and its subsidiaries and affiliates;
4. Provide support and guidance to the MTA in the formulation of its real estate policies and procedures.

In addition, the Committee shall:

1. Set the annual agenda for the Committee;
2. Review and assess the adequacy of this Charter annually;

Formatted: Font: 8 pt

3. Conduct an annual self-evaluation of the performance of the Committee, including its effectiveness and compliance with this Charter; and
4. Report regularly to the Board Chair and Board on Committee findings and recommendations and any other matters the Committee deems appropriate or the Board Chair or the Board requests, and maintain minutes or other records of Committee meetings and activities.

Formatted: Font: 8 pt

The Metropolitan Transportation Authority

CAPITAL PROGRAM OVERSIGHT COMMITTEE

This Charter for the Capital Program Oversight Committee was adopted by the Board Chair and a majority of the members of Board of the Metropolitan Transportation Authority, a public benefit corporation established under the laws of the State of New York (together with any other entity or corporation for which the members of the Metropolitan Transportation Authority serve as a board of directors, the "MTA"), on the 29th day of July, 2004. This charter was amended on the 17th day of December, 2008 and further amended on December _____, 2009.

Deleted: and

I. PURPOSE

The Capital Program Oversight Committee (the "Committee") shall assist the Board Chair and the Board in fulfilling their responsibility to monitor the implementation of the MTA's five-year capital program.

II. COMMITTEE AUTHORITY

In discharging its role, the Committee is empowered to investigate any matter brought to its attention. To facilitate any such investigation, the chairperson and/or vice-chairperson of the Committee shall have access to all books, records, facilities and staff of the MTA (including any of its subsidiary corporations or affiliates). The foregoing is not intended to alter or curtail existing rights of individual Board members to access books, records or staff in connection with the performance of their fiduciary duties as Board members.

III. COMMITTEE MEMBERSHIP

The Committee shall consist of 6 or more members of the Board, and shall include the Board Chair; the Chair of the Committee on Operations of the New York City Transit Authority, the Manhattan and Bronx Surface Transit Operating Authority and the Staten Island Rapid Transit Operating Authority; the Chair of the Committee on Operations of the Triborough Bridge and Tunnel Authority; the Chair of the Committee on Operations of the MetroNorth Commuter Railroad; the Chair of the Committee on Operations of the Long Island Rail Road and Metropolitan Suburban Bus Authority; and the Chair of the MTA Capital Construction Committee. All other members of the Committee shall be appointed by the Board Chair. If not otherwise a member of the Committee, each Vice-Chair of the Board shall be an *ex officio* member of the Committee. The Board Chair shall serve as the chairperson of the Committee and shall appoint the vice-chairperson of the Committee. In the absence of the chairperson or vice-chairperson at a meeting of the Committee, the Board Chair shall appoint a temporary chairperson to chair such meeting. A member of the Committee may be removed, for cause or without cause, by the Board Chair.

IV. COMMITTEE MEETINGS

The Committee shall meet on a regularly-scheduled basis at least 11 times per year, and more frequently as circumstances dictate. The Committee shall cause to be kept adequate minutes of all its proceedings and records of any action taken. Committee members will be furnished with copies of the minutes of each meeting. Meetings of the Committee shall be open to the public, and the Committee shall be governed by the rules regarding public meetings set forth in the applicable provisions of the Public Authorities Law and Article 7 of the Public Officers Law that relate to public notice, public speaking and the conduct of executive session. The Committee may form and assign responsibilities to subcommittees when appropriate.

The Committee may request that any member of the Board, the Auditor General, any officer or staff of the MTA, or any other person whose advice and counsel are sought by the Committee, attend any meeting of the Committee to provide such pertinent information at the Committee requests. The Director of the Office of Construction Oversight and the Deputy Executive Director of Administration, and/or his or her designee, shall (1) furnish the Committee with all material information pertinent to matters appearing on the Committee agenda, (2) provide the chairperson of the Committee with all information regarding the MTA's five year capital program that is material to the Committee's monitoring and oversight of the MTA's five year capital program, and (3) inform the chairperson of the Committee of any matters not already on the Committee agenda that should be added to the agenda in order for the Committee to be adequately monitoring and overseeing the MTA's five year capital program.

Deleted: Chief Operating Officer

V. COMMITTEE REPORTS

The chairperson of the Committee shall report on the Committee's proceedings, and any recommendations made.

VI. KEY RESPONSIBILITIES

The following responsibilities are set forth as a guide with the understanding that the Committee may diverge as appropriate given the circumstances. The Committee is authorized to carry out these and such other responsibilities assigned by the Board Chair or the Board from time to time, and take any actions reasonably related to the mandate of this Charter.

To fulfill its purpose, the Committee shall:

1. Monitor the current and future availability of funds to be utilized for such capital improvement programs and plans;
2. Monitor the contracts awards of the MTA to insure that such awards are consistent with:
 - a. provisions of law authorizing United States content and New York State content;
 - b. any collective bargaining agreements;

- c. provisions of law providing for participation by minority and women-owned businesses;
 - d. New York State labor laws;
 - e. competitive bidding requirements including those regarding sole source contracts; and
 - f. any other relevant requirements established by law.
- 3. Monitor the award of contracts to determine if such awards are consistent with the manner in which the work was traditionally performed in the past;
- 4. Review the relationship between capital expenditures pursuant to each such capital program plan and current and future operating budget requirements;
- 5. Monitor the progress of capital elements described in each approved capital program plan;
- 6. Monitor the expenditures incurred and to be incurred for each such element;
- 7. Identify capital elements not progressing on schedule, ascertain responsibility therefor and recommend those actions required or appropriate to accelerate their implementation;
- 8. Consult as necessary with other New York State departments, agencies and divisions with respect to the foregoing;
- 9. Provide guidance to the Board Chair and the Board with respect to the appointment (and if appropriate dismissal), evaluation, and compensation of an independent engineering firm to provide an independent review with respect to the foregoing;
- 10. In consultation with the Office of Construction Oversight, oversee the work of such independent engineering firm;
- 11. Together with the Office of Construction Oversight, review the periodic reports provided by such independent engineering firm; and
- 12. Conduct an annual self-evaluation of the performance of the Committee, including its effectiveness and compliance with this Charter;
- 13. Review and assess the adequacy of this Charter annually; and
- 14. Report regularly to the Board Chair and the Board on Committee findings and recommendations and any other matters the Committee deems appropriate or the Board Chair or the Board requests.

The Metropolitan Transportation Authority

CORPORATE GOVERNANCE COMMITTEE

This Charter for the Corporate Governance Committee was adopted by the Board Chair and a majority of the members of Board of the Metropolitan Transportation Authority, a public benefit corporation established under the laws of the State of New York (together with any other entity or corporation for which the members of the Metropolitan Transportation Authority serve as a board of directors, the "MTA"), on the 29th day of July, 2004. This charter was amended on the 17th day of December 2008 and further amended on December _____, 2009.

Deleted: and

I. PURPOSE

The Corporate Governance Committee (the "Committee") shall assist the Board Chair and the Board in: (i) developing and recommending to the Board, policies to promote honest and ethical conduct by Board members, officers, and employees, and enhance public confidence in the MTA; (ii) developing, recommending to the Board and overseeing implementation of MTA policies relating to corporate governance, including the MTA Corporate Governance Principles; and (iii) reviewing on a regular basis the overall corporate governance of the MTA and recommending improvements when necessary (hereinafter referred to as the "Purpose").

II. COMMITTEE AUTHORITY

In discharging its role, the Committee is empowered to investigate any matter brought to its attention. To facilitate any such investigation, the chairperson of the Committee shall have access to all books, records, facilities and staff of the MTA (including any of its subsidiary corporations or affiliates). The foregoing is not intended to alter or curtail existing rights of individual Board members to access books, records or staff in connection with the performance of their fiduciary duties as Board members.

III. COMMITTEE MEMBERSHIP

The Committee shall consist of 3 or more members of the Board and shall include the Board Chair, and the chairs of each committee of the Board. All other members of the Committee shall be appointed by the Board Chair. At all times, the Committee shall include at least one member from among those recommended for appointment to the Board by the Mayor of the City of New York. If not otherwise a member of the Committee, each Vice-Chair of the Board shall be an *ex officio* member of the Committee. The Board Chair shall be the chairperson of the Committee. In the absence of the chairperson at a meeting of the Committee, the Board Chair shall appoint a temporary chairperson to chair such meeting. A member of the Committee may be removed, for cause or without cause, by the Board Chair. No member of the Committee shall be employed by (a) the MTA, or (b) a private entity that does, or is likely to do, business with the MTA.

Deleted: 11

IV. COMMITTEE MEETINGS

The Committee shall meet on a regularly-scheduled basis at least 2 times per year, and more frequently as circumstances dictate. The Committee shall cause to be kept adequate minutes of all its proceedings and records of any action taken. Committee members will be furnished with

copies of the minutes of each meeting. Meetings of the Committee shall be open to the public, and the Committee shall be governed by the rules regarding public meetings set forth in the applicable provisions of the Public Authorities Law and Article 7 of the Public Officers Law that relate to public notice, public speaking and the conduct of executive session. The Committee may form and assign responsibilities to subcommittees when appropriate.

The Committee may request that any member of the Board, the Auditor General, any officer or staff of the MTA, or any other person whose advice and counsel are sought by the Committee, attend any meeting of the Committee to provide such pertinent information at the Committee requests. The Chief Compliance Officer shall (1) furnish the Committee with all material information pertinent to matters appearing on the Committee agenda relating to the Purpose, (2) provide the chairperson of the Committee with all information that is material to the Committee's monitoring and oversight of the Purpose, and (3) inform the chairperson of the Committee of any matters not already on the Committee agenda that should be added to the agenda in order for the Committee to be adequately monitoring and overseeing the Purpose.

V. COMMITTEE REPORTS

The chairperson of the Committee shall report on the Committee's proceedings, and any recommendations made.

VI. KEY RESPONSIBILITIES

The following responsibilities are set forth as a guide with the understanding that the Committee may diverge as appropriate given the circumstances. The Committee is authorized to carry out these and such other responsibilities assigned by the Board Chair or the Board, from time to time, and take any actions reasonably related to the mandate of this Charter.

To fulfill its purposes, the Committee shall:

1. coordinate and oversee the annual self-evaluation of the role and performance of the Board, its committees, and management in the governance of the MTA;
2. develop and recommend to the Board, oversee the implementation and effectiveness of, and recommend modifications as appropriate to, any policies or documents relating to the governance of the MTA, including the MTA Corporate Governance Principles;
3. consider corporate governance issues that arise from time to time, and develop appropriate recommendations for the Board regarding such matters;
4. review, and as necessary recommend to the Board any revisions to, MTA policies regarding the procurement of goods and services;
5. monitor the MTA's compliance with MTA policy and the laws and requirements of the State of New York with respect to procurement lobbying;

6. review, and as necessary recommend to the Board any revisions to, MTA policies regarding the protection of whistleblowers from retaliation;
7. review and assess the adequacy of this Charter annually;
8. conduct an annual self-evaluation of the performance of the Committee, including its effectiveness and compliance with this Charter; and
9. report regularly to the Board Chair and Board on Committee findings and recommendations and any other matters the Committee deems appropriate or the Board Chair or the Board requests, and maintain minutes or other records of Committee meetings and activities.

The Metropolitan Transportation Authority

DIVERSITY COMMITTEE

This Diversity Committee Charter was adopted by the Board Chair and a majority of the members of Board of the Metropolitan Transportation Authority, a public benefit corporation established under the laws of the State of New York (together with any other entity or corporation for which the members of the Metropolitan Transportation Authority serve as a board of directors, the "MTA"), on this 17th day of December, 2008 and further amended on December _____, 2009.

I. PURPOSE

The Diversity Committee (the "Committee") shall assist the Board Chair and the Board by reviewing, providing guidance, and making recommendations with respect to the diversity programs and initiatives undertaken by MTA and its subsidiary and affiliate agencies.

II. COMMITTEE AUTHORITY

In discharging its role, the Committee is empowered to investigate any matter brought to its attention. To facilitate any such investigation, the chairperson of the Committee shall have access to all books, records, facilities and staff of the MTA (including any of its subsidiary corporations or affiliates). The foregoing is not intended to alter or curtail existing rights of individual Board members to access books, records or staff in connection with the performance of their fiduciary duties as Board members.

III. COMMITTEE MEMBERSHIP

The Committee shall consist of 3 or more members of the Board, appointed by the Board Chair. If not otherwise a member of the Committee, each Vice-Chair of the Board shall be an *ex officio* member of the Committee. The Board Chair shall appoint the chairperson of the Committee. In the absence of the chairperson at a meeting of the Committee, the Board Chair shall appoint a temporary chairperson to chair such meeting. A member of the Committee may be removed, for cause or without cause, by the Board Chair.

IV. COMMITTEE MEETINGS

The Committee shall meet on a regularly-scheduled basis at least four (4) times per year, and more frequently as circumstances dictate. The Committee shall cause to be kept adequate minutes of all its proceedings and records of any action taken. Committee members will be furnished with copies of the minutes of each meeting. Meetings of the Committee shall be open to the public, and the Committee shall be governed by the rules regarding public meetings set forth in the applicable provisions of the Public Authorities Law and Article 7 of the Public Officers Law that relate to public notice, public speaking and the conduct of executive session. The Committee may form and assign responsibilities to subcommittees when appropriate.

The Committee may request that any member of the Board, the Auditor General, any officer or staff of the MTA, or any other person whose advice and counsel are sought by the Committee, attend any meeting of the Committee to provide such pertinent information as the Committee requests. The Director of the Department of Diversity/Civil Rights shall (1) furnish the Committee with all material information pertinent to matters appearing on the Committee agenda, (2) provide the chairperson of the Committee with all information that is material to the Committee's monitoring and oversight of diversity programs and initiatives undertaken by MTA and its subsidiary and affiliate agencies, and (3) inform the chairperson of the Committee of any matters not already on the Committee agenda that should be added to the agenda in order for the Committee to be adequately monitoring and overseeing diversity programs and initiatives undertaken by MTA and its subsidiary and affiliate agencies

V. COMMITTEE REPORTS.

The chairperson of the Committee shall report on the Committee's proceedings, and any recommendations made.

VI. KEY RESPONSIBILITIES

The following responsibilities are set forth as a guide with the understanding that the Committee may diverge as appropriate given the circumstances. The Committee is authorized to carry out these and such other responsibilities assigned by the Board Chair or the Board, from time to time, and take any actions reasonably related to the mandate of this Charter.

To fulfill its purpose, the Committee shall:

1. Consult with the MTA Department of Diversity/Civil Rights and diversity representatives from the MTA's affiliate and subsidiary agencies with respect to the setting of priorities for the MTA's diversity and outreach agenda;
2. Receive regular reports from the MTA Department of Diversity/Civil Rights and diversity representatives from the MTA's affiliate and subsidiary agencies regarding upcoming diversity and outreach events;
3. Receive regular reports from the MTA Department of Diversity/Civil Rights regarding the certification of disadvantaged, minority- and women-owned businesses and the setting of goals for disadvantaged, minority- and women-owned business participation on agency contracts;
4. Receive regular reports from the MTA Department of Diversity/Civil Rights and from staff of MTA affiliate and subsidiary agencies regarding the status of Equal Employment Opportunity ("EEO") programs, including, as applicable, EEO investigations, EEO compliance and reporting, and Title VI program compliance and reporting;

Deleted: Office of

Deleted: Office of

Deleted: Office of

Deleted: Office of

5. Receive regular reports from MTA Department of Diversity/Civil Rights regarding contractor compliance with goals for such participation and, if applicable, action plans to achieve compliance;
6. Set the annual agenda for the Committee;
7. Review and assess the adequacy of this Charter annually;
8. Conduct an annual self-evaluation of the performance of the Committee, including its effectiveness and compliance with this Charter; and
9. Report regularly to the Board Chair and Board on Committee findings and recommendations and any other matters the Committee deems appropriate or that the Board Chair or the Board requests, and maintain minutes or other records of Committee meetings and activities.

Deleted: Corporate Compliance

The Metropolitan Transportation Authority

FINANCE COMMITTEE

This Charter for the Finance Committee was adopted by the Board Chair and a majority of the members of Board of the Metropolitan Transportation Authority, a public benefit corporation established under the laws of the State of New York (together with any other entity or corporation for which the members of the Metropolitan Transportation Authority serve as a board of directors, the "MTA"), on the 29th day of July, 2004. This charter was amended on the 17th day of December 2008 and further amended on December _____, 2009.

Deleted: and

Formatted: Bullets and Numbering

I. PURPOSE

The Finance Committee (the "Committee") shall assist the Board Chair and the Board in reviewing, providing guidance, and making recommendations with respect to the MTA's core financial policies.

Formatted: Bullets and Numbering

II. COMMITTEE AUTHORITY

In discharging its role, the Committee is empowered to investigate any matter brought to its attention. To facilitate any such investigation, the chairperson of the Committee shall have access to all books, records, facilities and staff of the MTA (including any of its subsidiary corporations or affiliates). The foregoing is not intended to alter or curtail existing rights of individual Board members to access books, records or staff in connection with the performance of their fiduciary duties as Board members.

Formatted: Bullets and Numbering

III. COMMITTEE MEMBERSHIP

The Committee shall consist of 3 or more members of the Board, appointed by the Board Chair. If not otherwise a member of the Committee, each Vice-Chair of the Board shall be an *ex officio* member of the Committee. The Board Chair shall appoint the chairperson of the Committee. In the absence of the chairperson at a meeting of the Committee, the Board Chair shall appoint a temporary chairperson to chair such meeting. A member of the Committee may be removed, for cause or without cause, by the Board Chair.

Formatted: Bullets and Numbering

IV. COMMITTEE MEETINGS

The Committee shall meet on a regularly-scheduled basis at least 11 times per year, and more frequently as circumstances dictate. The Committee shall cause to be kept adequate minutes of all its proceedings and records of any action taken. Committee members will be furnished with copies of the minutes of each meeting. Meetings of the Committee shall be open to the public, and the Committee shall be governed by the rules regarding public meetings set forth in the applicable provisions of the Public Authorities Law and Article 7 of the Public Officers Law that relate to public notice, public speaking and the conduct of executive session. The Committee may form and assign responsibilities to subcommittees when appropriate.

The Committee may request that any member of the Board, the Auditor General, any officer or staff of the MTA, or any other person whose advice and counsel are sought by the Committee, attend any meeting of the Committee to provide such pertinent information at the Committee requests. The Chief Financial Officer and/or the Director of Budgets and Financial Management shall (1) furnish the Committee with all material information pertinent to matters appearing on the Committee agenda, (2) provide the chairperson of the Committee with all information that is material to the Committee's monitoring and oversight of the MTA's core financial policies, and (3) inform the chairperson of the Committee of any matters not already on the Committee agenda that should be added to the agenda in order for the Committee to be adequately monitoring and overseeing the MTA's core financial policies.

Formatted: Bullets and Numbering

V. COMMITTEE REPORTS.

The chairperson of the Committee shall report on the Committee's proceedings, and any recommendations made.

Formatted: Bullets and Numbering

VI. KEY RESPONSIBILITIES

The following responsibilities are set forth as a guide with the understanding that the Committee may diverge as appropriate given the circumstances. The Committee is authorized to carry out these and such other responsibilities assigned by the Board Chair or the Board, from time to time, and take any actions reasonably related to the mandate of this Charter.

To fulfill its purpose, the Committee shall:

1. Review the MTA's annual budget, and ensure that the MTA operates on a self sustaining basis, as required by applicable law, and with support from various levels of government.
2. Monitor the MTA's compliance during the fiscal year with its annual budget.
3. Review the financial requirements of the MTA's capital plans.
4. Review annually the proposed plan to meet the financial requirements of the MTA's capital plans, as well as any financing proposals during the fiscal year that deviate from the proposed financial plan for that year.
5. Review any proposal relating to the incurrence (or repayment) of material indebtedness or other financing arrangement.
6. Review any proposed procurements submitted to the Committee by the Chief Procurement Officer.
7. Oversee the operations of MTA headquarters, including by reviewing proposed procurements for MTA headquarters that require Board approval.

8. Oversee the operations of the First Mutual Transportation Assurance Company ("FMTAC"), including by reviewing proposed procurements for FMTAC.
9. Review annually the scope and terms of the MTA's insurance policies and coverage.
10. Monitor the economic performance of the various MTA pension plans.
11. Review and assess the adequacy of this Charter annually;
12. Conduct an annual self-evaluation of the performance of the Committee, including its effectiveness and compliance with this Charter;
13. Report regularly to the Board Chair and Board on Committee findings and recommendations and any other matters the Committee deems appropriate or the Board Chair or the Board requests, and maintain minutes or other records of Committee meetings and activities.

The Metropolitan Transportation Authority
COMMITTEE ON OPERATIONS OF
THE LONG ISLAND RAIL ROAD AND
THE METROPOLITAN SUBURBAN BUS AUTHORITY

This Charter for the Committee on Operations of the Long Island Railroad and the Metropolitan Suburban Bus Authority was adopted by the Board Chair and a majority of the members of Board of the Metropolitan Transportation Authority, a public benefit corporation established under the laws of the State of New York (together with any other entity or corporation for which the members of the Metropolitan Transportation Authority serve as a board of directors, the "MTA"), on the 29th day of July, 2004. This charter was amended on the 17th day of December, 2008 and was further amended on December _____, 2009.

Deleted: and

I. PURPOSE

The Committee on Operations of the Long Island Railroad and the Metropolitan Suburban Bus Authority (the "Committee") shall assist the Board Chair and the Board in fulfilling their responsibility to monitor and oversee the operations of the Long Island Railroad Company and the Metropolitan Suburban Bus Authority (referred to as "Long Island Bus" or "LIB" and with LIRR as the "LIRR/LIB").

Deleted: Long Island Bus Company

Deleted: together with their subsidiaries,

II. COMMITTEE AUTHORITY

In discharging its role, the Committee is empowered to investigate any matter brought to its attention. To facilitate any such investigation, the chairperson of the Committee shall have access to all books, records, facilities and staff of the MTA and/or the LIRR/LIB. The foregoing is not intended to alter or curtail existing rights of individual Board members to access books, records or staff in connection with the performance of their fiduciary duties as Board members.

III. COMMITTEE MEMBERSHIP

The Committee shall consist of 3 or more members of the Board, appointed by the Board Chair. If not otherwise a member of the Committee, each Vice-Chair of the Board shall be an *ex officio* member of the Committee. The Board Chair shall appoint the chairperson of the Committee. In the absence of the chairperson at a meeting of the Committee, the Board Chair shall appoint a temporary chairperson to chair such meeting. A member of the Committee may be removed, for cause or without cause, by the Board Chair.

IV. COMMITTEE MEETINGS

The Committee shall meet on a regularly-scheduled basis at least 11 times per year, and more frequently as circumstances dictate. The Committee shall cause to be kept adequate minutes of all its proceedings, which shall include records of any action taken. Committee members will be furnished with copies of the minutes of each meeting. Meetings of the Committee shall be open to the public, and the Committee shall be

governed by the rules regarding public meetings set forth in the applicable provisions of the Public Authorities Law and Article 7 of the Public Officers Law that relate to public notice, public speaking and the conduct of executive session. The Committee may form and assign responsibilities to subcommittees when appropriate.

The Committee may request that any member of the Board, the Auditor General, any officer or staff of the MTA, LIRR/LIB or any other person whose advice and counsel are sought by the Committee, attend any meeting of the Committee to provide such pertinent information as the Committee requests. The President of the LIRR and the President of LIB shall each (1) furnish the Committee with all material information pertinent to matters appearing on the Committee agenda relating to his or her respective organization, (2) provide the chairperson of the Committee with all information regarding the affairs of his or her respective organization that is material to the Committee's monitoring and oversight of the operations of such organization, and (3) inform the chairperson of the Committee of any matters not already on the Committee agenda that should be added to the agenda in order for the Committee to be adequately monitoring and overseeing the operations of his or her respective organization.

V. COMMITTEE REPORTS.

The chairperson of the Committee shall report on the Committee's proceedings, and any recommendations made.

VI. KEY RESPONSIBILITIES

The following responsibilities are set forth as a guide with the understanding that the Committee may diverge as appropriate given the circumstances. The Committee is authorized to carry out these and such other responsibilities assigned by the Board Chair or the Board from time to time, and take any actions reasonably related to the mandate of this Charter.

To fulfill its purpose, the Committee shall:

1. monitor and update the Board Chair and the Board on the operating performance of the LIRR/LIB, including information on railroad and bus service, safety and paratransit;
2. monitor and update the Board Chair and the Board on the finances of the LIRR/LIB, including financial reports, ridership reports, and the use of LIRR/LIB funds;
3. review and make recommendations to the Board Chair and the Board regarding proposed procurement contracts of the LIRR/LIB that require Board approval;
4. review and make recommendations to the Board Chair and the Board on proposed capital projects of the LIRR/LIB and monitor the status of such projects;

5. review and make recommendations to the Board Chair and the Board regarding service and policy changes that require Board approval;
6. review periodically with the Counsel of the MTA, the Chief Compliance Officer, and the Counsel of the LIRR/LIB: (i) legal and regulatory matters that may have a material impact on the LIRR/LIB; and (ii) the scope and effectiveness of compliance policies and programs;
7. conduct an annual self-evaluation of the performance of the Committee, including its effectiveness and compliance with this Charter;
8. review and assess the adequacy of this Charter annually; and
9. report regularly to the Board Chair and the Board on Committee findings and recommendations and any other matters the Committee deems appropriate or the Board Chair or the Board requests, and maintain minutes or other records of Committee meetings and activities.

The Metropolitan Transportation Authority
COMMITTEE ON OPERATIONS OF
THE METRONORTH COMMUTER RAILROAD

This Charter for the Committee on the Operations of the MetroNorth Commuter Railroad was adopted by the Board Chair and a majority of the members of Board of the Metropolitan Transportation Authority, a public benefit corporation established under the laws of the State of New York (together with any other entity or corporation for which the members of the Metropolitan Transportation Authority serve as a board of directors, the "MTA"), on the 29th day of July, 2004. This charter was amended on the 17th day of December, 2008 and further amended on December _____, 2009.

Deleted: and

I. PURPOSE

The Committee on the Operations of the MetroNorth Commuter Railroad (the "Committee") shall assist the Board Chair and the Board in fulfilling their responsibility to monitor and oversee the operations of the MetroNorth Commuter Railroad Company ("MetroNorth").

II. COMMITTEE AUTHORITY

In discharging its role, the Committee is empowered to investigate any matter brought to its attention. To facilitate any such investigation, the chairperson of the Committee shall have access to all books, records, facilities and staff of the MTA and/or MetroNorth. The foregoing is not intended to alter or curtail existing rights of individual Board members to access books, records or staff in connection with the performance of their fiduciary duties as Board members.

III. COMMITTEE MEMBERSHIP

The Committee shall consist of 3 or more members of the Board, appointed by the Board Chair. If not otherwise a member of the Committee, each Vice-Chair of the Board shall be an *ex officio* member of the Committee. The Board Chair shall appoint the chairperson of the Committee. In the absence of the chairperson at a meeting of the Committee, the Board Chair shall appoint a temporary chairperson to chair such meeting. A member of the Committee may be removed, for cause or without cause, by the Board Chair.

IV. COMMITTEE MEETINGS

The Committee shall meet on a regularly-scheduled basis at least 11 times per year, and more frequently as circumstances dictate. The Committee shall cause to be kept adequate minutes of all its proceedings, which shall include records of any action taken. Committee members will be furnished with copies of the minutes of each meeting. Meetings of the Committee shall be open to the public, and the Committee shall be governed by the rules regarding public meetings set forth in the applicable provisions of the Public Authorities Law and Article 7 of the Public Officers Law that relate to public

notice, public speaking and the conduct of executive session. The Committee may form and assign responsibilities to subcommittees when appropriate.

The Committee may request that any member of the Board, the Auditor General, any officer or staff of the MTA, MetroNorth or any other person whose advice and counsel are sought by the Committee, attend any meeting of the Committee to provide such pertinent information at the Committee requests. The President of MetroNorth shall (1) furnish the Committee with all material information pertinent to matters appearing on the Committee agenda relating to his or her organization, (2) provide the chairperson of the Committee with all information regarding the affairs of his or her organization that is material to the Committee's monitoring and oversight of the operations of such organization, and (3) inform the chairperson of the Committee of any matters not already on the Committee agenda that should be added to the agenda in order for the Committee to be adequately monitoring and overseeing the operations of his or her organization.

V. COMMITTEE REPORTS.

The chairperson of the Committee shall report on the Committee's proceedings, and any recommendations made.

VI. KEY RESPONSIBILITIES

The following responsibilities are set forth as a guide with the understanding that the Committee may diverge as appropriate given the circumstances. The Committee is authorized to carry out these and such other responsibilities assigned by the Board Chair or the Board from time to time, and take any actions reasonably related to the mandate of this Charter.

To fulfill its purpose, the Committee shall:

1. monitor and update the Board Chair and the Board on the operating performance of MetroNorth, including information on railroad service and safety;
2. monitor and update the Board Chair and the Board on the finances of MetroNorth, including financial reports, ridership reports, and the use of funds by MetroNorth;
3. review and make recommendations to the Board Chair and the Board regarding proposed procurement contracts of MetroNorth that require Board approval;
4. review and make recommendations to the Board Chair and the Board on proposed capital projects of MetroNorth and monitor the status of such projects;
5. review and make recommendations to the Board Chair and the Board regarding MetroNorth service and policy changes that require Board approval;

6. review periodically with the Counsel of the MTA, the Chief Compliance Officer, and the Counsel of MetroNorth: (i) legal and regulatory matters that may have a material impact on MetroNorth; and (ii) the scope and effectiveness of compliance policies and programs;
7. conduct an annual self-evaluation of the performance of the Committee, including its effectiveness and compliance with this Charter;
8. review and assess the adequacy of this Charter annually; and
9. report regularly to the Board Chair and the Board on Committee findings and recommendations and any other matters the Committee deems appropriate or the Board Chair or the Board requests, and maintain minutes or other records of Committee meetings and activities.

The Metropolitan Transportation Authority

**COMMITTEE ON OPERATIONS OF
THE NEW YORK CITY TRANSIT AUTHORITY,
THE MANHATTAN AND BRONX SURFACE TRANSIT
OPERATING AUTHORITY AND THE STATEN ISLAND
RAPID TRANSIT OPERATING AUTHORITY**

This Charter for the Committee on Operations of the New York City Transit Authority, the Manhattan and Bronx Surface Transit Operating Authority and the Staten Island Rapid Transit Operating Authority was adopted by the Board Chair and a majority of the members of Board of the Metropolitan Transportation Authority, a public benefit corporation established under the laws of the State of New York (together with any other entity or corporation for which the members of the Metropolitan Transportation Authority serve as a board of directors, the "MTA"), on this 29th day of July, 2004. This charter was amended on the 17th day of December, 2008 and further amended on December _____, 2009.

Deleted: and

I. PURPOSE

The Committee on Operations of the New York City Transit Authority, the Manhattan and Bronx Surface Transit Operating Authority and the Staten Island Rapid Transit Operating Authority (the "Committee") shall assist the Board Chair and the Board in fulfilling their responsibility to monitor and oversee the operations of the New York City Transit Authority, the Manhattan and Bronx Surface Transit Operating Authority and the Staten Island Rapid Transit Operating Authority (collectively, the "NYCT"). In addition to the Committee's oversight responsibilities over NYCT operations, the members of the Committee shall also separately assist the Board Chair and the Board in fulfilling their responsibility to monitor and oversee the operations of the MTA Bus Company.

II. COMMITTEE AUTHORITY

In discharging its role, the Committee is empowered to investigate any matter brought to its attention. To facilitate any such investigation, the chairperson of the Committee shall have access to all books, records, facilities and staff of the MTA, the NYCT and/or the MTA Bus Company. The foregoing is not intended to alter or curtail existing rights of individual Board members to access books, records or staff in connection with the performance of their fiduciary duties as Board members.

III. COMMITTEE MEMBERSHIP

The Committee shall consist of 3 or more members of the Board, appointed by the Board Chair. If not otherwise a member of the Committee, each Vice-Chair of the Board shall be an *ex officio* member of the Committee. The Board Chair shall appoint the chairperson and the vice-chairperson of the Committee. The vice-chairperson of the Committee shall be a person recommended to the Board by the Mayor of the City of New York. In the absence of the chairperson at a meeting of the Committee, the vice-chairperson shall chair such meeting. In the absence of the chairperson and the vice-

chairperson, the Board Chair shall appoint a temporary chairperson to chair such meeting. A member of the Committee may be removed, for cause or without cause, by the Board Chair.

IV. COMMITTEE MEETINGS

The Committee shall meet on a regularly-scheduled basis at least 11 times per year, and more frequently as circumstances dictate. The Committee shall cause to be kept adequate minutes of all its proceedings, which shall include records of any action taken.

Committee members will be furnished with copies of the minutes of each meeting.

Meetings of the Committee shall be open to the public, and the Committee shall be governed by the rules regarding public meetings set forth in the applicable provisions of the Public Authorities Law and Article 7 of the Public Officers Law that relate to public notice, public speaking and the conduct of executive session. The Committee may form and assign responsibilities to subcommittees when appropriate.

The Committee may request that any member of the Board, the Auditor General, any officer or staff of the MTA, the NYCT, the MTA Bus Company or any other person whose advice and counsel are sought by the Committee, attend any meeting of the Committee to provide such pertinent information as the Committee requests. The President of NYCT and the President of MTA Bus Company shall each (1) furnish the Committee with all material information pertinent to matters appearing on the Committee agenda relating to his or her respective organization, (2) provide the chairperson of the Committee with all information regarding the affairs of his or her respective organization that is material to the Committee's monitoring and oversight of the operations of such organization, and (3) inform the chairperson of the Committee of any matters not already on the Committee agenda that should be added to the agenda in order for the Committee to be adequately monitoring and overseeing the operations of his or her organization.

V. COMMITTEE REPORTS.

The chairperson of the Committee shall report on the Committee's proceedings, and any recommendations made.

VI. KEY RESPONSIBILITIES

The following responsibilities are set forth as a guide with the understanding that the Committee may diverge as appropriate given the circumstances. The Committee is authorized to carry out these and such other responsibilities assigned by the Board Chair or the Board from time to time, and take any actions reasonably related to the mandate of this Charter.

To fulfill its purpose, the Committee shall, with respect to NYCT:

1. monitor and update the Board Chair and the Board on the operating performance of NYCT, including information on subway and bus service, crime, safety and paratransit;

2. monitor and update the Board Chair and the Board on the finances of NYCT, including financial reports, ridership reports, and the use of funds by the NYCT;
3. review and make recommendations to the Board Chair and the Board regarding proposed procurement contracts of NYCT that require Board approval;
4. review and make recommendations to the Board Chair and the Board on proposed capital projects of NYCT and monitor the status of such projects;
5. review and make recommendations to the Board Chair and the Board regarding NYCT service and policy changes that require Board approval;
6. review periodically with the Counsel of the MTA, the Chief Compliance Officer, and the Counsel of NYCT: (i) legal and regulatory matters that may have a material impact on NYCT; and (ii) the scope and effectiveness of compliance policies and programs;

With respect to the MTA Bus Company, the Committee shall:

1. monitor and update the Board Chair and the Board on the operating performance of the MTA Bus Company;
2. monitor and update the Board Chair and the Board on the finances of the MTA Bus Company, including financial reports, ridership reports, and the use of funds by the MTA Bus Company;
3. review and make recommendations to the Board Chair and the Board regarding proposed procurement contracts of the MTA Bus Company that require Board approval;
4. review and make recommendations to the Board Chair and the Board on proposed capital projects of the MTA Bus Company and monitor the status of such projects;
5. review and make recommendations to the Board Chair and the Board regarding MTA Bus Company service and policy changes that require Board approval;
6. review periodically with the Counsel of the MTA, the Chief Compliance Officer, and the Counsel of the MTA Bus Company: (i) legal and regulatory matters that may have a material impact on the MTA Bus Company; and (ii) the scope and effectiveness of compliance policies and programs.

Deleted: ; and

In addition, the Committee shall have the following responsibilities:

1. conduct an annual self-evaluation of the performance of the Committee, including its effectiveness and compliance with this Charter;
2. review and assess the adequacy of this Charter annually; and
3. report regularly to the Board Chair and the Board on Committee findings and recommendations and any other matters the Committee deems appropriate or the Board Chair or the Board requests, and maintain minutes or other records of Committee meetings and activities.

The Metropolitan Transportation Authority

SAFETY & SECURITY COMMITTEE

This Charter for the Safety & Security Committee was adopted by the Board Chair and a majority of the members of Board of the Metropolitan Transportation Authority, a public benefit corporation established under the laws of the State of New York (together with any other entity or corporation for which the members of the Metropolitan Transportation Authority serve as a board of directors, the "MTA"), on the 29th day of July, 2004. This charter was amended on the 17th day of December, 2008 and further amended on December 2009.

Deleted: and

I. PURPOSE

The Safety & Security Committee (the "Committee") shall assist the Board Chair and the Board by reviewing, providing guidance, and making recommendations with respect to safety and security on an MTA-wide basis.

II. COMMITTEE AUTHORITY

In discharging its role, the Committee is empowered to investigate any matter brought to its attention. To facilitate any such investigation, the chairperson of the Committee shall have access to all books, records, facilities and staff of the MTA (including any of its subsidiary corporations or affiliates). The foregoing is not intended to alter or curtail existing rights of individual Board members to access books, records or staff in connection with the performance of their fiduciary duties as Board members.

III. COMMITTEE MEMBERSHIP

The Committee shall consist of 3 or more members of the Board, appointed by the Board Chair. If not otherwise a member of the Committee, each Vice-Chair of the Board shall be an *ex officio* member of the Committee. The Board Chair shall appoint the chairperson of the Committee. In the absence of the chairperson at a meeting of the Committee, the Board Chair shall appoint a temporary chairperson to chair such meeting. A member of the Committee may be removed, for cause or without cause, by the Board Chair.

IV. COMMITTEE MEETINGS

The Committee shall meet on a regularly-scheduled basis at least 4 times per year, and more frequently as circumstances dictate. The Committee shall cause to be kept adequate minutes of all its proceedings and records of any action taken. Committee members will be furnished with copies of the minutes of each meeting. Meetings of the Committee shall be open to the public, and the Committee shall be governed by the rules regarding public meetings set forth in the applicable provisions of the Public Authorities Law and Article 7 of the Public Officers Law that relate to public notice, public speaking and the conduct of executive session. The Committee may form and assign responsibilities to subcommittees when appropriate.

The Committee may request that any member of the Board, the Auditor General, any officer or staff of the MTA, or any other person whose advice and counsel are sought by the Committee, attend any meeting of the Committee to provide such pertinent information as the Committee requests. The Director of Security and the Director of Operations Support and or his or her designee shall (1) furnish the Committee with all material information pertinent to matters appearing on the Committee agenda relating to safety and security on an MTA-wide basis, (2) provide the chairperson of the Committee with all information regarding safety and security on an MTA-wide basis that is material to the Committee's monitoring and oversight of safety and security on an MTA-wide basis, and (3) inform the chairperson of the Committee of any matters not already on the Committee agenda that should be added to the agenda in order for the Committee to be adequately monitoring and overseeing safety and security on an MTA-wide basis.

V. COMMITTEE REPORTS.

The chairperson of the Committee shall report on the Committee's proceedings, and any recommendations made.

VI. KEY RESPONSIBILITIES

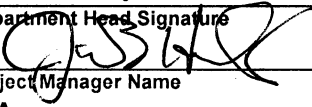
The following responsibilities are set forth as a guide with the understanding that the Committee may diverge as appropriate given the circumstances. The Committee is authorized to carry out these and such other responsibilities assigned by the Board Chair or the Board, from time to time, and take any actions reasonably related to the mandate of this Charter.


To fulfill its purpose, the Committee shall:

1. Monitor the implementation of the annual safety goals and programs of the MTA and each of its subsidiaries and constituent authorities;
2. Monitor the safety record of the MTA and each of its subsidiaries and constituent authorities; including by selecting and reviewing key safety indicators;
3. Provide a forum for the open discussion of safety and security issues among representatives from the MTA and each of its subsidiaries and constituent agencies;
4. Facilitate the identification of approaches and solutions that address MTA-wide safety and security issues;
5. Set the annual agenda for the Committee;
6. Review and assess the adequacy of this Charter annually;
7. Conduct an annual self-evaluation of the performance of the Committee, including its effectiveness and compliance with this Charter;

8. Report regularly to the Board Chair and Board on Committee findings and recommendations and any other matters the Committee deems appropriate or the Board Chair or the Board requests, and maintain minutes or other records of Committee meetings and activities.

Staff Summary

Subject Labor Governance Guidelines	Date DECEMBER 16, 2009
Department General Counsel/Labor Relations	Vendor Name N/A
Department Head Name James Henly	Contract Number N/A
Department Head Signature 	Contract Manager Name N/A
Project Manager Name N/A	Table of Contents Ref # N/A

Board Action						Internal Approvals			
Order	To	Date	Approval	Info	Other	Order	Approval	Order	Approval
1	Corporate Governance	12/9/09	X						
2	Board	12/16/09	X			1	Legal 		

Purpose: To seek Board approval of proposed MTA Labor Governance Guidelines

Discussion: The purpose of the MTA Labor Governance Guidelines is to ensure that the Board is kept apprised of significant developments affecting collective bargaining matters and to further the Board's ability to engage in meaningful oversight of MTA management with respect to the collective bargaining matters of the MTA Agencies.

The Guidelines outline the basic responsibilities of the Chairman/CEO and Board with respect to labor matters. As chief executive officer, the Chairman is responsible for the management of labor relations/collective bargaining at the MTA Agencies. The Board is responsible for the oversight of Chairman/CEO and other involved senior management in effective and ethical management of MTA labor relations and for considering and determining whether to ratify collective bargaining agreements negotiated by MTA management.

The Guidelines set forth a number of labor-related responsibilities of the Chair and senior management to the Board intended to assist the Board in fulfilling its oversight role. The Chairman/CEO will serve as principal liaison to the Board with respect to labor matters. The Chairman/CEO will assure that members of the Board receive regular and timely information concerning significant labor developments customarily through the MTA Director of Labor Relations. Contracts reached by management customarily will be presented to relevant Board operating committee(s) and the Finance Committee prior to being presented to the Board for action, recognizing that time constraints may require direct briefing of the Board without prior Committee briefings. The Guidelines require the Director of Labor Relations to work with the Agency Presidents to ensure relevant information is provided on labor issues before the Board and to identify labor matters that should be added to Board agenda. The Guidelines further provide that collective bargaining matters are to be managed by MTA headquarters through the Chairman/CEO and the Director of Labor Relations, with Agency Presidents responsible for day-to-day matters affecting labor relations.

A copy of the Labor Governance Guidelines, incorporating the changes recommended by the Corporate Governance Committee, is attached to this staff summary.

Recommendation: That the Board adopt the proposed Labor Governance Guidelines.

**METROPOLITAN TRANSPORTATION AUTHORITY
CORPORATE GOVERNANCE GUIDELINES WITH RESPECT
TO LABOR RELATIONS MATTERS**

Deleted: [PROPOSED]

These Corporate Governance Guidelines for Labor Relations have been adopted by the Board of the Metropolitan Transportation Authority (“MTA” and the “Board”) and apply to the MTA and the other public benefit corporations under common control of the MTA (collectively the MTA, the “MTA Agencies”). The MTA Agencies consist of:

- Metropolitan Transportation Authority
- Triborough Bridge and Tunnel Authority
- New York City Transit Authority (“NYCT”)
- Manhattan and Bronx Surface Transit Operating Authority
- The Long Island Rail Road Company
- Metro-North Commuter Railroad Company
- Staten Island Rapid Transit Operating Authority
- Metropolitan Suburban Bus Authority
- MTA Bus Company
- MTA Capital Construction Company
- First Mutual Transportation Assurance Company

Purpose

These Labor Relations Corporate Governance Guidelines are established to ensure that the Board is kept apprised of material developments affecting collective bargaining and in furtherance of the Board's oversight of MTA management with respect to the collective bargaining matters of the MTA Agencies.

Pursuant to the Public Authorities Law §2824(1)(a), the members of the Board are charged with executing direct oversight of the CEO and the senior management of MTA Agencies in the effective and ethical management of the MTA Agencies. Given the significance of labor relations to the performance and financial stability of the MTA Agencies, it is appropriate to set forth the roles of the Board and management with respect to labor matters.

Chief Executive Officer Functions and Responsibilities

Pursuant to Public Authorities Law §1263(4)(a), the Chairman is the chief executive officer of the MTA and as such is responsible for the discharge of the executive and administrative functions and powers of the MTA Agencies. Those executive and administrative functions and powers include management of labor relations at the MTA Agencies.

Board Member Functions and Responsibilities

The MTA Board is responsible for

1. oversight of the Chair/CEO and other MTA senior management in the effective and ethical management of the labor relations of MTA Agencies;
2. considering, and determining whether to ratify, collective bargaining agreements negotiated by MTA management.

To carry out these responsibilities, the Board must be properly informed. Toward that end, below are Governance Guidelines with respect to labor matters.

Responsibilities of the MTA Chairman/CEO, MTA Director of Labor Relations and Agency Presidents to the Board with Respect to Labor Matters

1. The Chairman/CEO, as the official with executive and administrative responsibility for labor matters, shall serve as the principal liaison between management and the Board with respect to labor matters. The Chairman/CEO may act through his designee, the MTA Director of Labor Relations, in connection with providing the Board with information regarding the labor matters of the MTA Agencies that is relevant both to specific decisions that the Board is required to make and to the Board's effective fulfillment of its oversight responsibility.

2. The Chairman/CEO shall assure that members of the Board receive regular and timely briefings or communiqués concerning significant developments with respect to labor matters. Such briefings or communications, which customarily shall be made by the MTA Director of Labor Relations, shall be provided as needed to keep members of the Board apprised of significant developments with respect to labor matters. Significant developments shall include, but not be limited to,

- the forthcoming expiration of a major collective bargaining agreement (CBA) ;
- key bargaining objectives;
- the status of negotiations with respect an impactful CBA, including the parties' negotiating positions;
- proposed agreement to interest arbitration or public interest arbitration;

- the status of impasse proceedings, if any, leading to Taylor Law public interest arbitration or, in the case of the commuter rail lines, the status of bargaining-related proceedings under the Railway Labor Act;
- pending contract modifications or interpretations with a substantial cost.

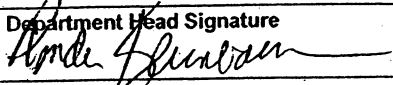
3. Contracts reached by management and ratified by the Union, shall customarily be presented to the relevant Board operating committee(s) and the Finance Committee by the Director of Labor Relations, prior to being presented to the Board for action. There may be instances, however, where time constraints require direct briefing of the Board without prior Committee briefings.

4. The Director of Labor Relations shall work with the MTA Agency Presidents to ensure that members of the Board are furnished with all material information pertinent to labor matters scheduled before the Board. In the event either the President of an MTA Agency or the Director of Labor Relations believes a labor matter not already on the Board agenda should be added, the chairman shall be informed.

5. Collective bargaining matters shall be managed by MTA headquarters through the Chair/CEO and the Director of Labor Relations. The Presidents of the MTA Agencies are primarily responsible for the general management and operations of their respective organizations, and shall be responsible for day-to-day matters affecting labor relations.

Deleted: 1

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 December 7, 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	12/14/09			
2	Board	12/16/09			

Internal Approvals			
Order	Approval	Order	Approval
			Office of Civil Rights
			Legal
	Budgets & Financial Mgmt.		EITG
	Procurement		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:

	<u># of Actions</u>	<u>\$ Amount</u>
MTAHQ proposes to award Non-competitive procurements in the following categories:	None	\$0.00
MTAHQ proposes to award Competitive procurements in the following categories:	None	\$0.00
MTAHQ presents the following procurement actions for Ratification:	None	\$0.00
TOTAL	0	\$0.00

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.

Subject Request for Authorization to Award Various Procurements					
Department Materiel					
Department Head Name Stanley J. Grill					
Department Head Signature <i>Stanley J. Grill</i>					
Project Manager Name Rose Davis					
Board Action					
Order	To	Date	Approval	Info	Other
1	Committee	12/14/09			
2	Board	12/16/09			

December 3, 2009			
Vendor Name			
Contract Number			
Contract Manager Name			
Table of Contents Ref #			
Internal Approvals			
	Approval		Approval
<i>TR</i>	President <i>12/16/09</i>	X	Capital Construction Co.
<i>MPC</i>	Executive VP	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:

Procurements Requiring Two Thirds Vote:

	<u># of Actions</u>	<u>\$ Amount</u>
Schedule A: Non-Competitive Purchases and Public Work Contracts	1	\$.07 M
• MAC Products, Inc. \$.07 M		

Schedules Requiring Majority Vote

Schedule E: Miscellaneous Procurement Contracts	1	\$.2 M
• Industrial Control \$.2 M		
Distributors		

Schedule G: Miscellaneous Service Contracts	1	\$ 2.8 M
• RAD Data Communications \$ 2.8 M		

Schedule I: Modification to Purchase and Public Work Contracts	1	\$.08 M
• Alstom Transportation Inc. \$.08 M		

SUBTOTAL	4	\$ 3.2 M
----------	---	----------

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

Procurements Requiring Two-Thirds Vote:

	<u># of Actions</u>	<u>\$ Amount</u>
Schedule B: Competitive Requests for Proposals (Solicitation of Purchase and Public Work Contracts)	1	\$ TBD M
Schedule C: Competitive Requests for Proposals (Award of Purchase and Public Work Contracts)	1	\$.1 M

Schedules Requiring Majority Vote

Schedule E: Miscellaneous Procurement Contracts	1	\$.1 M
Schedule F: Personal Service Contracts	4	\$ 10.6 M
Schedule G: Miscellaneous Service Contracts	1	\$ 4.5 M
Schedule H: Modifications to Personal/Miscellaneous Service Contracts	1	\$.5 M
Schedule L: Budget Adjustments to Estimated Quantity Contracts	1	\$ 2.0 M
SUBTOTAL	10	\$ 17.8 M

NYC Transit proposes to award Ratifications in the following categories:

Schedules Requiring Majority Vote:

Schedule K: Ratification of Completed Procurement Actions:	1	\$.3 M
SUBTOTAL	1	\$.3 M
TOTAL	15	\$ 21.3 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.

DECEMBER 2009**LIST OF NON-COMPETITIVE PROCUREMENTS FOR BOARD APPROVAL****Procurements Requiring Two-Thirds Vote:****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. **MAC Products, Inc.** **\$66,099.60**
Non-Competitive
Req. #U-A218637

It is requested that the Board declare competitive bidding impractical or inappropriate pursuant to Public Authorities Law §1209, subsection 9(d) and approve the purchase of Portable Train Warning Systems and related services, for test and evaluation. The Department of Subways is looking to evaluate prototype Portable Train Warning System (PTWS) equipment from a manufacturer, as part of an ongoing effort to improve the safety of employees and contractors performing maintenance on or close to the right-of-way in subway tunnels. PTWS is designed to detect trains that approach wayside workers and transmit audible and visual warnings to the workers. Each PTWS consists of two operating devices, a Train Detection Unit and an Alarm Unit. PTWS will not replace conventional flag personnel, as is intended to be deployed on the adjacent track. Conventional flagging focuses on trains that enter the work area, as flaggers are positioned on the same tracks where the work is being performed. PTWS is expected to enhance the safety of wayside workers by alerting them to an approaching train when it is 1,200 feet from the work area, and will be especially beneficial in subway tunnels where approaching trains are not visible until the last moments. Fourteen firms responded to a Request for Information. MAC Products was one of only two firms to successfully field demonstrate devices that met minimum NYC Transit requirements and could operate in a NYC Transit tunnel. (The second firm that met those preliminary qualifications has higher proposed pricing but may receive consideration should the test with MAC Products be unsuccessful.) MAC Products will provide three complete systems, with a one-year warranty, and provide training to supervisory and hourly personnel. A non-warranty repair service will be provided in the event that NYC Transit damages the equipment. NYC Transit will not award this contract until 30 days have elapsed from the date that the Board has approved this request. NYC Transit will extensively test and evaluate the equipment under real operating conditions for no less than six months. If the test is successful, RTO will purchase additional units. MAC Products is seeking minimal profit and agreed to forego engineering overhead as well as general and administrative expenses, and its price is considered fair and reasonable.

DECEMBER 2009

LIST OF NON-COMPETITIVE PROCUREMENTS FOR BOARD APPROVAL

Procurements Requiring Majority Vote:

E. Miscellaneous Procurement Contracts

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

2. Industrial Control Distributors \$184,695.00 (NTE)
Non-Competitive – Four-year contract
Req #U-A263716

The Department of Subways - Signals Division has requested four years of GE Fanuc GlobalCare software support and corresponding upgrades for GE Fanuc signal monitoring software. An earlier version of this software was originally acquired under various capital signal contracts that were awarded starting 15 years ago and had been a PC based local application in various signal control and relay rooms. No software maintenance is required for these applications. However, these locations require eight industrial diagnostic PC's that cost \$8-10K each in order to monitor the Programmable Logic Controller. A new, server-based network application was acquired as part of the Bergen Street and Concourse Signal projects. GE Fanuc software was used to create a central monitoring system to support the operation and maintenance of the signal system for these two locations. This system allows for both localized and remote monitoring of the operation of all signal equipment and devices (switches, stops, relays, etc.), which are positioned on the track right of way and are graphically displayed on desktop PCs. This results in a cost avoidance of approximately \$80K every three years by not having to replace the industrial PCs, and thus largely offsetting the cost of the maintenance of the network software. This system provides a color-coded visual display of track schematics, including real time status of all signal equipment and devices that allows for a quicker and safer resolution of equipment problems, which in turn reduces the need for track access, resulting in fewer train and passenger delays. This software has also been identified to be installed under six capital Signal projects, thus further expanding the signal system that can be centrally monitored. After acceptance and incorporation of new locations into the database, NYC Transit will expand the support of the GE Fanuc software maintenance under this contract. This expansion will increase the cost of software maintenance by 3% to 5%. GE Fanuc is the developer of this software and Industrial Control Distributors (ICD) is their exclusive reseller and installer of this software. ICD's price of \$184,695, includes \$139,395 for four years of GlobalCare software support consisting of software upgrades and 24/7 technical telephone and online access support and \$45,300 to upgrade all existing GE Fanuc software from version 7 to version 8. The current software support for Bergen and Concourse will expire on December 31, 2009. Procurement requested a price concession from ICD, but was unsuccessful. ICD explained that they could not reduce their price any further because their quote already reflected a 5% discount. Also, their standard charge for client/customers to opt back into their GlobalCare (to get all software up to the current level), are charged 50% of the total list price of the installed software and NYC Transit is being charged 25% of the total list price of the installed GE Fanuc software to opt back in, a savings of \$45,300. In addition, by purchasing four years of GlobalCare, NYC Transit will also be saving on the annual increases for upgrades and GlobalCare that range between 3 to 5%, in software pricing, which price is calculated off of the current list price. This could equate to an additional savings estimated between \$12,000 to \$15,000 over a four year period. The final price was found to be fair and reasonable.

DECEMBER 2009

LIST OF NON-COMPETITIVE PROCUREMENTS FOR BOARD APPROVAL

			<u>Page</u>
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.)		
3. RAD Data Communications, Inc.	\$2,781,328.00 (Est.)	<u>Staff Summary Attached</u>	183
Non-Competitive – Thirty-nine month contract, with 2 one-year options			
Contract #09D0079			
Maintenance support for the SONET/ATM Communications Network System.			
I. <u>Modifications to Purchase and Public Work Contracts</u>			
(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.)			
4. Alstom Transportation Inc.	\$75,551.95	<u>Staff Summary Attached</u>	184
Contract #07F9713.1			
Modification to the contract for the installation, test and evaluation of prototype dual-phase speed sensor kits and related software on two test R142 Alstom propulsion cars, in order to purchase and install additional kits and extend the term of the contract.			

Schedule G: Miscellaneous Service Contracts



Item Number: 3

Vendor Name (& Location) RAD Data Communications, Inc. (Mahwah, NJ)
Description Maintenance support services for the SONET/ATM Communications Network System
Contract Term (including Options, if any) Three years, with 2 one-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 type="checkbox"/> Competitive <input checked="" type="checkbox"/> Non-competitive
Solicitation Type <input type="checkbox"/> RFP <input type="checkbox"/> Bid <input checked="" type="checkbox"/> Sole Source

Contract Number 09D0079	Renewal? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Total Amount:	\$2,781,328.00 (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 Subways, Steve A. Feil	

Discussion:

This contract is for maintenance and support services of channel bank equipment and its element management system (EMS) by the original equipment manufacturer, RAD Data Communications, Inc. (RAD) supplied by Siemens Transportation Systems under the SONET/ATM Communications Network System (SACNS). The new network will transport all NYC Transit internal data and telecommunications, including critical safety sensitive, railroad operating, revenue and administrative services and applications such as emergency telephones, emergency booth communications systems, the Supervisory Control and Data Acquisition system, PayPass-Smartcard and the Local and Wide Area networks. The original award of the SONET/ATM contract contained a maintenance option for Siemens to provide full service maintenance of the network. However, when escalated to present rates, NYC Transit deemed the proposed maintenance option costs to be excessive. NYC Transit decided to contract directly with this manufacturer because of their unique expertise in maintaining sophisticated equipment with which NYC Transit had no historical experience. Accordingly, this is the third of various non-competitive agreements submitted for Board approval in order for NYC Transit to assume maintenance of network equipment components upon expiration of the contract warranty. In June and July 2009, the Board approved award of similar contracts with Fujitsu Network Communications and Digital Prototype Systems. The project for SACNS cost in excess of \$200 Million and the annual support cost for maintenance contracts and internal support staff is less than 5% of this amount per year. This compares favorably with maintenance costs for other electronic systems. Further, as in house staff gain familiarity with the equipment, or, the next generation of hardware replaces certain other equipment, maintenance costs can be reduced in the future. Due to the critical nature of the network, NYC Transit will only contract with the original equipment manufacturers for hardware and software support and parts. The channel bank equipment manufactured by RAD is used to merge several low-speed voice or data telecommunications lines into one high-speed digital line. There are approximately 234 channel bank devices installed at 177 passenger stations and 10 core building locations throughout the system. The EMS provides remote network monitoring; testing and management of all channel bank equipment at the network command center as well as provides diagnostic and control functions that will assist NYC Transit personnel in troubleshooting and expediting repairs. The work under this contract will be provided under RAD's service level 1 extended warranty support plan, which consists of priority 24/7 technical support, software downloads, patches and upgrades and replacement of failed parts within 30 days, which NYC Transit personnel will install. RAD submitted final pricing of \$2,781,329 consisting of \$1,594,413 for 39 months (\$531,471 annually) and \$581,821 and \$605,094 for the two option years. RAD offered the first three months of maintenance from January 1, 2010 through March 31, 2010 at no cost. Although SACNS is anticipated to be completed in mid 2010, the RAD equipment has been accepted and will not be altered during the completion process. The final proposal takes into account a five percent discount off RAD's initial price for Service Level 1 maintenance and support. The annual maintenance cost of \$531,471 is 9.5% of RAD's list price for the equipment that will be maintained, which is valued at \$5,594,434. Other than this comparison, Procurement was unable to perform an extensive evaluation of RAD's pricing. RAD, as an international contractor, does not divulge pricing information due to confidentiality agreements that RAD has with their other clients. Since a fair and reasonable determination could not be substantiated, the recommendation to award a contract to RAD is a business decision based on the reasons above.

Schedule I: Modifications to Purchase and Public Work Contracts



Item Number: 4

Vendor Name (& Location) ALSTOM Transportation Inc. (Hornell, NY)	
Description Purchase, installation and test for the evaluation of prototype dual phase speed sensor kits and related software on two (of 10) test R142 ALSTOM propulsion cars	
Contract Term (including Options, if any) November 7, 2007 – November 7, 2010	
Option(s) included in Total Amount? <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> n/a	
Procurement Type <input type="checkbox"/> Competitive <input checked="" type="checkbox"/> 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 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	AWO/Modification #
07F9713	1
Original Amount:	
	\$ 290,000.00
Prior Modifications:	
	\$ 0
Prior Budgetary Increases:	
	\$ 0
Current Amount:	
	\$ 290,000.00
This Request:	
	\$ 75,551.95
% of This Request to Current Amount:	
	26%
% of Modifications (including This Request) to Original Amount:	
	26%

Discussion:

This contract with ALSTOM Transportation Inc. (ALSTOM) is for the purchase, installation and evaluation of prototype dual phase speed sensor kits and related software on two (of 10) test R142 ALSTOM propulsion cars. This modification is for the purchase of an additional 13 dual phase speed sensor kits (including two spare kits) from ALSTOM, plus installation of 11 of those kits by ALSTOM on eight (of 10) test R142 ALSTOM propulsion cars. This modification will also extend the contract for an additional two years. (The two spare kits will be used in the event that an installed kit needs to be replaced during the test phase. Having the spares on hand will avoid any significant delays in testing.) These eight cars are part of the original 10-car test train that had only two of the cars outfitted with the new speed sensors. (Each kit contains two speed sensors – one speed sensor is required for each of the two traction motors on a motorized subway car truck. One train requires 28 speed sensors; six were installed as a result of the base contract and 22 more will be installed as a result of this modification.) ALSTOM will perform the installation of the 11 speed sensor kits on the remaining eight cars at one of NYC Transit's overhaul shops. The existing R142 speed sensors sense the rate at which the traction motor is turning but not the direction. The Division of Car Equipment (DCE) sought to find an enhanced design solution incorporating the use of dual phase (direction sensing) speed sensors (as presently used on the R160 cars). DCE proposed replacing the existing speed sensors with these new direction-sensing speed sensors using dual phase technology with associated propulsion software changes. These new speed sensors will be able to sense when a train is rolling backwards and then send a signal to the propulsion system to go into brake mode and thus prevent potential propulsion lock-outs and resultant train delays. Also, while the current speed sensor is not defective, failures have been occurring at the point where the sensor connects to its associated wiring. The new design is one that allows for the sensor and the wiring to be a one-piece design which has proven to be more reliable. Under the base contract, ALSTOM designed and installed six new speed sensors on two R142 cars (a requisite quantity of four speed sensors for one A car and a requisite quantity of two speed sensors on one B car) in one five-car operating unit to study the results and determine if the use of the new ALSTOM speed sensors was effective. This operating unit was then coupled to another R142 five-car operating unit for testing in revenue service. The study is intended to validate a proposed modification to the entire fleet of 1,030 R142 cars that would result in increased long term speed sensor reliability as well as a consistent level of speed sensor functionality across the fleet. Upon successful completion of the test NYCT will then purchase speed sensors at a price substantially less than the kit price referenced below, and retrofit the balance of the R142 fleet using in-house forces. The cost to retrofit the entire 1,030 car R142 fleet is expected to be offset by the savings realized through the elimination of the approximately 24 revenue service delays per year resulting from issues associated with the current speed sensors. No other NYC Transit subway car fleet requires this speed sensor modification. During the initial days of revenue service testing, this 10-car test train experienced a propulsion problem, unanticipated by both ALSTOM and NYC Transit, that resulted in a delay in service. The only cars unaffected on the 10-car train were the two cars outfitted with the new dual mode speed sensors. (Previous modifications to propulsion equipment and related software on the R142 fleet were conducted on only one A car and one B car so both DCE and ALSTOM believed that having only two cars outfitted to test speed sensors under the base contract would have been sufficient.) In order to avoid the possibility of delays during future revenue service testing and to continue the validation of the software and hardware associated with the dual phase speed sensors, DCE determined that equipping all ten cars with the dual phase speed sensors would provide the necessary assurance level for validating the speed sensor modification. The unit price for the kits on the base contract was \$2,385.90, and the unit price on the kits for this modification is \$2,452.23, a 2.8% increase. The final price is deemed fair and reasonable based on a comparison with the estimate and the base contract kit unit prices.

New York City Transit

DECEMBER 2009

LIST OF COMPETITIVE PROCUREMENTS FOR BOARD APPROVAL

Procurements Requiring Two-Thirds Vote:

Procurements Requiring Majority Vote:

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

DECEMBER 2009

LIST OF COMPETITIVE PROCUREMENTS FOR BOARD APPROVAL

			<u>Page</u>
F. <u>Personal Service Contracts</u>			
(Staff Summaries required for all items greater than: \$100K Sole Source; \$250K Other Non-Competitive; \$1M Competitive.)			
4. Jacobs Civil Consultants, Inc.	\$2,000,000.00 (Est.)	<u>Staff Summary Attached</u>	193
5. NCE Value Consultants, Inc.	\$2,000,000.00 (Est.)	↓	
Three Proposals – Two-year contract, with two-year option Contract #s CM-1393 and CM-1394 Consultant IQ contract to provide value engineering services for NYC Transit's Capital Program.			
6. ARCADIS of NY, Inc.	\$3,300,000.00 (Est.)	<u>Staff Summary Attached</u>	195
7. Henningson, Durham & Richardson	\$3,300,000.00 (Est.)	↓	
Architecture and Engineering, P.C. Six-Proposals – Three-year contract, with two-year option Contract #s CM-1396 and CM-1397 Multi-agency consultant IQ contract to provide risk assessment services.			
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. ACS State & Local Solutions	\$4,503,340.00 (Est.)	<u>Staff Summary Attached</u>	197
Three Proposals – Five-year contract Contract #08H9963 Administer the EasyPay MetroCard Program.			
H. <u>Modifications to Personal Service Contracts and Miscellaneous Service Contracts Awarded as Contracts for Services</u>			
(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.)			
9. JP Morgan Chase	\$450,000.00 (Est.)	<u>Staff Summary Attached</u>	198
Contract #04A8855.2 Modification to the contract to administer the EasyPay MetroCard Program, in order to add funding and extend the term of the contract.			

DECEMBER 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.)

10. Hepco Inc. Contract # CM-1298.2 July 11, 2005 – July 10, 2010	Original Amount:	\$ 5,000,000
	Prior Modifications:	\$ 5,000,000
	Prior Budgetary Increases:	\$ 0
	Current Amount:	\$ 10,000,000
	This Request:	\$ 2,000,000
	% of This Request to Current Amount:	20%
	% of Modifications (including This Request) to Original Amount:	140%

Discussion

This estimated quantity contract is for the services of job shop consultants to provide in-house support during design and construction phases of various projects on an 'as-needed' basis. Utilizing temporary staff on an 'as-needed' basis is less expensive than using, or increasing, internal staff positions as the fully loaded rates of temporary staff are lower than in-house rates for these titles. Hepco has been supplying specialized personnel such as railroad signal specialists, fiber optic network communications engineers and safety/quality engineers and other disciplines that are in high demand. The temporary staff are assigned to a wide range of projects that includes signal modernization, fire alarm installation, induction loop system, CCTV and other communications projects. Each position requested to be filled comes with individual funding at that time. This is one of six contracts originally awarded for \$5 million each, for a total of \$30 million. The average annual expenditure until these contracts will remain the same at approximately \$6 Million per year. This action is merely reallocating funds to Hepco, a firm that has been more successful in placing candidates. Expenditures under these contracts represent approximately 29% of NYCT's annual consultant spend for CPM. Each of the six consultants (Gonzer, Nesco, Hepco, Rotator, Peak and MetroTech) is asked to submit resumes in response to position requests. However to date, two consultants, Hepco and Rotator, have submitted the largest number of resumes of qualified personnel. Therefore, a significant number of these positions have been filled by these two firms. The contract for Hepco was modified to add \$5 million to its' spending authorization after approval by the September 2007 Board. Rotator's contract was increased by \$2 million with approval of the October 2009 Board. The Board was also advised at that time that this \$2 million budget adjustment for Hepco would be required. Together, Hepco and Rotator have committed \$14,508,525 to date out of a total of \$17 million authorized. In comparison, the other four consultant firms (Gonzer, Nesco, Peak and MetroTech) have used approximately 50% of their authorized budget. It is projected that the committed value for these four consultant firms will not reach the authorized limit by the end of the five year contract term. CPM projects that at the end of the five years, NYC Transit will have committed close to the \$30 million originally estimated for all six consultants, with two consultants having their budgets increased and with the four remaining consultants coming in well below their budget authorizations. The amount requested for this budget adjustment will allow Hepco to continue to maintain existing support as well as provide necessary funding to encumber new task orders for the duration of the contract.

Staff Summary

Item Number <u>1</u>					
Division & Division Head Name: VP Materiel, Stanley J. Grill					
<div style="border: 1px solid black; height: 30px; width: 100%;"></div> <div style="border: 1px solid black; height: 30px; width: 100%;"></div> <div style="border: 1px solid black; height: 30px; width: 100%;"></div>					
Board Reviews					
Order	To	Date	Approval	Info	Other
Internal Approvals					
Order	Approval	Order	Approval		
1	X Law	5	Materiel <i>usd</i>		
2	X Budget	6	Executive VP <i>MLC</i>		
3	X Capital Program Mgmt.	7	President <i>TNP</i>		
4	X Subways				

SUMMARY INFORMATION	
Vendor Name RFP Authorizing Resolution	Contract Number S-32748
Description CBTC Signaling of the Culver (F) Test Track between Church Avenue & 4 th Avenue, "B" Division	
Total Amount TBD	
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 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

PURPOSE/RECOMMENDATION:

To request that the Board adopt a resolution declaring that competitive bidding is impractical or inappropriate for the testing of new technology and that it be issued as a competitive Request for Proposal (RFP). This RFP is for equipping a portion of the Culver F line B3 track with a Communications Based Train Control (CBTC) signal system from the two companies whose systems have been pre-qualified. Equipment from both contractors will be installed to prove the concept of full interoperability to revenue standards as well as allow for testing and qualifying of additional CBTC equipment manufacturers.

DISCUSSION:

MTA NYCT is moving toward a "state of the art" train control system with the installation of CBTC along with an Auxiliary Wayside Signaling System (AWS) on the Canarsie and Flushing Lines. Since late 2006, CBTC has been operational along the full length of the Canarsie Line (Contract S-32701) from Canarsie Yard and Rockaway Parkway Station in Brooklyn to the 8th Avenue Station in Manhattan. The Flushing CBTC project (Contract S-32723) is anticipated to be awarded in the first quarter of 2010. CBTC operational benefits to NYCT include enhanced train control capabilities and faster recovery after experiencing problems (equipment breakdowns, health and public safety incidents, etc.). Other benefits include improved safety (continuous over speed protection and enforcement of work zone speed restrictions) and shorter headway between trains allowing for more efficient use of the track and car fleet. In addition, passengers can experience reduced traveling time, less crowding in rush hours, and improved system reliability.

Currently Canarsie and Flushing are the only two stand alone lines in the system; hence interoperability is not an issue. All future CBTC projects will be on lines where a train with one manufacturer's equipment could ride on a wayside system installed by another manufacturer under a separate project. Therefore, interoperability is a necessity to provide future maximum flexibility in the use of train equipment on the whole system and to ensure competition and safety for a generation of projects. The goals of the Culver project are to update NYCT's Interoperability Interface Specifications (I2S); design, supply and validate the Integrated Test Facility; design and supply interoperable CBTC subsystems; and verify, validate and safety certify the CBTC subsystems using the Culver Test Track in conjunction with the Integrated Test Facility. The initial NYCT Standard Design established for the Canarsie Line will form the basis for this project. The Canarsie project demonstrated the concept of interoperability but did not achieve safety certification or interoperability of system functionality by two suppliers in a revenue operating environment. The Flushing CBTC system will be awarded to a single supplier and will operate as a stand-alone line. Under this test track project, the two pre-qualified CBTC suppliers (Siemens and Thales) will work collaboratively to install their CBTC equipment on four R160 units (each unit consists of 4 cars) to support field demonstration of interoperability along a limited section of the Culver (F) Line that will include the section of the B3 (southbound middle - "express track") track between 4th Avenue and Church Avenue Interlockings. Each supplier will

equip two R160 units with carborne equipment and one section of the test track with wayside CBTC equipment. Full revenue functionality will be demonstrated first on a NYCT simulator (developed under this contract) and then via actual site testing on the Culver Test Track. The suppliers will assume responsibility for systems integration between the two sub-system contractors, for the update of the I2S and for the system safety certification of the overall CBTC system. The test track will be permanent and will be used to fully validate and safety certify the CBTC system design. Once commissioned, the test track will serve as the test bed for future testing activities for the remaining CBTC Program.

In order to achieve project objectives consistent with the objectives of competitive procurement policy to obtain a fair and reasonable cost, it is advantageous to NYCT to have multiple CBTC suppliers whose equipment can fully interoperate while supporting revenue service. Utilizing the RFP process is the best way to solicit this contract as both qualified contractors need to participate in order to achieve those objectives.

ALTERNATIVES:

There are no alternatives to completing this project that will allow for completion of the I2S and assure competition for future CBTC projects. Having the test track available will also reduce the time and cost of future projects, as vehicle born equipment for those projects can be tested on the Culver Line rather than on an active line, saving expense and time. The use of a sealed bid process is not possible as only the two qualified suppliers can participate, and both must collaborate in updating the I2S.

IMPACT ON FUNDING:

This project is funded with MTA funds and managed by NYCT under the MTA Capital Program.

DBE/MBE/WBE GOALS:

The MTA Department of Diversity and Civil Rights has established 0% MBE and 0% WBE goals for this project.

Staff Summary

Item Number 2					
Division & Division Head Name: VP Materiel, Stanley J. Grill					
Division Head Signature & Date					
<i>Stanley J. Grill</i>					
Board Reviews					
Order	To	Date	Approval	Info	Other
Internal Approvals					
Order	Approval	Order	Approval		
1	Materiel, CLO	4	EVP		
2	Materiel, CPO	5	President		
3	Law				

SUMMARY INFORMATION	
Vendor Name Dependable Industrial Supply Co., Inc.	Contract Number 76106
Description NYC Transit #32-22-3310, Lamp, fluorescent, F48T12, 40 watt	
Total Amount \$140,800.00	
Contract Term (including Options, if any) December 2009-March 2012	
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 request Board approval for the purchase of NYCT # 32-22-3310, lamp, fluorescent, F48T12, 40 watt, to Dependable Industrial Supply Co., Inc. (Dependable) in the estimated amount of \$140,800.00 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 # 76106, NYCT# 32-22-3310, lamp, fluorescent, F48T12, 40 watt. This lamp is used by Infrastructure for lighting purposes. Proposal opening date: 9/1/2009.

Staff Summary

This is an award of a twenty-seven (27) month estimated quantity contract to be made to Dependable, an "A" rated vendor, in the estimated amount of \$140,800.00, allowing NYCT to bypass three "B" rated vendors, resulting in differences of \$3,200; \$800, and \$0.00.

Greenvale Electric Supply, Schwing Electrical Supply and Mid-Island Electrical Sales Corporation were advised by letter sent via email, fax and certified mail that they were not the successful proposers based upon the evaluation criteria set forth in the solicitation documents.

The current proposal price from Dependable represents an increase of 2.3% from the previous procurement. Having evaluated all the available facts, Procurement finds the proposal submitted by Dependable 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
Greenvale Electrical Supply	80,000	\$1.72	\$137,600.00	B	5%	\$0.0860	\$6,880.00	\$144,480.00	3
Schwing Electrical Supply	80,000	\$1.75	\$140,000.00	B	5%	\$0.0875	\$7,000.00	\$147,000.00	5
Mid-Island Electrical Sales Corporation	80,000	\$1.76	\$140,800.00	B	5%	\$0.0880	\$7,040.00	\$147,840.00	6
Dependable Industrial Supply Co. Inc.	80,000	\$1.76	\$140,800.00	A	0%	\$ -	\$ -	\$140,800.00	1
Regency Lighting	80,000	\$ 1.77	\$141,600.00	A	0%	\$ -	\$ -	\$141,600.00	2
I.G. Federal Electrical Supply Corp.	80,000	\$1.81	\$144,800.00	A	0%	\$ -	\$ -	\$144,800.00	4

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.

Staff Summary

Item Number 4-5					
Division & Division Head Name: VP Materiel, Stanley J. Grill					
Division Head Signature & Date					
<i>Stanley J. Grill</i>					
Board Reviews					
Order	To	Date	Approval	Info	Other
Internal Approvals					
Order	Approval	Order	Approval		
1	Materiel <i>WJG</i>		Civil Rights		
2 X	Capital Program Management	3 X	Law		
	System Safety	4 X	Budget		
	Subways	5	Executive VP <i>WJG</i>		
	Labor Relations	6	President <i>WJG</i>		

SUMMARY INFORMATION	
Vendor Name Jacobs Civil Consultants, Inc.; NCE Value Consultants, Inc.	Contract Number CM-1393 / CM-1394
Description IQ Value Engineering Consultant Services	
Total Amount \$2,000,000 each (estimate), including option	
Contract Term (including Options, if any) Two Years + Two Years Option	
Option(s) included in Total Amount? <input checked="" type="checkbox"/> Yes <input 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 checked="" type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:	

I. PURPOSE/RECOMMENDATION

To obtain approval of the Board to award Contract CM-1393 to Jacobs Civil Consultants, Inc. (hereinafter "Jacobs"), and CM-1394 to NCE Value Consultants, Inc. (hereinafter "NCE") for a total estimated value of \$1M each and a duration of two years each, with an additional 2-year option for a total estimated value of \$1M each. Such options shall be exercised by the Assistant Chief Procurement Officer (ACPO).

II. DISCUSSION

These contracts provide for the services of two Value Engineering (VE) Consultants to perform VE services for NYCT's Capital Program. Value Engineering is an organized methodology of reviews and analyses of technical reports, architectural and engineering drawings, plans and specifications, cost estimates and schedules, performed at any stage of design to make recommendations to ensure that a project will be constructed at the lowest overall life cycle cost while maintaining the requirements for quality, safety, maintainability, performance and reliability. Value Engineering is performed independently on designs prepared by both in-house staff and consultants. These are task order based contracts with an estimated contract price of \$1,000,000 each. The duration of the contract will be two years with an option to renew for an additional two years at an estimated cost of \$1,000,000 each if funds are available. Value engineering, in addition to being required on federally funded projects, has resulted in significant cost savings. During the period May 2007 to November 2009, 21 task orders were issued on prior VE contracts at a cost of approximately \$1M which resulted in savings of approximately \$19M. Typically, consultants will be selected on a rotation basis unless there are overriding reasons not to do so. The Project Manager may submit the SOW to both consultants to obtain competitive proposals. Should the Task Order exceed \$100,000, the designated Procurement Representative will issue the Task Order request for proposal and will be the sole point of contact until the Task Order is executed.

Opportunities for joint procurement with other MTA agencies were explored, as recommended by the Business Service Center (BSC). All agencies contacted declined, either due to their using IQ design contracts for value engineering, or that their project plan did not identify any large scale projects requiring value engineering services. NYCT conducts an RFP for these services in order to evaluate proposals from VE specialists, rather than use its general engineering contracts.

This RFP was procured using a 1-Step RFP process. In response to NYCT's advertisements, three firms submitted proposals. They are: ARCADIS of New York, Inc. (formerly Lewis & Zimmerman Associates, Inc., hereinafter "ARCADIS"), Jacobs, and NCE. The Selection Committee reviewed and evaluated the written technical proposals, oral presentations and interviews against the criteria established for this solicitation, which includes the consultant's performance under similar contracts, project team experience,

Certified Value Specialist certification (Engineers certified by Society of American Value Engineers or SAVE International), mass transit experience, full understanding of the VE process, best approach to the project, availability of staffing resources to handle multiple assignments simultaneously and cost. The Committee qualified all three consultant firms for negotiations. During negotiations, the consultant's hourly rates, fixed fee, overhead (O/H), and out-of-pocket (OOP) expenses were discussed. The consultants were required to submit their Best and Final Offer (BAFO) for the base contract and the 2-year option. For BAFO evaluation purposes, the RFP provided labor titles and estimated hours per title. The consultants were instructed to set the total estimated hours at 5,140 hours and the OOP at \$175,000 for both the base and option. The in-house estimate for the base contract was \$1,150,359, with a fully loaded weighted average hourly rate (FLWA) without OOP of \$189.76. Overhead rates were negotiated in line with MTA Audit recommendations.

The BAFOs for the base contract were: NCE \$1,005,084 [\$2,034,971 total with option], ARCADIS \$1,078,294 [\$2,205,028 total with option], and Jacobs \$1,093,138 [\$2,224,326 total with option]. The BAFO FLWA without OOP was: NCE \$163.05 (base) and \$167.88 (option @ 1.4% annualized increase); ARCADIS \$175.74 (base) and \$185.16 (option @ 2.5% annualized increase); and Jacobs \$178.63 (base) and \$186.03 (option @ 2% annualized increase). The Selection Committee voted to recommend award to Jacobs and NCE. Jacobs was selected due to its technical qualifications and proven track record of performance in rendering value engineering services to NYCT through Edwards & Kelcey who they acquired in 2007. Jacobs will be using the same team that has performed successfully in previous contracts with Edwards & Kelcey. NCE was selected due to its technical qualifications and specialized experience rendering value engineering services to various government agencies and private entities in Canada and the US (New York, Michigan and California). NCE also submitted the lowest BAFO for both the base contract and the 2-year option. The Jacobs BAFO was approximately 1% higher than ARCADIS which the Selection Committee considered minimal. Jacobs's annualized FLWA for CM-1393 is approximately 5% higher than the prior contract with Edwards & Kelcey. The BAFO represents savings of 5% (base) and 4% (option) for Jacobs, and 13% for both base and option for NCE on loaded average rates for equivalent titles over the original proposal. Capital Program Management and Procurement have determined the BAFO to be "Fair and Reasonable" based on analysis of the initial and revised cost proposals and the competitive nature of this RFP.

Jacobs is currently performing value engineering services for NYCT through Edwards & Kelcey under CM-1274, and previously under CM-1034, CM-1114, and CM-1229. NCE has done value engineering studies for various government agencies including the City of New York (Newtown Creek CSO Long Term Control Plan VE Study), and NYSDOT (Gowanus Expressway Interim Deck Control 4 VE Study). Reference checks were made on these firms and revealed that their performance is satisfactory. Background investigations and materials submitted by NCE disclosed no "significant adverse information" within the meaning of the All Agency Responsibility Guidelines. Jacobs was awarded CM-1317 for Charleston Bus Depot Annex in April 2007 pursuant to an SAI approved by the Executive Director. Background investigation and materials submitted by Jacobs disclosed no "significant adverse information" since that SAI (which reported on 1994 and 2001 instances) was issued in April 2007. That approval also applied to all future awards to Jacobs.

III. MBE/WBE:

The MTA Department of Diversity and Civil Rights has established 0% MBE and 0% WBE goals for this project.

IV. ALTERNATIVES:

Perform the work using in-house personnel. At this time, in-house personnel do not have the expertise necessary to perform the specific tasks required under the scope of work for this project.

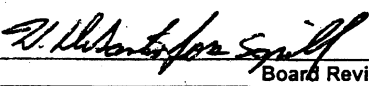



V. CAPITAL PROGRAM REPORTING:

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

VI. IMPACT ON FUNDING:

The cost of 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 6-7					
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	EVP 		
2 X	Law	6	President 		
3 X	Budget	7			
4 X	CPM	8			

SUMMARY INFORMATION	
Vendor Names ARCADIS of NY, Inc.; Henningson, Durham & Richardson, Architecture and Engineering, PC;	Contract Number CM-1396 CM-1397
Description IQ Risk Assessment Consultant Services	
Total Amount \$3,300,000 each including Option	
Contract Term (including Options, if any) 36 months with 24-month Option	
Option(s) included in Total Amount?	<input checked="" type="checkbox"/> Yes <input 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 checked="" type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:	

I. PURPOSE/RECOMMENDATION

To obtain Board approval to award a Joint New York City Transit (NYCT) and Metro-North Railroad procurement for two Indefinite Quantity (IQ) contracts for Risk Assessment Consultant Services. Each firm will be awarded a base contract for an estimated \$2 million within an overall budget of \$4.2 million in task orders to be issued over the contract term of 36 months. Each contract has an Option for 24 months, estimated at \$1.3 million. The Option will be exercised upon approval by the NYCT Assistant Chief Procurement Officer. The awards are as follows:

<u>Consultant Firms</u>	<u>Est. Award Amount (incl. Option)</u>	<u>Contract No.</u>
1. ARCADIS of NY, Inc.	\$3,300,000	CM-1396
2. Henningson, Durham & Richardson, Architecture and Engineering, PC	\$3,300,000	CM-1397

II. DISCUSSION

NYCT and MNR are seeking to retain the services of consulting firms to provide integrated cost and schedule risk assessment studies and/or updates for capital construction projects that may have significant external cost drivers. Following review of the project requirements by the MTA Business Service Center, Metro North was identified as a participant to partner with NYCT on this procurement. Risk assessments will be completed for projects that require development of new technology, have complex phasing plans or significant customer impact, and any projects with budgets exceeding \$100 million. Risk assessments quantify the positive or negative impacts in terms of time and cost of the various risks to the budget and schedule and identify corrective actions that can be taken to mitigate these risks and keep projects on schedule and within budget. When the MTA began a risk assessment program in early 2008 NYCT reviewed existing contracts to determine whether current consultants were capable of doing this work. We found that the current value engineering consultant Lewis & Zimmerman Associates, Inc. (now ARCADIS of NY, Inc.) was capable of performing risk assessments, and their contract, CM-1273, was modified to include risk assessment titles. Before CM-1273 expired it was determined that risk assessments were specialty work requiring a unique set of skills and should be solicited independently of VE. The recommended Consultants will provide all staff and materials necessary to conduct a comprehensive risk assessment process. The Consultants will review project documents, attend key meetings with project team members, develop presentation materials identifying cost and schedule risks, and conduct collaborative risk workshops with all project stakeholders at which quantification of cost and schedule risks and possible mitigation strategies will be discussed. The Consultant will simulate this data in an integrated cost and schedule model and will generate preliminary and final risk assessment reports and a final presentation. The Consultants may also be asked to update prior risk assessments as necessary due to changes in project scope or site conditions. NYCT/MNR are pursuing multiple awards to avert any potential conflicts of interest.

Staff Summary



New York City Transit

Page 2 of 2

stemming from a Consultant performing a risk assessment for a project on which they are also proposing to perform design or construction management.

Consultant services will be utilized on an individual Task Order basis. NYCT's budget for the base contracts is \$4,000,000; MNR's budget is \$200,000. Task Orders generally will not exceed \$100,000. Generally, Consultants will be selected on a rotation basis unless there are overriding reasons not to do so. The Project Manager may submit the SOW to multiple consultants to obtain competitive proposals. If the Task Order should exceed \$100,000, the designated Procurement Representative will issue the Task Order request for proposal and will be the sole point of contact until the Task Order is executed.

Fourteen submissions were received in response to NYCT's Step 1 advertisements. Qualification packages contained Schedule J Responsibility Questionnaire, SF-330 forms, a sample risk assessment report and qualification statements. The Selection Committee recommended six firms to receive the RFP: ARCADIS of NY, Inc.; Golder Associates, Inc.; Henningson, Durham & Richardson. Architecture and Engineering, Inc. (HDR); Jacobs Civil Consultants, Inc.; PB Americas, Inc. (PB); and Louis Berger Group (LBG). The remaining eight were not selected because they submitted inadequate proposals and/or sample reports and did not have the requisite experience and staffing for this work. In Step 2, the six short-listed firms submitted technical proposals and held oral presentations. The Committee recommended four firms for negotiations: ARCADIS, HDR, PB and LBG. These firms were chosen because they demonstrated a thorough understanding of the process and a comprehensive and flexible approach to the work.

The RFP provided labor titles and estimated hours per title, for evaluation purposes only. Consultants submitted three cost proposal templates with their proposed pricing for the base contract, a typical Task Order based on a sample Scope of Work, and the Option. The in-house estimate for the base contract was \$3,305,706.84 and 14,024 hours. The in-house estimate's fully loaded weighted average hourly rate (FLWAHR) without out-of-pocket costs was \$228.59. Since the estimate and Consultants all used 14,024 hours, negotiations focused on labor rates, overhead, and fixed fees. Overhead rates were negotiated in line with MTA Audit recommendations and/or current contractual rates. The Best and Final Offers (BAFOs) for the base contract were: LBG \$1,767,610, ARCADIS \$1,860,813, PB \$2,085,529 and HDR \$2,105,244. The BAFOs for the typical Task Order proposal were: HDR \$50,440 (394 hours), ARCADIS \$62,643 (440 hours), LBG \$68,698 (596 hours) and PB \$70,637 (350 hours). The Selection Committee voted to not recommend PB Americas for award. Despite having a lower overall proposal for the base contract than HDR, PB had the highest cost per Task Order and the lowest number of proposed hours. Since PB had more than twice the cost for out-of-pockets than any other Consultant due to higher travel expenses the Committee agreed their proposal was the least cost effective. The BAFO FLWAHRs without out-of-pocket costs were: LBG \$118.91, ARCADIS \$125.56 and HDR \$142.99. The Cost Price Objectives were: ARCADIS \$147.48, HDR \$141.00 and LBG \$128.43. On a recent Task Order ARCADIS' FLWAHR was \$117.19; with the new rates the FLWAHR would be \$120.00. The Consultants agreed to rate increases that range from 1.5% to 2.4% annually for the Option period. CPM Procurement and MNR have determined the BAFOs to be "Fair and Reasonable" based on an analysis of the initial and revised cost proposals and the competitive nature of the RFP.

ARCADIS is currently performing risk assessments under NYCT Value Engineering Contract, CM-1273. HDR performed a cost risk assessment for the NYCT Sea Beach line rehabilitation, Contract CM-1333. LBG is performing risk analyses for the World Trade Center Construction Program for the Port Authority of NY and NJ. References checked were satisfactory.

Procurement's investigation disclosed no "significant adverse information" (SAI) within the meaning of the All Agency Responsibility Guidelines for ARCADIS and HDR. Information that may be considered SAI was submitted by LBG. LBG is not being presented to the Board for approval at this time. We will seek Board approval for LBG upon receipt of an SAI memo approved by the MTA Chairman and Chief Executive Officer.

III. M/WBE INFORMATION

The MTA Department of Diversity and Civil Rights has established 0% MBE and 0% WBE goals for this project.

IV. CAPITAL PROGRAM REPORTING

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

V. IMPACT ON FUNDING

Projects will be funded on an individual Task Order basis. A WAR Certificate will be issued for each Task Order prior to award.

VI. ALTERNATIVES

None. At this time, CPM lacks available in-house staff to perform the work required.

Schedule G: Miscellaneous Service Contracts



Item Number: 8

Vendor Name (& Location) ACS State & Local Solutions (Newark, NJ)
Description Administer the EasyPay MetroCard Program
Contract Term (Including Options, if any) Five years, with a two year option
Option(s) included in Total Amount? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> n/a
Procurement Type <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Non-competitive
Solicitation Type <input checked="" type="checkbox"/> RFP <input type="checkbox"/> Bid <input type="checkbox"/> Other

Contract Number 08H9963	Renewal? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Total Amount:	\$4,503,340.00 (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 Corporate Communications, Paul Fleuranges	

Discussion:

This contract to administer the EasyPay MetroCard Program, formerly the Reduced Fare MetroCard Mail & Ride Program, was specifically designed for senior citizens over sixty five (65) years of age and people with qualified disabilities as a convenient way to add value to their MetroCards. NYC Transit is the only MTA Agency that offers this program, and it is anticipated that this program will ultimately be replaced by SmartCard. Should that occur prior to the expiration of this agreement, the Contract contains the appropriate termination for convenience clause. Under the terms of the contract, the Contractor is required to provide all services in connection with the administration and maintenance of the program that includes customer service, account set-up, payment processing, mailing of statements and notices, operation of a web-site, and a voice response system. The program has been well received by customers, and since the award of the base contract, the program has grown significantly and the range of services provided has expanded. The program began in 1996 with approximately 46,000 active accounts, and today there are approximately 121,000 active accounts. To better reflect the wide range of services being offered, the program was renamed the EasyPay MetroCard Program. Currently, there are three options under the EasyPay MetroCard Program. There is the original option for reduced-fare customers and two for full-fare customers. The Full-Fare EasyPayXpress Pay-Per-Ride customers pay for rides automatically with a credit/debit card, and the Full-Fare EasyPayXpress Unlimited MetroCard customers have a monthly card that re-charges automatically month after month, yet allows enrollees the flexibility to convert that card to the pay-per ride mode. To ensure the continuity of the administration of the EasyPay MetroCard Program, a Request for Proposal (RFP) was publicly advertised in April 2009. In response, three proposals were received from Chase, Kinsail Corporation (Kinsail), and ACS State & Local Solutions (ACS). On the basis of initial evaluations, two firms (Chase and ACS) were invited for Oral Presentations. Kinsail was eliminated because the firm has only been in business for two (2) years and lacks the experience required to provide the services required in the Scope of Work. Upon conclusion of Oral Presentations the Selection Committee determined that the two firms were technically qualified and voted to conduct negotiations with both. Negotiations focused on clarifying the Scope of Work, obtaining agreement to all terms and conditions and reducing unit prices in the Price Schedule. As a result of the negotiations BAFOs were received in the amount of \$8,972,518 and \$4,503,340 from Chase and ACS respectively. Under the current contract with Chase, the monthly cost per account is \$0.94 with mailing; ACS has proposed a unit price of \$0.86 per account with mailing, which represents a savings of \$0.08 on monthly charges per account. The unit price does not include special mailings such as braille and large print. The Selection Committee recommends ACS for award. ACS' BAFO of \$4,503,340 is \$2,537,373 or 36% below its original proposal of \$7,040,703 and is considered fair and reasonable.

Schedule H: Modifications to Personal Service & Miscellaneous Contracts New York City Transit

Item Number: 9

Vendor Name (& Location) JP Morgan Chase (Secaucus, NJ)	
Description Administer the EasyPay MetroCard Program	
Contract Term (including Options, if any) January 1, 2005 – December 31, 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 checked="" type="checkbox"/> Operating <input type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:	
Requesting Dept/Div & Dept/Div Head Name: Corporate Communications, Paul Fleuranges	

Contract Number	AWO/Modification #
04A8855	2
Original Amount:	\$ 4,935,650.00
Prior Modifications:	\$ 0
Prior Budgetary Increases:	\$ 0
Current Amount:	\$ 4,935,650.00
This Request:	\$ 450,000.00 (Est.)
% of This Request to Current Amount:	9%
% of Modifications (Including This Request) to Original Amount:	9%

Discussion:

This contract to administer the EasyPay MetroCard Program, formerly the Reduced Fare MetroCard Mail & Ride Program, was specifically designed for senior citizens over sixty five (65) years of age and people with qualified disabilities as a convenient way to add value to their MetroCards. JP Morgan Chase is required to provide all services in connection with the administration and maintenance of the program that includes customer service, account set-up, payment processing, mailing of statements and notices, operation of a web-site, and a voice response system. The program has been well received by customers, and since the award of the base contract, the program has grown significantly and the range of services provided has expanded. The program began in 1996 with approximately 46,000 active accounts, and today there are approximately 121,000 active accounts. To better reflect the wide range of services being offered, the program was renamed the EasyPay MetroCard Program. Currently, there are three options under the EasyPay MetroCard Program. There is the original option for reduced-fare customers and two for full-fare customers. The Full-Fare EasyPayXpress Pay-Per-Ride customers pay for rides automatically with a credit/debit card, and the Full-Fare EasyPayXpress Unlimited MetroCard customers have a monthly card that re-charges automatically month after month, yet allows enrollees the flexibility to convert that card to the pay-per ride mode. This modification is to extend the contract term for six months from January 1, 2010 to June 30, 2010. This extension is necessary to facilitate the transition from the current Contract No. 04A8855 with Chase to the new replacement Contract No. 08H9963 with ACS State & Local Solutions (ACS). To ensure the continuity of the administration of the EasyPay MetroCard Program, a Request for Proposal (RFP) was publicly advertised in April 2009. At the Selection Committee's recommendation, approval to award the successor contract to ACS will be sought at the December MTA Board meeting. As part of its initial proposal ACS requested a six (6)-month transition period. Chase has agreed to maintain the same rates, and terms and conditions negotiated under the base contract during the extension period. Although \$736,745 is the estimated expenditure for the six (6) month extension period, approximately \$286,745 will be rolled over and utilized; therefore, only \$450,000 in funding is being requested. Technology Contracts Management considers the total expenditure of \$736,745 for the six (6) month extension period fair and reasonable. Corporate Communications concurs with this determination.



DECEMBER 2009

LIST OF RATIFICATIONS FOR BOARD APPROVAL

Page

Procurements Requiring Majority Vote:

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

(Staff Summaries required for items requiring Board approval.)

1. Judlau Contracting, Inc. Contract #A-35864.15	\$272,423.00	<u>Staff Summary Attached</u>	202
Modification to the contract for the rehabilitation of two stations in order to install additional 7-inch diameter mini piles.			

Schedule K: Ratification of Completed Procurement Actions

Item Number: 1

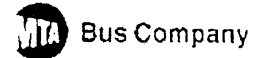
Vendor Name (& Location) Judlau Contracting, Inc. (College Point, NY)	
Description Rehabilitation of Avenue U and Neck Road Stations – Brighton Line	
Contract Term (including Options, if any) July 28, 2008 – October 30, 2010	
Option(s) included in Total Amount? <input type="checkbox"/> Yes <input type="checkbox"/> 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: Capital Program Management, Frederick E. Smith	

Contract Number	AWO/Modification #
A-35864	15
Original Amount:	
	\$ 57,748,000.00
Prior Modifications:	
	\$ 83,196.00
Prior Budgetary Increases:	
	\$ 0
Current Amount:	
	\$ 57,831,196.00
This Request:	
	\$ 272,423.00
% of This Request to Current Amount:	
	0.5%
% of Modifications (including This Request) to Original Amount:	
	0.6%

Discussion:

This contract is for the rehabilitation of the elevated Avenue U Station and Neck Road Station on the Brighton Line in Brooklyn. Improvements include platform reconstruction; platform canopy replacement; track re-alignment; upgraded lighting, electrical, communications, mechanical, plumbing and storm drainage systems; new Arts-for-Transit mosaics; the demolition and replacement of existing stairs; and the demolition and replacement of the sixty-year old station annex building at each station. The replacement annex buildings will be one story higher to accommodate wide, fully enclosed concrete stairs, replacing the existing narrow stairways that ascended to the platform. Therefore, the contract calls for the replacement annex buildings to be rebuilt on the same footprint, but on stronger foundation column bases, supplemented by driving 21 new 7-inch diameter, 56-foot deep mini piles (10 at Neck Road Station & 11 at Avenue U) adjacent to the existing footings. However, as the existing station annex buildings were demolished and their footings were exposed, it was discovered that certain footings were not deep enough. Accordingly, the foundations were redesigned. The new design requires the existing footing walls to be demolished and the column bases to be supported entirely by mini piles in the affected areas. This modification covers the demolition of the existing footing walls and the furnishing and installation of an additional 23 mini piles (10 at Neck Road and 13 at Avenue U). The contractor submitted an initial proposal of \$302,516; NYC Transit's estimate was \$309,714. Following negotiations, a lump sum price of \$272,423 was agreed upon and is considered to be fair and reasonable. Savings of \$30,093 were obtained. The contractor requests the Substantial Completion date be extended by 32 excusable, non-impactable days, while NYC Transit schedule analysis shows the work can be done concurrently with contract work. Accordingly, this modification must be issued as a unilateral directive with regard to schedule. This modification is retroactive. In order to avoid contract delay, the Construction Manager directed the contractor to proceed on September 4, 2009.

Staff Summary



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

Date November 25, 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	12/14/09	X		
2	Board	12/16/09	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:

	# of Actions	\$ Amount
<u>Schedules Requiring Majority Vote</u>		
Schedule J: Modifications to Miscellaneous Procurement Contracts	1	\$0.57M
Cintas Corporation		\$0.57M
Subtotal		\$0.57M

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

None

MTA Bus Company seeks ratifications in the following categories:

None

Total all procurement actions	1	\$0.57M
-------------------------------	---	---------

BUDGET IMPACT: the purchase/contracts will result in obligating MTA Bus Company funds in the amount listed. Funds are available in the current operating budget for this purpose.

RECOMMENDATION: That the purchases/contracts be approved as proposed.

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.

DECEMBER 2009

MTA BUS COMPANY

LIST OF NON-COMPETITIVE PROCUREMENTS FOR BOARD APPROVAL

Procurements Requiring Majority Vote:

Page

J. Modifications to Miscellaneous Procurement Contracts

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

1. Cintas Corporation	\$570,000	<u>Staff Summary attached</u>	209
Additional funds for the rental and service of maintenance uniforms			

Schedule J: Modifications to Miscellaneous Procurement Contracts

Item Number: **J-1**

Vendor Name (& Location) Cintas Corporation	Contract Number C24639	AWO/Modification # .05
Description Rental and cleaning of maintenance uniforms	Original Amount:	\$657,930
Contract Term (including Options, if any) 5 years – expiration 10/28/10	Prior Modifications:	802,700
Option(s) included in Total Amount? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Prior Budgetary Increases:	\$0
Procurement Type <input type="checkbox"/> Competitive <input checked="" type="checkbox"/> Non-competitive	Current Amount:	\$1,460,630
Solicitation Type <input type="checkbox"/> RFP <input type="checkbox"/> Bid <input checked="" type="checkbox"/> Other: ION	This Request:	\$570,000
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:	29%
Requesting Dept/Div & Dept/Div Head Name: Procurement, James P. Curry	% of Modifications (including This Request) to Original Amount:	209%

Discussion:

The current collective bargaining agreements (CBA) with the unions representing MTA Bus Company's (MTABC) maintenance personnel require MTABC to provide and clean maintenance uniforms. In October 2005, MTABC entered into a five year contract with Cintas Corporation (Cintas) for uniform rental and cleaning at one depot, expiring October 28, 2010. However, now that uniform rental and cleaning services for eight MTABC locations have been consolidated under this contract, the balance remaining is insufficient to cover MTABC's obligations for this period. Therefore, this modification increases the total amount of the contract by \$570,000.

MTABC's agreement with Cintas initially covered a single location; however, other locations were added as they were absorbed into MTABC and (where applicable) as their existing contracts for these services expired. Over time, this has allowed for the consolidation of the maintenance uniforms requirements for eight locations under one contract, providing garment standardization and eliminating the difficulty when an employee moves from a location served by Cintas to another location served by a different uniform vendor, but also increasing the value of the services required. The September 2007 Board approved an Immediate Operating Need (ION) to increase the existing contract with Cintas by \$600,000 for the remainder of the original five-year term. Two modifications issued thereafter increased the contract amount by a total of \$98,000. In August 2009, \$104,700 was added to prevent a lapse in service while a comprehensive plan was developed for the remainder of the contract term.

The elimination of maintenance uniform rental and cleaning has been the subject of ongoing contract negotiations, given that contracts covering NYCT DOB maintenance employees do not provide this benefit. However, MTABC is still currently responsible for providing this benefit. Each covered employee is entitled to 9 sets of pants and shirts, and, if required by the CBA, 2 jackets. The weekly costs per employee are, for regular sizes, \$7.42 per employee; for premium sizes, \$9.50 per employee; and for jackets, \$1.24 per employee. The costs include replacement of items worn out from normal wear and tear. The current annual expense for maintenance uniforms is an estimated \$488,800.

With the September 2009 creation of MTABC's Central Maintenance Facility (CMF) in East New York, and the Fall 2009 job pick where maintenance employees moved among locations served by different uniform vendors, the consolidation of the maintenance uniform requirements for the CMF, and Baisley Park and LaGuardia Depots under the Cintas contract in October 2009, standardized the garments and provided better uniform management with a single point of contact.

An audit of the uniform contracts in 2008 identified \$13,768 in erroneous billing related to personnel movements due to job picks and other overcharges. MTABC and Cintas have agreed that \$9,881 of that amount was Cintas' error and the balance was due to a lack of notification to Cintas regarding personnel changes. To address that miscommunication, MTABC now centrally administers personnel change notifications to Cintas. In exchange for the credit \$9,881 owed MTABC, Cintas agreed to waive its 5% increase for 2008-09, estimated at \$20,300, for an estimated savings of \$10,419. During negotiations, Cintas also agreed to waive its 2009-10 increase estimated at \$26,758, for a combined estimated savings of \$37,177. MTABC requested that Cintas offer a further concession, and, after lengthy discussions, Cintas agreed to a 4% price reduction beginning November 16, 2009 through the remainder of the contract term for additional estimated savings of \$19,455. Total savings are an estimated \$56,632.

In summary, an additional \$570,000 is required to adequately fund the agreement through the remainder of the contract term, which includes charges from September 2009 and forward. This amount allows for continued service while a determination is made regarding the most cost-effective manner in which future uniform requirements can be met, and to allow sufficient time to competitively solicit and award a new contract.



Subject Request for Authorization to Award Various Procurements						Date December 16, 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	12.09.09				X	President		VP & Chief Financial Officer
2	MTA Board	12.16.09				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	3	\$12.903M
	• DVI Communications/Federal Engineering, Inc.	\$0.069M	
	• New York State Industries for the Disabled (NYSID)	\$12.765M	
	• Solari Corporation	\$0.069M	

Schedules Requiring Majority Vote

		<u># of Actions</u>	<u>\$ Amount</u>
Schedule G:	Miscellaneous Service Contracts	1	\$0.100M
	• Fire Command Company	\$0.100M	

SUBTOTAL: 4 \$13.003M

LIRR proposes to award Competitive Procurements in the following categories:

Schedules Requiring Majority Vote

			<u># of Actions</u>	<u>\$ Amount</u>
Schedule H:	Mods. to Personal Service Contracts & Misc. Service Contracts		2	\$5.208M
	<ul style="list-style-type: none"> American Occupational Health Mgmt., Inc./Take Care Summit Security Services, Inc. 	\$4.426M \$0.782M		
Schedule I:	Mods. to Purchase and Public Work Contracts		1	\$0.322M
	<ul style="list-style-type: none"> Kiewit Constructors, Inc. 	\$0.322M		
	SUBTOTAL:		3	\$5.530M

LIRR proposes to award Ratifications in the following categories:

None

<u>TOTAL:</u>	<u>7</u>	<u>\$18.533M</u>
----------------------	-----------------	-------------------------

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
DECEMBER 2009

MTA LONG ISLAND RAIL ROAD

Procurements Requiring Two-Thirds Vote

Schedule A: Non-Competitive Purchase and Public Works Contracts

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

			<u>Page</u>
1.	DVI Communications/ Federal Engineering, Inc. Sole Source Contract No. 6051	\$68,939 Not-to-Exceed	<u>Staff Summary Attached</u> 217
	LIRR requests approval to award a sole source contract to DVI Communications / Federal Engineering Inc. (DVI) to prepare and submit applications for additional 700MHz Public Service Spectrum frequencies required as part of the MTAPD's Police Radio Initiative, covering Region 8 in New York and New Jersey and Region 19 in Connecticut. This award is a ride of NYCT's contract with DVI.		
2.	New York State Industries for the Disabled, Inc. (NYSID) Non-Competitive Contract No. BP03504	\$12,765,394 Not-to-Exceed	<u>Staff Summary Attached</u> 218
	LIRR requests MTA Board approval to award a contract to New York State Industries for the Disabled ("NYSID") to provide janitorial cleaning services at LIRR's Penn Station and West Side Yard facilities, in the not-to-exceed amount of \$12,765,394. The term of the contract is for three years from January 1, 2010 through December 31, 2012.		
3.	Solari Corporation Sole Source Contract No. TBD	\$68,809 Fixed Price	
	LIRR recommends the award of a sole-source contract to Solari Corporation (Solari) for the purchase of new Solari signage to be installed in the Penn Station Waiting Room. This award consists of the purchase of fifteen Thin-Film Transistor (TFT) flat panel monitors. These monitors represent a continuation of LIRR's Customer Communications Initiative program and will post scheduled train departures and track assignments for specific LIRR branch destinations as well as providing information pertaining to safety, service and LIRR Sales and Promotions. The Service Advisory Message Boards currently in service have been well received and this procurement will extend this benefit to the newly renovated waiting room in Penn Station. The use of proprietary Solari equipment ensures that the LIRR is purchasing state-of-the-art equipment and, in addition, leverages an existing maintenance agreement. The signs are controlled by real-time operating system software and customized application software, which can only be maintained by Solari. Solari's system and signage reliability has consistently been at 99.999% and their service and support personnel, working closely with Transportation and Information Technology personnel, continue to be responsive to LIRR's requirements. The total cost for the signage is \$68,809, and covers all equipment, shipping, installation and warranty/maintenance costs for a one-year period from date of system acceptance, and is contained within the existing LIRR Operating Budget. Pricing for the signage is consistent with previous Solari orders, and is deemed fair and reasonable.		

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)

4. **Fire Command Company** **\$100,000**
 Ride LI Bus Contract No. E-3812 **Not-to-Exceed**
 Contract No. TBD

LIRR requests MTA Board approval to ride Long Island Bus (LIB) Contract No. E-3812 with Fire Command Company, for a period of eighteen months, from January 1, 2010 through June 30, 2011, for as-needed inspection, maintenance, fill/recharge, repair and test of fire extinguishers in an amount not to exceed \$100,000. The LIB contract is a ride of a competitively bid Nassau County Contract, and covers a three-year term, from July 1, 2008 thru June 30, 2011. In accordance with MTA Joint-Agency Initiatives, the LIRR is seeking to ride this contract for the remaining eighteen-month period, to be co-terminus with LI Bus, to facilitate a joint agency, follow-on contract. Applying the LIB contract pricing to the current 3-year LIRR Price Schedule reflects a savings of \$2,312.25, or 1.16%, from the expiring LIRR contract. LIRR's operating budget will fund this contract.

Schedule A: Non-Competitive Purchases and Public Works

Staff Summary



Item Number: 1

Vendor Name (& Location) DVI Communications/Federal Engineering, Inc. (Joint-Venture)
Description Radio frequency application services and acquisition support
Contract Term (including Options, if any) 90 ccd from date of award
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: Ride to NYCT Contract

Contact Number 6051	Renewal? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Total Amount: \$68,939 NTE	
Funding Source <input type="checkbox"/> Operating <input checked="" type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:	
Requesting Dept/Div & Dept/Div Head Name: LIRR Special Projects/East Side Access on behalf of MTA Police Department	
Contract Manager: Edward Florio	

Discussion:

In March 2007, NYCT, on behalf of MTAPD, engaged the services of Federal Engineering (FE) under NYCT Contract (CM1325), a contract let pursuant to a competitive procurement process, to apply for radio frequency band (700MHz Public Service Spectrum) covering Region 8 (New York/New Jersey) in support of the MTA Police Radio initiative, which is a Capital Project (PN-N5100109) now managed by the LIRR. LIRR has identified the need to expand the radio frequency application to cover Region 19 (Connecticut). In addition, this request includes acquisition support services for both Region 8 & 19. LIRR seeks MTA Board approval to ride the NYCT Contract with Federal Engineering (FE) in order to ensure continuity of these application / support services which FE is uniquely qualified to deliver.

The scope of work for these additional tasks includes the preparation and submission of frequency applications for Region 19 (Connecticut) and frequency acquisition support, which includes the formal presentation and representation of the MTAPD applications to the government licensing entity, the FCC Regional Planning Committee, for both Region 8 (New York/New Jersey) and Region 19 (Connecticut). The scope of work also includes elements such as preparing signal propagation mapping, updating the existing applications to ensure compliance with the current guidelines and preparing and presenting formal presentation of application to Regional Planning Committee.

The Consultant's proposed 484 hours has been accepted as reasonable for this effort, and staff rates are those incorporated in NYCT Contract CM1325. The total proposed price is \$68,939. LIRR Estimating has deemed the proposal to be acceptable. An examination of responsibility databases indicates that DVI/FE is a responsible vendor.

Funds are included in Capital Project PN-N5100109.

Schedule A: Non-Competitive Purchases and Public Works

Staff Summary



Item Number: 3

Vendor Name (& Location) New York State Industries for the Disabled, Inc.
Description Penn Station and West Side Yard Janitorial Services
Contract Term (including Options, if any) January 1, 2010 - December 31, 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: Preferred Source

Contact Number BP03504	Renewal? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Total Amount: \$12,765,394 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: Transportation Dept. / Rod Brooks, VP, Transportation	
Contract Manager: Donald Riker	

Discussion:

LIRR requests MTA Board approval to award a contract to New York State Industries for the Disabled ("NYSID") to provide janitorial cleaning services at LIRR's Penn Station and West Side Yard facilities, in the not-to-exceed amount of \$12,765,394. The term of the contract is for three years from January 1, 2010 through December 31, 2012.

The Business Service Center reviewed the Scope of Work and determined that this service is not a candidate for a joint procurement.

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 contract award to 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.

LIRR determined that NYSID is able to comply with the Contract Specifications. In this regard, NYSID has been providing janitorial services at Penn Station and West Side Yard through its certified rehabilitation agency, FedCap Rehabilitation Services, Inc., since 2004 and is currently providing similar services for MTA Bridges and Tunnels through another certified rehabilitation agency. The services have been performed in a satisfactory manner. With regard to pricing, NYSID submitted a proposal to LIRR on September 11, 2009 of \$13,095,050, which represents an increase of \$1,692,769.92 or 14.8% above NYSID's prior three-year negotiated contract of \$11,402,280.60. Of this 14.8% increase, 11.8% is due directly to higher labor rates and fringe benefits. The remaining 3% is due to increases in materials and subcontractor costs, including overhead and fees. A review of NYSID's proposal by MTA Audit and subsequent negotiations have resulted in NYSID reducing their offer by \$329,656, or 2.5%, from \$13,095,050 to \$12,765,394. Funding will be provided through the LIRR's Operating Budget.

LIST OF COMPETITIVE PROCUREMENTS FOR BOARD APPROVAL
DECEMBER 2009

MTA LONG ISLAND RAIL ROAD

Procurements Requiring Majority Vote

Page

Schedule H: Mods. 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. | American Occupational Health
Mgmt., Inc., d/b/a/Take Care
Employer Solutions, Inc.
Competitive RFP
Contract No. 5917 | \$4,426,412
Not-to-Exceed | <i><u>Staff Summary Attached</u></i> | 221 |
| <p>LIRR requests MTA Board approval to (i) extend the term of LIRR, MNR, LI Bus, MTA Bus, and MTAHQ's (hereinafter the "Agencies") contracts with American Occupational Health Management, Inc, d/b/a Take Care Employer Solutions, Inc ("Take Care"), to continue to manage and operate the Agencies' on-site Occupational Health Services facilities for an additional twelve months, from January 1, 2010 through December 31, 2010, and (ii) increase the combined total contract funding by \$4,426,412, from \$23,710,427 to a revised, not-to-exceed amount of \$28,136,839.</p> | | | | |
| 2. | Summit Security Services, Inc.
Competitive RFP
Contract No. BP02386/BP03446 | \$781,588 | <i><u>Staff Summary Attached</u></i> | 223 |
| <p>LIRR requests MTA Board approval to (i) add guard security services at two new facilities, beginning January 1, 2010, through contract completion in May 2011, and (ii) increase contract funding by \$781,588, from \$6,165,407, to a revised not-to-exceed amount of \$6,946,995.</p> | | | | |

Procurements Requiring Majority Vote

Schedule 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)

- | | | | | |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------|------------------|--------------------------------------|-----|
| 3. | Kiewit Constructors, Inc.
Competitive
Contract No. 6000 | \$322,402 | <i><u>Staff Summary Attached</u></i> | 224 |
| <p>LIRR requests MTA Board approval to modify its Contract No. 6000 with Kiewit Constructors, Inc. to upgrade the surface painting preparation standard originally specified in the base contract to a more stringent standard for the 201 column surfaces requiring painting along the Atlantic Avenue Viaduct and to add \$322,402 to cover the associated scope of work.</p> | | | | |

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

Staff Summary



Long Island Rail Road

Item Number: 1

Vendor Name (& Location) American Occupational Health Mgmt, Inc. d/b/a Take Care Employer Solutions, Inc (Deerfield, IL)		Contract Number 5917 – Joint Agency Occup. Health	AWO/Modification # 2
Description Operate and Manage Health Care Facilities		Original Amount: \$18,941,747	
Contract Term (including Options, if any) January 1, 2005 – December 31, 2010		Prior Modifications: \$ 4,768,680	
Option(s) included in Total Amount? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		Prior Budgetary Increases: \$ 4,768,680	
Procurement Type <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Non-competitive		Current Amount: \$23,710,427	
Solicitation Type <input checked="" type="checkbox"/> RFP <input type="checkbox"/> Bid <input type="checkbox"/> Other:		This Request: \$4,426,412	
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: 18.67%	
Requesting Dept/Div & Dept/Div Head Name: LIRR, MNR, LIB, MTABus and MTAHQ HR Depts.		% of Modifications (including This Request) to Original Amount: 48.54%	

Discussion:

LIRR requests MTA Board approval to (i) extend the term of LIRR, MNR, LI Bus, Bus Company, and MTAHQ's (hereinafter the "agencies") contracts with American Occupational Health Management, Inc, d/b/a Take Care Employer Solutions, Inc ("Take Care"), to continue managing and operating the agencies' on-site Occupational Health Services facilities for an additional twelve months, from January 1, 2010 through December 31, 2010, and (ii) increase the combined total contract funding by \$4,426,412, from \$23,710,427 to a revised, not-to-exceed amount of \$28,136,839 as follows:

MTA Agency	Current NTE Value	This Modification	Rev. NTE Value
Long Island Rail Road	\$7,400,554	\$1,480,000	\$8,880,554
Metro-North Railroad	\$7,188,923	\$1,440,000	\$8,628,923
Long Island Bus	\$2,018,235	\$430,812	\$2,449,047
MTA Headquarters	\$2,377,715	\$475,600	\$2,853,315
MTA Bus Co.	\$4,725,000	\$600,000	\$5,325,000
Combined Total	\$23,710,427	\$4,426,412	\$28,136,839

In November 2004, four competitively negotiated contracts, totaling \$18,941,747, were issued to Take Care to manage and operate the agencies' four occupational health centers. Services under this contract include accident/sick medical examinations, pre-employment medical examinations, illness/disability case management, various certification examinations, federally mandated drug and alcohol testing programs, independent medical review board services for employees disability pension applications, and other non-treatment occupational health services performed at the agencies' facilities. One modification was issued to the LIRR contract in the not-to-exceed amount of \$43,680 for administering the 24-Hour On-Call Drug & Alcohol Program. A subsequent modification was issued to the MTAHQ contract in June 2005, adding additional funding to cover the inclusion of the Bus Company as a participant in these services. The 2005 modification brought the total not-to-exceed value of the contract with Take Care for all participating agencies to \$23,710,427.

LIRR will be the lead agency in soliciting proposals for the five-year Joint Agency renewal contract. Based on MTA Audit's recommendations, under the new solicitation MNR and MTAHQ facilities will be combined at one location in the Graybar Building at Grand Central Terminal. Further, LIB and MTABC indicated they will be evaluating NYCT's in-house Occupational Health Services (OHS) as an alternative to Take Care. The extension and funding increase being requested under this action on behalf of the participating agencies will provide:

- LI Bus and MTA Bus sufficient time to assess their options in regards to continuing to use Take Care as their provider or to transition to NYCT's OHS program; and,
- LIRR time to re-establish a procurement schedule for a new multi-agency contract that will be required entering 2011.

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

Staff Summary



Long Island Rail Road

Take Care agreed to the twelve-month contract extension under the current contract terms and conditions, including the negotiated 2.97% annual labor rate increase, with one modification. LIRR and MNR Physician Assistant (PA) weekend hours, currently provided at no charge, will be billed at established rates. The additional costs for these hours are included in the modification value and are considered fair and reasonable. Funding for the revised apportioned dollar amounts is covered within each respective agency's operating budget.

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

Staff Summary



Item Number: 2

Vendor Name (& Location) Summit Security Services, Inc. - (Uniondale, NY)	
Description Unarmed Security Guard Services	
Contract Term (including Options, if any) June 1, 2006 – May 31, 2011	
Option(s) included in Total Amount? <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:	
Requesting Dept/Div & Dept/Div Head Name: Office of Security - Robert Murphy, Dir.	

Contact Number BP02386 / BP03446	AWO/Modificaiton # 4
Original Amount:	\$5,647,064
Prior Modifications:	\$ 518,343
Prior Budgetary Increases:	\$ 518,343
Current Amount:	\$6,165,407
This Request:	\$ 781,588
% of This Request to Current Amount:	12.67%
% of Modifications (including This Request) to Original Amount:	23.02%

Discussion:

LIRR requests MTA Board approval to (i) add guard security services at two new facilities, beginning January 1, 2010, through contract completion in May 2011, and (ii) increase contract funding by \$781,588, from \$6,165,407, to a revised not-to-exceed amount of \$6,946,995.

In May 2006, pursuant to MTA Board approval, LIRR issued a competitively negotiated three-year contract, with a two-year option, in a total not-to-exceed amount of \$5,647,064, to Summit Security Services, based on a joint agency solicitation with Metro-North Rail Road and Long Island Bus. Under the LIRR contract, Summit provides unarmed security guards, supervisors and fire safety directors for scheduled and unscheduled access control protection at various LIRR facilities. All services are provided at fixed, negotiated hourly labor rates. Three modifications have been issued to this LIRR contract to; (i) correct original schedule requirements, (ii) add a guard post at 90-27 Sutphin Blvd, Jamaica, and (iii) exercise the Board approved 2-year option.

In June 2009, the LIRR established the LIRR Office of Security ("LIRROS") to centralize and enhance security services for our employees and passengers. Beginning January 1, 2010, the LIRROS, will be assuming guard service responsibility for all current facilities, as well as adding the Arch Street facility, which is being turned over from the current tenant, Bombardier. The LIRROS requires that two (2) Fire Safety Directors be posted at the Arch Street facility on a 24/7 basis, 365 days per year. The \$494,712 cost for this added facility is based on the negotiated, fixed hourly rates for Fire Safety Directors for the remaining seventeen months of the current contract.

Also beginning January 1, 2010, LIRROS will be assuming responsibility for the guard services at the Jamaica Central Control ("JCC") building. Currently, the LIRR reimburses the MTA for these services. MTA in turns pays Colliers ABR, Inc., who provides real estate services for the Port Authority of NY/NJ. Security Guard and Fire Safety Director services at the JCC Building are provided on a 24/7 basis, 365 days per year. The MTA contract with Colliers expires on December 31, 2009. These essential security services will be continued, uninterrupted at the JCC, under the new, centralized LIRROS contract with Summit, for the remaining seventeen months of the current contract, at a total cost of \$286,871.

Since all hourly labor rates are established in the base contract, based on competitive negotiation, the combined cost of \$781,588 for the guard services at these two added locations is considered fair and reasonable. Funding for the Arch Street is identified as a new need, while JCC coverage is a baseline item, and both are included in LIRR's 2010 proposed Operating Budget.

Schedule I: Modifications to Purchase and Public Works Contracts

Staff Summary



Item Number: 3

Vendor Name (& Location) Kiewit Constructors, Inc.	
Description Design/Build Rehabilitation of Atlantic Avenue Viaduct, Phase I	
Contract Term (including Options, if any) March 3, 2008 – April 10, 2010	
Option(s) included in Total Amount? <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:	
Requesting Dept/Div & Dept/Div Head Name: Dept. of Program Management / Kevin Tomlinson	

Contact Number	AWO/Modificaiton #
6000	5
Original Amount:	
\$69,177,000	
Prior Modifications:	
\$374,090	
Prior Budgetary Increases:	
\$0	
Current Amount:	
\$69,551,090	
This Request:	
\$322,402	
% of This Request to Current Amount:	
0.46%	
% of Modifications (including This Request) to Original Amount:	
1.0%	

Discussion:

Design/Build Contract #6000 was awarded to Kiewit Constructors, Inc. to rehabilitate the eastern portion of the 1.4 mile Atlantic Avenue Viaduct, which is between Nostrand Avenue and Ralph Avenue in Brooklyn. The work includes advancing the current 30% preliminary design to a final design, and rehabilitating the bridge superstructure (girders and cap beams) and columns.

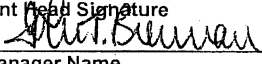
Under this contract, 87 spans of the Viaduct are to be replaced and their associated 178 columns are to be painted and an additional 9 spans along with their 23 columns, were to be painted only, and not replaced. Prior to being painted, all steel surfaces must be cleaned and prepared. The Society of Protective Coatings (SSPC) developed a system of increasingly stringent technical specifications for surface painting preparation. Contract #6000 specified that all 201 column surfaces be prepared to the level SSPC—SP01 (Power Wash, Field Solvent Cleaning). Based on the findings of the 2008 Over-paint Study by McLaren Engineering, LIRR now requires that the Contractor prepare column surfaces to the much more stringent level SSPC—SP11 (Power Tool Cleaning to Bare Metal) standard. This is justified in light of the following:

- Over painting of these surfaces is not recommended unless the existing paint is in good condition and application of epoxy coatings over existing paints is not recommended due to compatibility concerns.
- The existing 100+ year old columns are located in an aggressive environment (splash zone exposed to corrosive road de-icing agents) with durability of over-painting being questionable given the harsh environment.

In order to accomplish this increased level of surface painting preparation, the scope of work for Contract #6000 will be revised under this Modification #5 to indicate the more stringent preparation system to be employed on the noted columns and to delete the preparation of 5 spans that will be replaced as part of the Phase II ARRA-funded span replacement rehabilitation program. Protecting the structural integrity of the existing lower part of the columns is the key to extending the life of the structure. This modification is consistent with the LIRR's 2009 Bridge Painting Specifications.

The Contractor's proposal for this modification for upgrading surface painting preparation (deleted and added work) was \$406,168. LIRR's original estimate was \$201,647; however, after review of field records, it was adjusted to \$283,575. The final negotiated amount of this modification is \$322,402. This contract modification will be funded under the 2005-2009 Capital Program under Project PN-B4.

LIRR requests Board approval to issue a Contract Modification to Kiewit Constructors, Inc. in the amount of \$322,402.

Subject	Request for Authorization to Award Various Procurements	Date	November 25, 2009
Department	Procurement & Material Control	Vendor Name	Various
Department Head Name	John T. Brennan	Contract Number	Various
Department Head Signature		Contract Manager Name	Various
Project Manager Name	Various	Table of Contents Ref #	

Board Action					
Order	To	Date	Approval	Info	Other
1	LI Committee	12/9/09			
2	Finance Committee	12/14/09			
3	MTA Board	12/16/09			

Internal Approvals			
Order	Approval	Order	Approval
X	President		VP Administration
	Sr. VP Operations		CIO
	VP Finance		Other
CA 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:

	# of Actions	\$ Amount
Schedule Requiring Majority Vote:		
Schedule G: Miscellaneous Service Contracts		
Lund Fire Products Co., Inc.	1	\$ 60,000
SUBTOTAL	1	\$ 60,000

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

Schedule Requiring Majority Vote:		
Schedule I: Modifications to Purchase and Public Works Contracts		
Clean Energy	1	\$ 367,803
SUBTOTAL	1	\$ 367,803

LI Bus presents the following procurement actions for Ratification: None

<u>TOTAL</u>	<u>2</u>	<u>\$ 427,803</u>
---------------------	-----------------	--------------------------

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.

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 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
DECEMBER 2009

MTA LONG ISLAND BUS

Procurements Requiring Majority Vote:

G. Miscellaneous Service Contracts

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

- | | | |
|----|----------------------------------------------------------|------------------------|
| 1. | Lund Fire Products Co., Inc. | \$60,000 |
| | Fire Suppression System Repairs & Maintenance | (not-to-exceed) |
| | Contract No. E-3923, Sole Source, Renewal | |

LI Bus requests MTA Board approval to award a sole source miscellaneous service contract to Lund Fire Products Co., Inc. ("Lund"), in an amount not-to-exceed \$60,000, for repairs and maintenance to Kidde Dual Spectrum Fire Suppression Systems. The equipment is installed on fixed route buses and requires maintenance, testing and repairs on an uninterruptible basis. This request is for an initial two-year contract term with a one-year renewal option. Lund confirms it is the sole regional maintenance provider for United Technologies' Kidde Dual Spectrum Systems and is certified to render services to its systems installed in transit vehicles. In October 2009, LI Bus offered to convert this non-competitive procurement into a competitively bid solicitation and advertised its intent to award a sole source contract in the NYS Contract Reporter, Newsday, El Diario and the Minority Commerce Weekly; no replies have been received in response to the publicly advertised notices. This is a renewal contract. When compared to pricing in the current contract awarded January 2007, the proposed quotation reflects an overall net price increase of 7.4% through 2011. Part prices receive a 10% discount less the manufacturer's list prices and will rise a maximum of 4% in the third year, if the LIBus option is exercised. Labor rates have not increased since 2007 and these same 2007 rates will remain firm throughout the entire contract term. Lund confirms its proposal is equal to, or lower than, prices it currently offers to other transit or governmental agencies for similar services. Thus, pricing is considered fair and reasonable. There are no recommended alternatives as LI Bus does not possess the resources required to perform these services in-house. The LI Bus operating budget will fund this procurement.

LIST OF COMPETITIVE PROCUREMENTS FOR BOARD APPROVAL
DECEMBER 2009

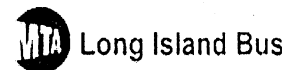
MTA LONG ISLAND BUS

Procurements Requiring Majority Vote:

			<u>Page</u>
I.	<u>Modifications to Purchase and Public Work Contracts</u> (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)		
2.	Clean Energy CNG Station Maintenance and Repair Contract No. E-3383, Renewal	\$367,803 (not-to-exceed) <i>Staff Summary Attached</i>	233

LI Bus requests MTA Board approval to issue a modification to an existing public work contract awarded to Clean Energy. As term options are exhausted, this action will serve to extend the contract beyond term and add funding for services and certain materials necessary for preventive maintenance and emergency repairs to two (2) compressed natural gas (CNG) stations located at Mitchel Field and Rockville Centre depots. The extension will ensure continuity of service during which time LI Bus and MTA Bus Company (MTABC) finalize technical specifications to bring about a joint solicitation and establish a joint contract effective November 14, 2010.

Schedule I: Modifications to Purchase and Public Works Contracts



Item Number: **I-2**

Vendor Name (& Location) Clean Energy (Seal Beach, CA)
Description CNG Station Maintenance and Repairs
Contract Term (including Options, if any) February 20, 2010 – November 13, 2010
Option(s) included in Total Amount? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
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 E – 3383	Renewal? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Total Amount:	\$367,803 (not-to-exceed)
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: Facilities / J. Mandelino	
Contract Manager: John French	

Discussion:

LI Bus requests MTA Board approval to issue a modification to an existing public work contract awarded to Clean Energy. As term options are exhausted, this action will serve to extend the contract beyond term and add funding for services and certain materials necessary for preventive maintenance and emergency repairs to two (2) compressed natural gas (CNG) stations located at Mitchel Field and Rockville Centre depots. The proposed nine-month contract extension is for the period February 20, 2010 thru November 13, 2010 at \$40,866.92 per month, and in an amount not to exceed \$367,803. The extension will ensure continuity of service during which time LI Bus and MTA Bus Company (MTABC) finalize technical specifications to bring about a joint solicitation and establish a joint contract effective November 14, 2010.

In February 2005 LI Bus awarded a competitively bid public work contract to Keyspan Energy Delivery (Keyspan) for CNG station maintenance in an amount of \$902,600 for 2 years with two 1-year options. Less than 2 years into the contract, Keyspan elected to shift its business focus to other opportunities and requested the contract be assigned to a Keyspan qualified firm – Clean Energy (CE). LI Bus performed its due diligence and established CE as a responsive, responsible and qualified firm for the aforementioned work. In February 2007 it assigned the contract to CE and incorporated all original terms and conditions. In September 2007 the Board approved \$313,500 for CE to furnish and install four high-flow CNG dispensers at Mitchel Field depot as they had reached the end of their serviceable life. Thereafter, LI Bus exercised its final term option and extended the CE contract to February 19, 2009, adding \$468,600 in funding for the same. Following this, LIBus and MTABC were tasked to jointly lay the groundwork to develop combined technical specifications, wherein LIBus extended its contract with CE through February 19, 2010 at a 2.2% increase.

It has since been determined that combining both agencies' compressor station service requirements into a joint solicitation will produce a joint, co-terminus contract for these two bus agencies, and proposers should find combined agency requirements more desirable than a single agency requirement, thereby instilling additional competition. To this end, LI Bus seeks to extend its contract with CE through November 13, 2010. For this modification, CE agrees to extend its existing contract with LI Bus for 9 months with a one-time 2.4% increase in its monthly rate. The proposed increase is based on the CPI averaged over the current 10 month recorded contract period; thus, prices are deemed fair and reasonable. All other terms and conditions shall remain firm. Overall, LI Bus Facilities Department is satisfied with CE's performance under this contract. There are no recommended alternatives as LI Bus does not possess the resources required to perform these services. The LI Bus operating budget will fund this procurement.



Subject	Request for Authorization to Award Various Procurements
Department	Procurement and Material Management
Department Head Name	Anthony J. Bombace, Jr.
Department Head Signature	<i>[Signature]</i>
Project Manager Name	Various

Date	November 25, 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	12-09-09			
2	MTA Board Mtg	12-16-09			

Internal Approvals			
Approval		Approval	
X	President	X	Budget
X	Sr. VP Operations	X	Capital Programs
X	Sr. VP Administration		Engr/Const
X	VP Finance & IT	X	Chief of Staff

Internal Approvals (cont.)							
Order	Approval	Order	Approval	Order	Approval	Order	Approval
X	VP Planning		Government Relations		Labor Relations	X	General Counsel
	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:

Schedules Requiring Two-Thirds Vote (or more, where noted)

of Actions \$ Amount

Schedule A: Non-Competitive Purchases and Public Work Contracts	2	\$320,000
• Mateson Chemical Corp \$200,000		
• USSC, LLC \$120,000		

SUB TOTAL: 2 \$320,000



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	\$5,000,000
• MNR's On-Call Construction Program		\$5,000,000
<u>Schedules Requiring Majority Vote</u>		
Schedule F: Personal Service Contracts	2	\$298,000,000
• General Engineering Consultants		\$295,000,000
• Day Engineering, PC		\$3,000,000
Schedule G: Miscellaneous Service Contracts	1	\$105,000
• The Lawn Barber, Inc.		\$105,000
SUB TOTAL:	4	\$303,105,000

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:	
TOTAL:	6
	\$303,425,000

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.

DECEMBER 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. | Mateson Chemical Corp. | \$200,000 (not-to-exceed) | <u>Staff Summary Attached</u> | 241 |
| | Two (2) Year Purchase Agreement for Various Size AC Vaporizer Gel Packs | | | |
| | Non-competitive, two (2)-year purchase agreement for various size (2, 5 & 7lb) AC Vaporizer Gel Packs used on MNR's Coach Cars (5 and 7 lb only) and the M-7 Railcar fleet (2 lb only). Mateson Chemical Corp is the OEM, sole source and current supplier for this material. | | | |
| | <p>At MNR, the gel packs allow for one consistent inventory across the different fleets. The purchase agreement supports 2 different applications for deodorizing: 95% of the agreement, or \$190,000 for the 5 & 7lb packs, is to be used for deodorizing the entire Bombardier Coach Car and are used as part of the periodic inspections. This application is unique to the Bombardier Coaches. The 5% balance of the agreement or \$10,000 is used in the M-7s (the 2lb packs) to deodorize the toilet compartment.</p> <p>The price for the various size gel packs has risen an average 1-2% since their last purchases in 2007 and 2008. 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.</p> | | | |
| 2. | USSC, LLC | \$120,000 (not-to-exceed) | <u>Staff Summary Attached</u> | 242 |
| | Drop Sash Window Hardware/Parts- MNR M-2/4/6/ Commuter Railcar Fleets | | | |
| | Non-competitive, two (2)-year purchase agreement for various drop sash window hardware/parts for use on MNR's M-2, 4 and 6 Railcars. USSC is the OEM and sole source for drop sash windows used in the engineers cab and conductor locations. | | | |
| | <p>The purchase of repair parts will directly reduce the need and minimum buy-cost of full window assemblies. With the retirement of M-2 Railcars to begin shortly, MNR M of E forces will repair windows on an as-needed basis. The purchase agreement for window parts is considered the most cost effective means to repair windows on the M-2, 4 & 6 Fleets. The total amount of this two (2)-year agreement is not-to-exceed \$120,000, and it is to be funded by the MNR Operating Budget.</p> | | | |

Schedule A: Non-Competitive Purchases and Public Work Contracts



Item Number: A-1

Vendor Name (& Location) Mateson Chemical 1025 East Montgomery Avenue Philadelphia, PA 19125
Description Purchase of Vaporizer Gel Pack
Contract Term (including Options, if any) Two Year (November 2009 – November 2011)
Option(s) included in Total Amount? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Procurement Type <input type="checkbox"/> Competitive <input checked="" type="checkbox"/> Non-competitive
Solicitation Type <input type="checkbox"/> RFP <input checked="" type="checkbox"/> Bid <input type="checkbox"/> Other: Sole Source

Contract Number TBD	Renewal? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Total Amount: \$ 200,000 (not-to-exceed)	
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: O. Messado	

Discussion:

Non-competitive, two (2)-year purchase agreement for various size (2, 5 & 7lb) AC Vaporizer Gel Packs used on MNR's Coach Cars (5 and 7 lb only) and the M-7 Railcar fleet (2 lb only). Mateson Chemical Corp is the OEM, sole source and current supplier for this material.

At MNR, the gel packs allow for one consistent inventory across the different fleets. The purchase agreement supports 2 different applications for deodorizing: 95% of the agreement, or \$190,000 for the 5 & 7lb packs, is to be used for deodorizing the entire Bombardier Coach Car and are used as part of the periodic inspections. This application is unique to the Bombardier Coaches. The 5% balance of the agreement or \$10,000 is used in the M-7s (the 2lb packs) to deodorize the toilet compartment.

The price for the various size gel packs has risen an average 1-2% since their last purchases in 2007 and 2008. 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-2

Vendor Name (& Location) USSC INC 780 THIRD AVENUE KING OF PRUSSIA Pa 19406
Description Purchase of Various Drop Sash Window Hardware
Contract Term (including Options, if any) Two Year (November 2009 – November 2011)
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 TBD	Renewal? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Total Amount: \$ 120,000 (not-to-exceed)	
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: M. Coppola	

Discussion:

Non-competitive, two (2)-year purchase agreement for various drop sash window hardware for use on MNR's M-2, 4 and 6 Railcars. USSC is the OEM and sole source for drop sash windows used in the engineers cab and conductor locations. Based on the near retirement of the M-2 cars, the previous and successful replacement of full assemblies as part of the M-2 CSR program, and the fact that the total amount of labor to perform the individual repairs on the window during the running repair of the cars is comparable to the full replacement of the window there is no longer a need to purchase complete window assemblies. The purchase agreement for window parts is considered to be the best value to MNR based upon reduced inventory and comparative labor hours for the repair and replacement versus the installation of a new window. The total amount of this two (2)-year agreement is not-to-exceed \$120,000, and it is to be funded by the MNR Operating Budget.

DECEMBER 2009

METRO-NORTH RAILROAD

LIST OF COMPETITIVE PROCUREMENTS FOR BOARD APPROVAL

Schedules Requiring Two-Thirds Vote:

Page

B. Request to use RFP for Procurement of Purchases and Public Works in lieu of Sealed Bids
(Staff Summaries only required for items estimated to be greater than \$1 million)

1. MNR's On-Call Construction Program \$5,000,000 (est.)(not-to-exceed) Staff Summary Attached
Pre-qualification- Construction Contractors

247

MTA Metro-North Railroad requests permission to use the RFP process to prequalify a number of construction contractors (exact number to be determined as a result of the RFP process) to provide small scale construction services to support both Railroad Operations and the Capital Program on an as-needed basis. Once approved, these prequalified contractors will be eligible to submit sealed competitive bids for actual work tasks where a definitive scope of work is created. The program will be for a period of five (5) years with an overall estimated cost of \$5,000,000. Each work task approved for inclusion in this program will not exceed \$500,000 unless otherwise approved by senior management on an exception basis.

The program has the benefit of reducing procurement lead-time and thus reducing total project time for small construction projects while maintaining adequate price competition. The MTA Board has approved Metro-North's previous On-Call Construction Program and has approved similar programs for NYCTA, LIRR and Bridges and Tunnels. Based upon discussions with the other Agencies, a joint or multi-agency procurement is not recommended due to the geographic restrictions of the small to mid-sized contractors who would be bidding on this type of work. This procurement is to be funded by the MNR Capital Program and Operating Budgets.

Schedules Requiring Majority Vote:

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

2. General Engineering Consultants \$295,000,000 (est.) (not-to-exceed) Staff Summary Attached
Pre-qualification for General Engineering

249

A joint procurement endeavor was initiated by MTA Metro-North Railroad, MTA Long Island Rail Road, MTA Capital Construction and MTA Headquarters ("the Agencies") to utilize the general engineering/prequalification (GEC) approach for securing general engineering, design, and construction management services. The GEC has been previously and efficiently employed by both MNR & LIRR to streamline the request for proposal procurement process of consultant selection and retention, to reduce procurement lead time and overall project time, and reduce administrative costs while ensuring appropriate, on-going competition and best value. MNR & LIRR have successfully utilized the general engineering approach over the last five years.

This comprehensive General Engineering arrangement will use prequalified engineering firms to provide design, engineering, construction supervision and inspection services, and miscellaneous professional services on an as-required basis to support both the MTA Agencies 2010-2014 Capital Program and their Operating Divisions. One hundred and seventy (170) firms in all received the solicitation and proposals were received from ninety-six (96) firms during August 2009 – September 2009, for the three major types of service to be performed and the twenty-five (25) categories of work. Selection Committees were formed by Metro-North Railroad and the Long Island Rail Road for each category of work. These separate committees evaluated the proposals received 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:

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 (Project Management Plan).
4. Knowledge of and experience with railroad operations; or demonstrated ability to adapt to railroad/agency operations.

Cost is to be considered in the subsequent requests for contract/task assignments.

The Committees selected a pool of consultants for specific categories based on the merits of the firms' qualifications with respect to the established selection criteria. There were no restraints as to size of the final consultant pool for any category.

As detailed in the accompanying staff summary sheet, 81 firms have been selected in twenty five (25) categories of work, based on the competitive RFP, and are recommended to be solicited to provide the aforementioned services on a contract or task order basis. Prior to the award of any contract to any of these firms, each agency shall perform a full responsibility review in accordance with the MTA guidelines. For the purpose of this prequalification process, a limited review was performed to confirm that none of the recommended firms are subject to federal debarment or have other circumstances which would likely preclude contract awards to any such firm.

Each firm will be issued a prequalification letter which indicates which category of work they are eligible to propose on. There is no obligation associated with this arrangement. MNR and LIRR have been successfully using a similar General Engineering approach over the last five year program and have now been joined by MTA Capital Construction and MTA Headquarters. Funds required for each new project will be included in the Agencies' individual Five (5)-year Capital Programs or from their Operational Budget, as required. The total period of performance for this arrangement is five (5) years and the GEC program is estimated at a total value not-to-exceed \$295,000,000.

3. **Day Engineering, PC \$3,000,000 (not-to-exceed)** Staff Summary Attached
On-Call Environmental Engineering and Occupational Safety Consulting Services

Request for Proposal (RFP) Process, Eight (8) proposals received; Four (4) firms shortlisted; Contract term is five (5) years. Metro-North Railroad's Environmental and Compliance Services and Safety & Security Departments require the services (on an on-call basis) of an environmental engineering and occupational safety consultant that has knowledge of the specific characteristics and sensitivities of Metro-North's territory (e.g. New York City Watershed and Hudson River,) as well as the regulatory standards and personnel of the many agencies with jurisdiction over Metro-North, including both New York and Connecticut agencies as well as the specific New York regional offices in which Metro-North

operates (e.g.-Region 3 of the NYS Department of Environmental Conservation, which covers Westchester and counties north as well as Orange and Rockland counties West of Hudson).

A discussion with the LIRR, who has an existing on-call contract for environmental engineering, found that both agencies agree on the importance of having a consultant that knows the environmental territory and possesses excellent working relationships with regulatory agencies. Because LIRR and MNR operate in different DEC regions and different counties (and with MNR, two states) neither agency could identify any firms that met the preferred criteria of both agencies. As such, it was agreed that this was not a service to be performed jointly.

Twenty-eight (28) firms requested a copy of the RFP, eight (8) firms submitted proposals and the MNR selection committee short-listed four (4) firms to give oral presentations. The Selection Committee unanimously selected Day Engineering, PC as being the most professionally and technically competent firm to provide the required services. Day Engineering, PC is currently providing these environmental engineering and occupational safety compliance services for Metro North under an existing contract. Day Engineering's labor and equipment rates were evaluated and found to be not only consistent with the previous existing contract, but significantly lower than all other short-listed firms. This is an On-Call contract; therefore, the total cost of a given task is determined when the scope of work is produced and a cost proposal is received and negotiated with the contractor. The total cost of these services is not-to-exceed \$3,000,000 for the five (5)-year period. This procurement is to be funded by the MNR 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.)

**4. The Lawn Barber, Inc. \$105,000 (not-to-exceed)
Snow and Ice Removal – Yankees/E.153rd St. Train Station**

Competitively bid (6 bids received) miscellaneous service contract, for up to a three (3)-year term (1 yr. Base + 2 yr. MNR Option) for snow and ice removal at MNR's Yankees/E.153rd St. Train Station. The Lawn Barber, Inc., the low bidder, will furnish all labor, material and equipment necessary for the removal and treatment of snow and ice conditions during the winter/snow season. Lawn Barber's prices are fixed and guaranteed regardless of the volume of calls for service, for up to the three (3)-year period. The total cost for up to the three (3)-year contract period is not-to-exceed \$105,000. There are no alternatives to providing the snow and ice removal services at this time, as Metro-North does not currently have sufficient in-house forces to incorporate this location into its current snow removal rotation. Metro-North resources will be re-evaluated on a yearly basis and prior to the commencement of each snow season to determine if this work can be accomplished with in-house forces. This procurement is to be funded by the MNR Operating Budget

Staff Summary

Item Number B-1					
Dept & Dept Head Name: Procurement & Material Management, Anthony J. Bombace, Jr.					
Division & Division Head Name: Sr. VP – Administration, Raymond Burney					
Board Reviews					
Order	To	Date	Approval	Info	Other
1	M-N Comm.Mtg.	12-09-09	X		
2	MTA Board Mtg.	12-16-09	X		
Internal Approvals					
Order	Approval	Order	Approval		
X	President	X	Sr. V.P. Operations		
X	Sr. V.P. Admin.	X	V.P. Planning		
X	V.P. Finance & IT	X	General Counsel		
X	Capital Programs				

SUMMARY INFORMATION	
Vendor Name N/A	Contract Number
Description Metro-North On-Call Construction Services Contract	
Total Amount \$5,000,000 (not -to-exceed) (estimated)	
Contract Term (including Options, if any) Five (5) years	
Option(s) included in Total Amount?	<input type="checkbox"/> Yes <input type="checkbox"/> No
Renewal?	<input 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 checked="" type="checkbox"/> Capital <input checked="" type="checkbox"/> Federal <input checked="" type="checkbox"/> Other:	

Narrative

I. PURPOSE/RECOMMENDATION: To obtain MTA Board approval to use the RFP process to prequalify a number of construction contractors (the exact number to be determined as a result of the RFP process) to provide small-scale miscellaneous construction services to support both Railroad Operations and the Capital Program.

II. DISCUSSION: Metro-North has an on-going need to conduct small scale construction work to support both Railroad Operations and approved Capital programs. These construction needs, although smaller and more limited in scope, still require the same competitive solicitation process required for major public work contracts. Metro-North proposes to use the RFP process to prequalify a number of construction contractors who will be directly solicited to competitively bid on those projects or tasks deemed eligible for this program. The actual number of firms will be determined as a result of the RFP process. Once a definitive scope(s) of work is created, these prequalified contractors will be eligible to submit sealed, competitive bids for actual work to be performed. The program will be for a period of five (5) years with an overall estimated cost of \$5,000,000. Each work task approved for inclusion in this program will not exceed \$500,000 unless otherwise approved by senior management on an exception basis.

It is necessary to use the RFP process in order to evaluate the overall qualifications of contractors as a basis for selection and inclusion in this program. The criteria for selection include: work experience, past performance on work of a similar nature, qualifications of key personnel, and the contractor's safety and environmental record. Once the program is established, the solicitation of sealed, competitive bids for actual work tasks will ensure competition and price reasonableness.

This program will have the benefit of reducing procurement lead-time and thus reducing total project time for small construction while maintaining adequate price competition. The MTA Board has approved Metro-North's previous On-Call Construction Program and has also approved similar programs for NYCTA, LIRR and Bridges and Tunnels. Based upon a discussion with the other Agencies, it was determined that it was the best process for MNR to procure these services separately, as a joint procurement with other MTA Agencies is not recommended due to the geographic restrictions of the small to mid-sized contractors who would be bidding on this type of work.

Staff Summary

III. **D/M/WBE INFORMATION:** Minority participation goals will be requested on a contract-to-contract basis.

IV. **IMPACT ON FUNDING:** The cost of this work is estimated at a total not-to-exceed \$5,000,000 and is to be funded by the MNR Capital Program and the MNR Operating Budget. No funds will be obligated under these contracts unless a specific project has been approved for implementation.

Staff Summary

Item Number F-2					
Dept & Dept Head Name: Procurement & Material Management, Anthony J. Bombace, Jr.					
Division & Division Head Name: Sr. VP – Administration, Raymond Burney					
Board Reviews					
Order	To	Date	Approval	Info	Other
1	M-N Comm.Mtg.	12-09-09	X		
2	MTA Board Mtg.	12-16-09	X		
Internal Approvals					
Order	Approval	Order	Approval		
X	President	X	Sr. V.P. Operations		
X	Sr. V.P. Admin.	X	V.P. Planning		
X	V.P. Finance & IT	X	General Counsel		
X	Capital Programs				

SUMMARY INFORMATION	
Vendor Name Various	Contract Number N/A
Description GEC 2010-2014 Consultant Prequalification	
Total Amount \$295,000,000 (not-to-exceed)	
Contract Term (including Options, if any) Five (5) Years	
Option(s) included in Total Amount? <input type="checkbox"/> Yes <input type="checkbox"/> No	
Renewal? <input 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 checked="" type="checkbox"/> Capital <input checked="" type="checkbox"/> Federal <input type="checkbox"/> Other:	

Narrative

I. PURPOSE/RECOMMENDATION: To obtain MTA board approval to prequalify 81 consultants (listed in Attachment A) who propose to perform personal service for design, engineering, supervision inspection services and miscellaneous professional services to support both the 2010-2014 Capital Program and the needs of the Operating Divisions. The period of performance for this prequalification will be for a five (5) year period.

II. DISCUSSION: A joint procurement endeavor was initiated by Metro-North Railroad, the Long Island Rail Road, MTA Capital Construction and MTA Headquarters ("the Agencies") to utilize the general engineering/prequalification (GEC) approach for securing general engineering, design and construction management services. The GEC has been previously and efficiently employed by the agencies to streamline the request for proposal procurement process of consultant selection and retention, to reduce procurement lead time and overall project time, and reduce administrative costs while ensuring appropriate, on-going competition and best value. The Agencies have successfully utilized the general engineering approach over the last five years.

A Request for Proposal was developed and forwarded on July 9, 2009 to approximately one-hundred (100) firms currently participating in the Agencies' GEC programs and to additional firms who made inquiries specifically directed toward interest in the new GEC program. The solicitation was concurrently advertised in the New York State Contract Reporter, the New York Post, The Daily Challenge, and El Diario on July 9, 2009 and the Engineer News Review ENR Weekly Publication on July 27, 2009. One hundred and seventy (170) firms received the solicitation and proposals were received from over four-hundred (400) firms on three consecutive weeks between August -September 2009 for the three major types of service to be performed and the twenty-five (25) categories of work. Independent selection committees were formed for each category of work. These separate committees evaluated the proposals received 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:

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 (Project Management Plan).
4. Knowledge of and experience with railroad/agency operations; or demonstrated ability to adapt to railroad/agency operations.

Cost is to be considered in the subsequent requests for contract/task assignments.

Staff Summary

The Committee selected a pool of consultants for specific categories based on the merits of the firms' qualifications with respect to the established selection criteria. There were no restraints as to size of the final consultant pool for any category. Final selection of any firm was based upon a pass/fail method with 75 points being the minimum requirement for selection in the Prequalification phase.

Eighty-one (81) firms have been selected in twenty-five (25) categories of work. All consultants selected who met the requirements of the RFP will be deemed eligible to propose on individual contract/task assignments offered by the individual Agency in their respective category of work. When required by exigent circumstances, and consistent with the All-Agency Guidelines, less than the full pool in any given category may be canvassed. Prior to the award of any contract to any of these firms, each agency shall perform a full responsibility review in accordance with the MTA guidelines. For the purpose of this prequalification process, a limited review was performed to confirm that none of the recommended firms are subject to federal debarment or have other circumstances which would likely preclude contract awards to any such firm.

The categories of work included:

A. Design and Engineering Services

- Category 1: Line Structures
- Category 2: Buildings, Passenger Station, Shops & Yards, and Parking Facilities
- Category 3: Power
- Category 4: Track
- Category 5: Signals & Communications
- Category 6: Rolling Stock
- Category 7: Value Engineering
- Category 8: Security Engineering
- Category 9: Environmental Engineering
- Category 10: Forensic Engineering / Laboratory Testing Services
- Category 11: Soils / Foundation Engineering

B. Construction Supervision & Inspection Services

- Category 1: Line Structures
- Category 2: Buildings, Passenger Station, Shops & Yards, and Parking Facilities
- Category 3: Power
- Category 4: Track
- Category 5: Signals & Communications
- Category 6: Rolling Stock
- Category 7: Environmental Engineering

C. Misc. Professional Services

- Category 1: Scheduling
- Category 2: Cost Estimating
- Category 3: Claims Support
- Category 4: Constructability
- Category 5: Design Reviews
- Category 6: Technical Writer
- Category 7: Quality Management

When a specific workscope is identified and approved, the responsible Agency will solicit technical and level-of-effort proposals from consultants listed in the category to which the Workscope belongs. The responsible Agency will utilize their individual forms of Request for Proposal in accordance with MTA All-Agency Procurement Guidelines. For New York State funded contract/task assignments this will usually be a two phase selection when costs and technical aspects of

Staff Summary

a consultant's proposal are utilized. All federally-funded contract/task assignments will utilize the "Brooks Method" of selection. The Federal Brooks Act requires a qualification-based selection process for federally-funded engineering contracts. Each specific proposal will be evaluated in accordance with specific evaluation criteria established at the time the contract/task assignments is solicited.

Attachment 1 lists the categories of work and the firms selected for each category.

III. D/M/WBE INFORMATION: Minority participation goals will be sought on a contract to contract basis.

IV. IMPACT ON FUNDING: The total period of performance for this arrangement is five (5)-years and the GEC program is estimated to total \$295M. (not-to-exceed). Funding for work under these contracts will be taken from the funding source applicable to each Project. Expenditures will be reported in the responsible Agency's Capital Program Monthly Progress Report.

V. ALTERNATIVES: The Agencies will continue to require consultant assistance to provide essential design, construction supervision and inspection and specialty engineering services to support both the Capital Programs and respective Operating Divisions. The alternative is to continue to use individual Request for Proposal process for each individual project requirement. The general engineering approach described herein is strongly recommended as a replacement to the traditional method as a means to significantly lessen the procurement lead-time for contract/task award, thus reducing overall project time and costs.

Firms Recommended for Prequalification - MNR General Engineering Consultant Contract

Attachment 1

A Design and Engineering Services

01 Line Structures

A. Dicesare Associates
AECOM USA, Inc.
Ammann & Whitney Consulting Engineers
Berger, Lehman Associates
Clough Harbour & Associates
Dewberry
Erdman Anthony
Gannett Fleming Engineers & Architects
Greenman-Pedersen, Inc.
HAKS Engineers, Architects and Land Surveyors
Hardesty & Hanover
Hatch Mott MacDonald, Inc.
Henningson, Durham & Richardson
HNTB New York Engineering & Architecture
Jacobs Civil Consultants
Jenny Engineering Corporation
KS Engineers
LiRo Group
Lochner Engineering
M.G. McLaren d/b/a McLaren Engineering Group
Maser Consulting
Michael Baker Engineering, Inc.
Parsons Transportation Group of New York, Inc.
PB Americas, Inc.
Shaw Environmental & Infrastructure Engineering
Stantec Consulting Services
STV, Inc.

Transsystems Architect & Engineer

URS Corporation-New York

WSP Sells, Inc.

30 Firms Selected

02 Stations/Bldgs/Shops/Yards/Parking

AECOM USA, Inc.
Ammann & Whitney Consulting Engineers
B. Thayer Associates
Beyer Blinder Belle
Bond Street/Design Kouzmanoff Bainton JV
Burns Engineering, Inc.
Cameron Engineering & Associates
Clough Harbour & Associates
Desman Associates
Dewberry
diDomenico & Partners
Domenech Hicks & Krockmainic Architects
FST Engineers, Inc.
FX Fowle Architects
Gannett Fleming Engineers & Architects
Greenman-Pedersen, Inc.
Gruzen Stanton Architects
HAKS Engineers, Architects and Land Surveyors
Hatch Mott MacDonald, Inc.
Henningson, Durham & Richardson
Jacobs Civil Consultants
KS Engineers
Lee Harris Pomeroy Architects
LiRo Group

Lochner Engineering

Louis Berger & Associates

Louis K. McLean Associates

M.G. McLaren d/b/a McLaren Engineering Group

Michael Baker Engineering, Inc.

Parsons Transportation Group of New York, Inc.

PB Americas, Inc.

RMJM, Inc.

Shaw Environmental & Infrastructure Engineering

Simpson Gumpertz & Heger Associates, Inc.

SJH Engineering

Stantec Consulting Services

STV, Inc.

SYSTRA Engineering

Thornton Tomasetti, Inc.

Transsystems Architect & Engineer

URS Corporation-New York

Wank Adams Slavin Associates

WSP Sells, Inc.

43 Firms Selected

03 Power

AECOM USA, Inc.
Burns Engineering, Inc.
Gannett Fleming Engineers & Architects
Hatch Mott MacDonald, Inc.
Henningson, Durham & Richardson
HNTB New York Engineering & Architecture
Jacobs Civil Consultants
Louis T. Klauder And Associates

Parsons Transportation Group of New York, Inc.
RCM Technologies, Inc.
STV, Inc.
SYSTRA Engineering
URS Corporation-New York

13 Firms Selected

04 Track

AECOM USA, Inc.
Clough Harbour & Associates
Henningson, Durham & Richardson
HNTB New York Engineering & Architecture
Jacobs Civil Consultants
Lochner Engineering
PB Americas, Inc.
STV, Inc.
SYSTRA Engineering
Transsystems Architect & Engineer
URS Corporation-New York
WSP Sells, Inc.

12 Firms Selected

05 Signals and Communications

AECOM USA, Inc.
Booz Allen Transportation
Gannett Fleming / CWA JV
Hatch Mott MacDonald, Inc.
HNTB New York Engineering & Architecture
Jacobs Civil Consultants
Louis T. Klauder And Associates
Parsons Transportation Group of New York, Inc.
Stantec Consulting Services

STV, Inc.
SYSTRA Engineering
The Kohl Group
URS Corporation-New York

13 Firms Selected

06 Rolling Stock

Booz Allen Transportation
Hatch Mott MacDonald, Inc.
Interfleet Technology
Louis T. Klauder And Associates
Parsons Transportation Group of New York, Inc.
Raul V. Bravo & Associates, Inc.
Simpson Gumpertz & Heger Associates, Inc.
STV, Inc.
SYSTRA Engineering

10 Firms Selected

07 Value Engineering

AECOM USA, Inc.
Faithful+Gould, Inc.
Greenman-Pedersen, Inc.
Interfleet Technology
Jacobs Civil Consultants
LiRo Group
PB Americas, Inc.

7 Firms Selected

08 Security Engineering

AECOM USA, Inc.
Gannett Fleming Engineers & Architects
Hatch Mott MacDonald, Inc.
Henningson, Durham & Richardson

HNTB New York Engineering & Architecture
Louis Berger & Associates
Michael Baker Engineering, Inc.
Parsons Transportation Group of New York, Inc.
PB Americas, Inc.
STV, Inc.
SYSTRA Engineering
TRC Engineers, Inc.
URS Corporation-New York

13 Firms Selected

09 Environmental Engineering

AECOM USA, Inc.
AKRF, Inc.
ATC Associates, Inc.
Dewberry
Dvirka and Bartilucci Consulting Engineers
FPM Group
Gannett Fleming Engineers & Architects
GZA GeoEnvironmental of New York
H2M - Holzmacher, McLendon & Murrell
Hatch Mott MacDonald, Inc.
Henningson, Durham & Richardson
Jacobs Civil Consultants
Langan Engineering & Environmental Services
LiRo Group
Louis Berger & Associates
Parsons Transportation Group of New York, Inc.
PB Americas, Inc.
PS & S Integrating Design & Engineering
Stantec Consulting Services
STV, Inc.

TRC Engineers, Inc.
URS Corporation-New York
Weston Solutions, Inc.

23 Firms Selected

10 Forensic Eng/Laboratory Testing Services

M.G. McLaren d/b/a McLaren Engineering Group
Simpson Gumpertz & Heger Associates, Inc.
Tectonic Engineering & Surveying Consultants
Thornton Tomasetti, Inc.

4 Firms Selected

11 Soils / Foundation Engineering

AECOM USA, Inc.
Dewberry
Gannett Fleming Engineers & Architects
GeoDesign, Inc.
GZA GeoEnvironmental of New York
Hatch Mott MacDonald, Inc.
Langan Engineering & Environmental Services
Louis Berger & Associates
PB Americas, Inc.
STV, Inc.
Tectonic Engineering & Surveying Consultants
URS Corporation-New York

12 Firms Selected

B Construction Supervision and Inspection Services

01 Line Structures

A. Dicesare Associates
AECOM USA, Inc.

AI Engineers, Inc.
ARCADIS
B & H Engineering
Berger, Lehman Associates
Clough Harbour & Associates
Dewberry
Gannett Fleming Engineers & Architects
Garg Consulting Services, Inc.
Greenman-Pedersen, Inc.
HAKS Engineers, Architects and Land Surveyors
Hatch Mott MacDonald, Inc.
Henningson, Durham & Richardson
Hill International, Inc.
HNTB New York Engineering & Architecture
Howard L. Boswell Engineer & Land Surveyor
Jacobs Civil Consultants
LiRo Group
Lochner Engineering
Louis Berger & Associates
Louis K. McLean Associates
MCSS, Inc.
Michael Baker Engineering, Inc.
PB Americas, Inc.
Shaw Environmental & Infrastructure Engineering
Stantec Consulting Services
STV, Inc.
Tectonic Engineering & Surveying Consultants
TRC Engineers, Inc.
URS Corporation-New York
WSP Sells, Inc.

32 Firms Selected

02 Stations/Bldgs/Shops/Yards/Parking

A. Dicesare Associates
AECOM USA, Inc.
AI Engineers, Inc.
ARCADIS
Armand Corporation
Berger, Lehman Associates
Gannett Fleming Engineers & Architects
Garg Consulting Services, Inc.
Greenman-Pedersen, Inc.
HAKS Engineers, Architects and Land Surveyors
Hatch Mott MacDonald, Inc.
Hill International, Inc.
HNTB New York Engineering & Architecture
Jacobs Civil Consultants
LiRo Group
Lochner Engineering
Louis Berger & Associates
Michael Baker Engineering, Inc.
PB Americas, Inc.
Shaw Environmental & Infrastructure Engineering
Stantec Consulting Services
STV, Inc.
SYSTRA Engineering
Tectonic Engineering & Surveying Consultants
TRC Engineers, Inc.
URS Corporation-New York
WSP Sells, Inc.

27 Firms Selected

03 Power

AECOM USA, Inc.

Hatch Mott MacDonald, Inc.

Henningson, Durham & Richardson

Jacobs Civil Consultants

LiRo Group

STV, Inc.

SYSTRA Engineering

URS Corporation-New York

8 Firms Selected

04 Track

AECOM USA, Inc.

Clough Harbour & Associates

Henningson, Durham & Richardson

Hill International, Inc.

HNTB New York Engineering & Architecture

Jacobs Civil Consultants

PB Americas, Inc.

STV, Inc.

SYSTRA Engineering

URS Corporation-New York

10 Firms Selected

05 Signals and Communications

AECOM USA, Inc.

Gannett Fleming / CWA JV

Jacobs Civil Consultants

Louis T. Klauder and Associates

STV, Inc.

SYSTRA Engineering

The Kohl Group

URS Corporation-New York

8 Firms Selected

06 Rolling Stock

Booz Allen Transportation

Interfleet Technology

Louis T. Klauder and Associates

Raul V. Bravo & Associates, Inc.

STV, Inc.

5 Firms Selected

07 Environmental Engineering

ARCADIS

Dvirka and Bartilucci Consulting Engineers

FPM Group

Gannett Fleming Engineers & Architects

GZA GeoEnvironmental of New York

Henningson, Durham & Richardson

Langan Engineering & Environmental Services

LiRo Group

Louis Berger & Associates

PS & S Integrating Design & Engineering

Shaw Environmental & Infrastructure Engineering

STV, Inc.

TRC Engineers, Inc.

Weston Solutions, Inc.

14 Firms Selected

C Miscellaneous Professional Services

01 Scheduling

AECOM USA, Inc.

Faithful+Gould, Inc.

Hill International, Inc.

HNTB New York Engineering & Architecture

LiRo Group

Louis Berger & Associates

MCSS, Inc.

STV, Inc.

The Kohl Group

URS Corporation-New York

10 Firms Selected

02 Cost Estimating

AECOM USA, Inc.

Faithful+Gould, Inc.

Hill International, Inc.

LiRo Group

MCSS, Inc.

STV, Inc.

Toscano Clements Taylor

URS Corporation-New York

8 Firms Selected

03 Claims Support

AECOM USA, Inc.

Hill International, Inc.

MCSS, Inc.

MDC Systems

Simpson Gumpertz & Heger Associates, Inc.

5 Firms Selected

04 Constructability

AECOM USA, Inc.

FST Engineers, Inc.

Gannett Fleming Engineers & Architects

Greenman-Pederson, Inc.

Henningson, Durham & Richardson

Hill International, Inc.

Jacobs Civil Consultants

LiRo Group

MCSS, Inc.

PB Americas, Inc.

PS & S Integrating Design & Engineering

Shaw Environmental & Infrastructure Engineering

Simpson Gumpertz & Heger Associates, Inc.

Stantec Consulting Services

URS Corporation-New York

15 Firms Selected

05 Design Reviews

AECOM USA, Inc.

Booz Allen Transportation

diDomenico & Partners

Fay Spofford & Thorndike

Henningson, Durham & Richardson

Hill International, Inc.

Interfleet Technology

Jacobs Civil Consultants

LiRo Group

PB Americas, Inc.

Raul V. Bravo & Associates, Inc.

Shaw Environmental & Infrastructure Engineering

Simpson Gumpertz & Heger Associates, Inc.

Stantec Consulting Services

URS Corporation-New York

15 Firms Selected

06 Technical Writer

AECOM USA, Inc.

Raul V. Bravo & Associates, Inc.

2 Firms Selected

07 Quality Management

AECOM USA, Inc.

Booz Allen Transportation

Raul V. Bravo & Associates, Inc.

3 Firms Selected

Staff Summary

Item Number F-3					
Dept & Dept Head Name:					
Procurement & Material Management, Anthony J. Bombace, Jr.					
Division & Division Head Name:					
Sr. VP – Administration, Raymond Burney					
Board Reviews					
Order	To	Date	Approval	Info	Other
1	M-N Comm.Mtg.	12-09-09			
2	MTA Board Mtg.	12-16-09			
Internal Approvals					
Order	Approval	Order	Approval		
X	President	X	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	Contract Number
Day Engineering, PC	62051
Description	
Environmental Engineering and Occupational Safety Consulting Services	
Total Amount	
\$3,000,000 not-to-exceed	
Contract Term (including Options, if any)	
Five (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 MTA Board approval to award a personal services contract to the firm Day Engineering, PC to provide On-Call Environmental Engineering and Occupational Safety Consulting Services.

II. DISCUSSION: Metro-North Railroad's Environmental and Compliance Services and Safety & Security Departments require the services (on an on-call basis) of an environmental engineering and occupational safety consultant that has knowledge of the specific characteristics and sensitivities of Metro-North's territory (e.g. New York City Watershed and Hudson River,) as well as the regulatory standards and personnel of the many agencies with jurisdiction over Metro-North, including both New York and Connecticut agencies as well as the specific New York regional offices in which Metro-North operates (e.g. Region 3 of the NYS Department of Environmental Conservation, which covers Westchester and counties north as well as Orange and Rockland counties West of Hudson).

A discussion with the LIRR, who has an existing on-call contract for environmental engineering, found that both agencies agree that it is important to have a consultant that knows the environmental territory and possesses excellent working relationships with regulatory agencies. Because LIRR and MNR operate in different DEC regions and different counties (and with MNR, two states) neither agency could identify any firms that met the preferred criteria of both agencies. As such, it was agreed that this was not a service to be performed jointly.

These scope of services to be performed include, but are not limited to: (a) Evaluation of operations and facilities to identify areas of non-compliance, (b) Development of plans and programs to meet environmental and occupational health and safety compliance, (c) Preparation and delivery of training to Metro-North personnel, (d) Timely identification and notification to Metro-North of proposed, new and revised environmental and health and safety laws, regulations, interpretation and enforcement initiatives, (e) Preparation of design and construction engineering documents, plans and specifications, (f) Performance of environmental site assessments and inspections, and(g) Audit regulated waste disposal sites.

Staff Summary

Twenty-eight (28) firms requested a copy of the Request for Proposal (RFP) and a notice of the RFP was advertised in The New York Post, The Daily Challenge, and The New York State Contract Reporter. Eight (8) firms submitted proposals, received on September 3, 2009. Concurrently, a Selection Committee of five (5) members was formed consisting of Metro-North Railroad's Environmental and Compliance Services, Safety & Security, and Procurement and Material Management Departments.

The criteria established for the Selection Committee to evaluate the proposals was listed in the RFP as follows: a. Demonstrated understanding of the Scope of Work and Services; b. Project plan; c. Confidence level, commitment of relevant resources to the project, qualifications of key personnel, subs, etc.; and d. Past experience with similar projects. Once the short-listing process was complete, Cost became an evaluation criterium.

The Selection Committee reviewed the proposals and subsequently selected four (4) firms to provide oral presentations to the Committee. These firms: Day Engineering, PS&S, GZA, and HRP met with the Selection Committee on September 28, 2009. After an in-depth review of all the shortlisted firms' technical proposals, costs, relevant experience, and references; the Selection Committee unanimously selected and recommended the award of the contract to the firm, Day Engineering, PC.

In addition to its excellent past performance with Metro-North, Day Engineering submitted a thorough, well-thought out proposal reinforced by a well-planned oral presentation. The team assembled by Day Engineering showed an excellent overall understanding of the work scope requirements and a unique understanding of Metro-North's needs. Day Engineering's team demonstrated extensive experience, particularly with projects similar in nature. Day Engineering is currently providing these occupational engineering and compliance services for Metro-North under an existing contract and has performed above average to date. Day's labor and equipment rates were evaluated and found to be not only consistent with the previous existing contract, but significantly lower than all other short-listed firms

This is an On-Call contract; therefore, the total cost of a given task is determined when the scope of work is produced and a cost proposal is received and negotiated with the contractor.

III. D/M/WBE INFORMATION: MTA Office of Civil Rights (MTAOCR) established a 5% MBE and 5% WBE goal for this contract. MTAOCR has determined that Day Engineering, PC, has responded satisfactorily to the MBE and WBE goals requirement.

IV. IMPACT ON FUNDING: The cost of the required services is not-to-exceed \$3,000,000 for a period of performance of five (5) years, and is to be funded by the MNR Operating Budget.

V. ALTERNATIVES: MNR does not have the available in-house staff to perform the full spectrum of environmental engineering and occupational safety and consulting services required.

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	November 24, 2009
Vendor Name	
Contract Number	
Contract Manager Name	
Table of Contents Ref #	

Board Action					
Order	To	Date	Approval	Info	Other
1	President	11/24/09	<i>AK</i>		
2	MTA B&T Committee	12/9/09	<i>AK</i>		
3	MTA Board	12/16/09			

Internal Approvals			
Order	Approval	Order	Approval
	President <i>AK</i>		VP Staff Services
	Executive Vice President <i>AK</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: None

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

Schedules Requiring Majority Vote		# of Actions	\$ Amount
Schedule F	Personal Service Contracts	3	\$10.755M
Schedule G	Miscellaneous Service Contracts	1	\$.997M
Schedule H	Modifications to Personal/Miscellaneous Service Contracts	2	\$.863M
Schedule I	Modifications to Purchase & Public Works Contracts	1	\$ 1.333M
SUBTOTAL		7	\$13.948M

MTA B&T presents the following procurement actions for Ratification: None

TOTAL	7	\$13.948M
-------	---	-----------

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.)

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

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 COMPETITIVE PROCUREMENTS FOR BOARD APPROVAL
DECEMBER 2009

MTA BRIDGES & TUNNELS

Procurements Requiring Majority Vote:

<u>F: Personal Service Contracts</u>				<u>Page</u>
(Staff Summaries required for items greater than: \$100K Sole Source; \$250K Other Non-Competitive; \$1M Competitive)				
1.	STV Incorporated Contract No. PSC-08-2849C	\$ 7,000,000.00 (aggregate not-to-exceed amount for this contract and 2 contracts approved by the October Board)	<u>Staff Summary Attached</u>	267
5 yr. contract – Competitive RFP – 7 Proposals Provide miscellaneous construction inspection services on an as-needed basis for Project GFM-488. The aggregate not-to-exceed amount is \$7,000,000 for this contract and two contracts (PSC-08-2849 A and B) approved by the October Board.				
2.	LiRo Engineers, Inc. Contract No. PSC-09-2854	\$ 2,276,635.00	<u>Staff Summary Attached</u>	269
2 yr. 3 mo. contract – Competitive RFP – 6 Proposals Provide construction management and inspection services for Project TN-87B, Anchorage and Tower Protection at the Throgs Neck Bridge.				
3.	WSP Sells Contract No. PSC-09-2855	\$ 1,478,466.41	<u>Staff Summary Attached</u>	271
3 yr. 4 mo. contract - Competitive RFP – 3 Proposals Provide construction management and inspection services for Project BW-97/97A, Concrete Repairs to the Queens Anchorage and Rehabilitation of the Bronx and Queens Eyebars Chambers at the Bronx-Whitestone Bridge.				
<u>G: Miscellaneous Service Contracts</u>				
(Staff Summaries required for items greater than: \$100K Sole Source; \$250K Other Non-Competitive; \$1M RFP; No Staff Summary required if Sealed Bid Procurement)				
4.	Dom's Lawnmaker, Inc. Contract No. 08-MNT-2835	\$ 997,319.49		
3 yr. contract - Competitive Bid - Low Bid/2 Bids Provide landscaping services at various Authority facilities. The services performed under this contract are for grounds maintenance, including grass cutting, weed and brush removal from highway shoulders, roadway medians, and service building areas at Authority facilities. This maintenance is necessary to provide motorists with adequate lines of sight while transiting adjacent roadways. In accordance with Section 162 of the New York State Finance Law these services fall under the 'Preferred Source' program and are exempt from statutory competitive procurement. Accordingly, B&T initially entered into negotiations with New York State Industries for the Disabled (NYSID) for these services, however, NYSID ultimately withdrew from consideration by B&T due to safety and traffic management concerns. In September 2009 B&T issued a joint solicitation for a contractor to perform landscaping services at various facilities at B&T,				

LIST OF COMPETITIVE PROCUREMENTS FOR BOARD APPROVAL
DECEMBER 2009

MTA New York City Transit (NYCT) and MTA Bus. (NYSID subsequently advised that although it could not perform the service for B&T it had the capability to perform the required services at NYCT and MTA Bus, which resulted in both agencies' withdrawal from the joint solicitation.) The service requirements were publicly advertised. The solicitation notice was sent to 106 firms. Nine firms requested copies of the solicitation. On October 27, 2009, two bids were submitted. The scope of services under this contract is the same as that under the current contract. The overall price under the prospective contract is 12.9% (or 4.3% annually) higher than the current price and 2.6% higher than the user's estimate of \$971,850. Bid prices are fixed for a three year period. Based on competition, the price is considered fair and reasonable. After evaluation of the bids, it was determined that Dom's Lawnmaker, Inc. is the lowest responsible and responsive bidder. Funding is available in the Operating Budget chargeable to General Ledger 57795.

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)

- | | | | | |
|----|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------|-------------------------------|-----|
| 5. | Greenman-Pedersen, Inc./Parsons
Transportation Group of New York,
Inc., Joint Venture
Contract No. PSC-07-2814 | \$ 663,695.26 | <u>Staff Summary Attached</u> | 273 |
| | Additional construction management and inspection services for Project BW-89/WBM-342, Bronx Approach Replacement and Queens Approach Repairs at the Bronx-Whitestone Bridge. | | | |
| 6. | LiRo Engineers, Inc./Parsons
Brinckerhoff Construction Engineers,
Inc., Joint Venture
Contract No. PSC-04-2719 | \$ 199,420.00 | <u>Staff Summary Attached</u> | 274 |
| | Additional construction management and inspection services for Project TB-64B, Deck Replacement on the Randall's and Ward's Island Viaducts at the Triborough Bridge (now RFK Bridge). | | | |

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)

- | | | | | |
|----|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------|-------------------------------|-----|
| 7. | Conti of New York, LLC
Contract No. BW-89 | \$ 1,333,400.00 | <u>Staff Summary Attached</u> | 275 |
| | Additional funding for (i) as-needed deck and roadway repair work, (ii) repair of a floor beam top flange identified during the 2009 Biennial inspection and (iii) an increase in the estimated quantity for the excavation support system. | | | |

Staff Summary

Page 1 of 2

Item Number 1 (Final)					
Dept & Dept Head Name: Engineering and Construction Thomas Bach, P.E. <i>for [Signature]</i>					
Division & Division Head Name: Engineering and Construction Barry P. Silberfarb <i>Barry P. Silberfarb</i>					
Board Reviews					
Order	To	Date	Approval	Info	Other
1	President	11/18/09			
2	MTA B&T Committee	12/9/09			
3	MTA Board	12/16/09			
Internal Approvals					
Order	Approval	Order	Approval		
1	Chief Financial Officer <i>[Signature]</i>	4	Executive Vice President <i>[Signature]</i>		
2	General Counsel <i>[Signature]</i>	5	President <i>[Signature]</i>		
3	VP Procurement & Materials <i>[Signature]</i>				

SUMMARY INFORMATION	
Vendor Name STV Incorporated	Contract Number PSC-08-2849C
Description Miscellaneous Construction Inspection Services on an "As-Needed" Basis for Project GFM-488	
Total Amount NTE \$7,000,000	
Contract Term (including Options, if any) Five (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 in accordance with the All-Agency Procurement Guidelines for Procurement of Services to award a competitively solicited personal service contract, Contract PSC-08-2849C, to STV Incorporated ("STV"), located at 225 Park Avenue South, New York, NY, to provide miscellaneous construction inspection services on an "as-needed" basis in an aggregate amount not to exceed \$7,000,000 over a period of five (5) years.

II. DISCUSSION

B&T requires the services of several multi-disciplined engineering consulting firms to provide construction inspection services on an as-needed basis for duration of five (5) years. The contracts are for an indefinite quantity, with the required services being assigned on an as-needed basis by issuing Work Orders. The Work Orders will be assigned to the consultants based on their current workload, available personnel and expertise as well as cost effectiveness to B&T. The total amount for each Work Order will be negotiated separately using the labor, overhead and profit rates contained in each contract.

The service requirements were publicly advertised. Twenty-five (25) firms submitted qualification information for review and evaluation by the Selection Committee. Seven (7) firms (A&W, Greenman Pedersen, Inc., HAKS Engineers, Architects & Land Surveyors, P.C., Henningson, Durham & Richardson Architecture & Engineering, LiRo, PB Americas, Inc. and STV Incorporated ("STV")) were selected to receive the Request for Proposal ("RFP") and all seven submitted proposals. The proposals were evaluated against established criteria set forth in the RFP including technical work proposed, depth of understanding of the project, qualifications of the firm for specific personnel proposed and cost. The Committee elected to waive oral presentations and review the cost proposals. The consultants, in their base proposals, were asked to quote labor, overhead, profit and escalation rates based on predetermined titles and estimated hours. After evaluating the proposers' technical submittals and their cost proposals based on sample tasks, the Committee recommended that negotiations be conducted with A&W, LiRo and STV based

Staff Summary

Page 2 of 2

on the following:

- A&W, the highest ranked firm, has extensive experience performing on-call assignments for the City and State of New York, other clients in the metropolitan area and other public Authorities such as the New Jersey Department of Transportation and the Port Authority of New York and New Jersey. A&W's proposed project team comprises highly experienced individuals many of whom have satisfactorily performed on B&T construction inspection contracts in the past. A&W also proposed the lowest cost based upon sample tasks given to all proposers.
- LiRo, the second highest ranked firm, has worked with B&T for many years on "as-needed" construction inspection projects and has experience with other agencies in this area across the states of New York and New Jersey. Its technical proposal and past performance on our current as needed construction inspection contract (PSC-05-2749C) clearly demonstrated that it has the experience and resources necessary to successfully perform this contract. LiRo has a large pool of inspectors and flexible staffing, which allows it to react quickly to B&T needs for bridge, building and environmental services with its in house staff. Additionally, LiRo has a consistent record of providing B&T with timely and quality service.
- STV, the third highest ranked firm, is currently performing on-call construction inspection services under Contract PSC-05-2749C as a joint venture partner with Daniel Frankfurt. STV proposed a Project Manager dedicated to providing a high level of customer service, has a large pool of local resident engineers and inspectors and has extensive experience in the construction management and inspection of both transportation and building structures with B&T as well as other local agencies.

A fully loaded weighted average hourly rate ("FLWAHR") was developed for each consultant, using the consultants' negotiated rates for labor, overhead and profit and B&T's estimated hours and labor distribution on sample tasks. The negotiated FLWAHR for the recommended consultants ranged from \$94.80 to \$102.92. The FLWAHR for this contract represents an approximate increase of 4.6% annually over the current contracts (PSC-05-2749A, PSC-05-2749B and PSC-05-2749C). Available statistical data from the U.S. Department of Labor, Bureau of Labor and Statistics, indicates that the increase for engineers over the five-year time period was about 4.5% annually. Based on this information, the negotiated rates are considered fair and reasonable. After review, STV has been determined to be a responsible consultant. Approval is requested to award a contract to STV. The aggregate value for all as-needed contracts is an amount not to exceed \$7,000,000.

Contracts PSC-08-2849A and PSC-08-2849B with A&W and LiRo, respectively, were approved by the October Board. Approval is requested to award a third contract to STV. The aggregate value for Contracts PSC-08-2849A, PSC-08-2849B and PSC-08-2849C is an amount not to exceed \$7,000,000.

III. D/M/WBE INFORMATION

The MTA Office of Civil Rights has established goals of 10% MBE and 5% WBE for this contract. The M/WBE requirements have been satisfied by STV.

IV. IMPACT ON FUNDING

Funding in the amount of \$7,000,000 is available in the Operating Budget under GFM-488 (GL 74001).

V. ALTERNATIVES

There are no recommended alternatives. B&T does not possess the resources required to perform these services.

Staff Summary

Page 1 of 2

Item Number 2 (Final)					
Dept & Dept Head Name: Engineering & Construction, Thomas Bach, P.E. <i>Thomas Bach</i>					
Division & Division Head Name: Engineering & Construction, Joe Keane, P.E.					
Board Reviews					
Order	To	Date	Approval	Info	Other
1	President	11/24/09			
2	MTA B&T Committee	12/9/09			
3	MTA Board	12/16/09			
Internal Approvals					
Order	Approval	Order	Approval		
1	Chief Financial Officer <i>DS</i>	4	Executive Vice President <i>Tom</i>		
2	General Counsel <i>Tom</i>	5	President <i>JK</i>		
3	VP Procurement & Materials <i>Acting Mike</i>				

SUMMARY INFORMATION	
Vendor Name LiRo Engineers, Inc.	Contract Number PSC-09-2854
Description Construction Management and Inspection Services for Project TN-87B, Anchorage and Tower Protection at the Throgs Neck Bridge	
Total Amount \$2,276,635	
Contract Term (including Options, if any) Two years, three months	
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 checked="" type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:	

Narrative

I. PURPOSE/RECOMMENDATION

To obtain approval in accordance with the All-Agency Guidelines for Procurement of Services to award a competitively solicited personal service contract, Contract PSC-09-2854 to LiRo Engineers, Inc. ("LiRo"), located at Three Aerial Way, Syosset, NY, to provide construction management and inspection services during the rehabilitation of the anchorage and tower fender systems at the Throgs Neck Bridge in an amount not to exceed \$2,276,635 over a period of two years, three months.

II. DISCUSSION

B&T requires the services of an engineering consulting firm to provide construction management and inspection services as follows: (i) rehabilitation of the Bronx and Queens tower fender systems; (ii) modifications to the Bronx Anchorage fender system to provide mooring facilities for the New York Fire Department to access the bridge's fire standpipe system and (iii) rehabilitation of the Queens Anchorage fender system for duration of two years, three months. The construction scope of work includes removal and replacement of concrete encasements, miscellaneous steel repairs and painting, removal and replacement of existing access platforms and walkways, replacement of damaged timber facing members, replacement of existing dolphin piles, installation of new mooring posts and the abatement of asbestos containing materials.

The service requirements were publicly advertised. Ten firms submitted qualification information for review and evaluation by the Selection Committee. Six firms (LiRo Engineers, Inc. ("LiRo"), HAKS Engineers and Land Surveyors ("HAKS"), Ammann & Whitney Consulting Engineers ("A&W"), Hardesty & Hanover, LLP, PB Americas,

Staff Summary

Page 2 of 2

Inc. and B&H Engineers) were selected to receive the Request for Proposal ("RFP") and all six submitted proposals. The proposals were evaluated against established criteria set forth in the RFP including technical work proposed, depth of understanding of the project, qualifications of the firm for specific personnel proposed. Approval was obtained to have the top three rated firms (LiRo, A&W and HAKS) appear for oral presentations and final evaluation. The final evaluation resulted in the Selection Committee's unanimous recommendation that negotiations be conducted with LiRo. The selection was based on LiRo demonstrating the best overall knowledge of the marine inspection and coatings requirements for the project as compared to A&W and HAKS.

LiRo's cost proposal totaled \$2,294,861. The Engineer's revised estimate is \$2,330,064.95. Negotiations resulted in reductions totaling \$18,226. The Authority and LiRo agreed to the negotiated amount of \$2,276,635, which is 2.3% below the Engineer's revised estimate and is fair and reasonable. The negotiated amount is higher than A&W's proposal of \$1,908,938.56, the lowest proposed cost. However, A&W's technical proposal was ranked lowest among the three firms and the overall proposal was not considered sufficient to meet the needs of the Project. After review LiRo has been determined to be a responsible consultant.

III. D/M/WBE INFORMATION

The MTA Office of Civil Rights has established goals of 5% MBE and 5% WBE for each of these contracts. This contract will not be awarded without the approval of the MTA Office of Civil Rights.

IV. IMPACT ON FUNDING

Funding is available in the 2005 – 2009 Capital Program under Project TN-87B (\$800,000) and in the Operating Budget under Project TNM-338, GL #74001 (\$423,635) and Project TNM-352, GL #74002 (\$1,053,000).

V. ALTERNATIVES

There are no recommended alternatives. B&T does not possess the resources required to perform these services.

Staff Summary

Page 1 of 2

Item Number 3 (Final)					
Dept & Dept Head Name: Engineering & Construction, Thomas Bach, P.E. <i>Thomas Bach</i>					
Division & Division Head Name: Engineering & Construction, Joe Keane, P.E.					
Board Reviews					
Order	To	Date	Approval	Info	Other
1	President	11/24/09			
2	MTA B&T Committee	12/9/09			
3	MTA Board	12/16/09			
Internal Approvals					
Order	Approval	Order	Approval		
1	Chief Financial Officer <i>DS</i>	4	Executive Vice President <i>Tom</i>		
2	General Counsel <i>Bob</i>	5	President <i>Joe</i>		
3	VP Procurement & Materials <i>Anthony</i>				

SUMMARY INFORMATION	
Vendor Name WSP Sells	Contract Number PSC-09-2855
Description Construction Management and Inspection Services for Project BW-97/97A, Concrete Repairs to the Queens Anchorage and Rehabilitation of the Bronx and Queens Eyebar Chambers at the Bronx-Whitestone Bridge	
Total Amount \$1,478,466.41	
Contract Term (including Options, if any) Three years, four months	
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/RECOMMENDATION

To obtain approval in accordance with the All-Agency Guidelines for Procurement of Services to award a competitively solicited personal service contract, Contract PSC-09-2855 to WSP Sells, located at 555 Pleasantville Road, South Building Briarcliff Manor, New York to provide construction management and inspection services for Project BW-97/97A, Concrete Repairs to the Queens Anchorage and Rehabilitation of the Bronx and Queens Eyebar Chambers at the Bronx-Whitestone Bridge in an amount not to exceed \$1,478,466.41 over a period of three years, four months.

II. DISCUSSION

B&T requires the services of an engineering consulting firm to provide construction management and inspection services for the following: (i) concrete repairs to the interior and exterior of the Queens Anchorage to include the installation of a concrete floor at the ground level and (ii) maintenance and rehabilitation of the Queens and Bronx eyebar chambers. The construction scope of work includes installation of a scaffold system, reinforced concrete demolition and repairs, installation of a new reinforced concrete floor, cleaning the eyebar chambers, cleaning and painting of the eyebars, semiannual oiling of the cable strands and installation of new lighting in each chamber.

The service requirements were publicly advertised. Seven firms submitted qualification information for review and evaluation by the Selection Committee. Three firms (WSP Sells, LiRo Engineers, Inc., and B&H Engineering, PC) were selected to receive the Request for Proposal ("RFP") and all three submitted proposals. The proposals were evaluated against established criteria set forth in the RFP including technical work proposed, depth of understanding

Staff Summary

Page 2 of 2

of the project, qualifications of the firm for specific personnel proposed and cost. The final evaluation resulted in the Selection Committee's recommendation that negotiations be conducted with WSP Sells, the highest rated firm. The selection was based on the following: (i) WSP Sells' proposal supports its substantial understanding of the scope, scheduling and contractor coordination issues that may arise; (ii) the project team's demonstrated inspection experience on similar concrete repair projects and the team's experience in cable strand and eyebar inspections; and (iii) its proposal placed emphasis on the planning required prior to commencing the work, the need for full time inspections and the commitment to working safely in the eyebar chambers. LiRo's and B&H's proposals did not demonstrate to the Committee a similar level of experience for the rehabilitation of the eyebar chambers and the need for full time inspection at each eyebar chamber during the rehabilitation and oiling operations compared with that submitted by WSP Sells.

WSP Sells' cost proposal totaled \$1,596,141.43. The Engineer's estimate is \$1,359,870. Negotiations resulted in reductions totaling \$117,675.02. The Authority and WSP Sells agreed to the negotiated amount of \$1,478,466.41, which is 8.7% above the Engineer's estimate and is fair and reasonable. Although the negotiated amount is higher than B&H's proposal of \$1,199,830, B&H's overall proposal is not considered sufficient to meet the needs of the Project. After review WSP Sells has been determined to be a responsible consultant.

III. D/M/WBE INFORMATION

The MTA Office of Civil Rights has established goals of 5% MBE and 5% WBE for each of these contracts. This contract will not be awarded without the approval of the MTA Office of Civil Rights.

IV. IMPACT ON FUNDING

Funding is available in the 2005 – 2009 Capital Program under Project BW-97/97A in the amount of \$1,478,466.41.

V. ALTERNATIVES

There are no recommended alternatives. B&T does not possess the resources required to perform these services.

Schedule H: Modifications to Personal Service Contracts and Miscellaneous Service Contracts
Item Number: 5 (Final)

Vendor Name (& Location) Greenman-Pedersen, Inc./Parsons Transportation Group of New York, Inc., a Joint Venture, Babylon, NY		Contract Number PSC-07-2814	AWO/Modification #
Description Construction Management and Inspection Services for Project BW-89/WBM-342, Bronx Approach Replacement and Queens Approach Repairs at the Bronx-Whitestone Bridge		Original Amount: \$10,888,311.12	
Contract Term (including Options, if any) November 1, 2007 – October 31, 2012		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: \$10,888,311.12	
Solicitation Type <input checked="" type="checkbox"/> RFP <input type="checkbox"/> Bid <input type="checkbox"/> Other:		This Request: \$663,695.26	
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: 6.1%	
Requesting Dept/Div & Dept/Div Head Name: Engineering & Construction, Thomas Bach, P.E.		% of Modifications (including This Request) to Original Amount: 6.1%	

Discussion:

Approval is requested to modify Contract PSC-07-2814, Construction Management and Inspection Services for Project BW-89/WBM-342, Bronx Approach Replacement and Queens Approach Repairs at the Bronx-Whitestone Bridge with Greenman-Pedersen, Inc./Parsons Transportation Group of New York, Inc., a Joint Venture (GPI/PTG) to increase funding in the amount of \$663,695.26 for additional construction management and inspection services.

The prospective amendment is required due to additional construction work that has resulted from the 2009 Biennial Inspection. The summary of construction changes, which necessitates additional construction management and inspection services is as follows: (i) under deck concrete and structural repairs; (ii) floor beam top flange repairs; (iii) parapet support bracket repairs; (iv) median shoring stringer installations; and (v) additional as-needed deck repairs. GPI/PTG submitted a proposal in the amount of \$663,695.26. The Engineer's estimate is \$655,570. During negotiations the scope was reviewed and discussed. The Authority accepted the GPI/PTG proposal in the amount of \$663,695.26, which is 1.2% above the Engineer's estimate and is fair and reasonable. Consistent with the Procurement Guidelines this amendment constitutes a substantial change. Funding for this amendment is available in the Operating Budget under Project WBM-342, GL #74001.

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

Item Number: 6

(Final)

Page 1 of 1

Vendor Name (& Location) LiRo Engineers, Inc./Parsons Brinckerhoff Construction Engineers, Inc., a Joint Venture, Syosset, NY		Contract Number PSC-04-2719	AWO/Modification #
Description Construction and Inspection Support Services for Project TB-64B, Deck Replacement on the Randall's and Ward's Island Viaducts at the Triborough Bridge (now RFK Bridge)			
Contract Term (including Options, if any) February 18, 2005 – December 31, 2009		Original Amount: \$11,227,105	
Option(s) included in Total Amount? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		Prior Modifications: \$5,725,500	
Procurement Type <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Non-competitive		Prior Budgetary Increases: N/A	
Solicitation Type <input checked="" type="checkbox"/> RFP <input type="checkbox"/> Bid <input type="checkbox"/> Other:		Current Amount: \$16,952,605	
Funding Source <input type="checkbox"/> Operating <input checked="" type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:		This Request: \$199,420	
Requesting Dept/Div & Dept/Div Head Name: Engineering & Construction, Thomas Bach, P.E.		% of This Request to Current Amount: 1.2%	
		% of Modifications (including This Request) to Original Amount: 5.3%	

Discussion:

Approval is requested to modify Contract PSC-04-2719, Deck Replacement on the Randall's and Ward's Island Viaducts at the Triborough Bridge (now RFK Bridge) with LiRo Engineers, Inc./Parsons Brinckerhoff Construction Engineers, Inc., a Joint Venture ("LPB") for additional funds totaling \$199,420. The subject contract was awarded to LPB on February 18, 2005 in the amount of \$11,227,105 for a duration of three years and ten months to perform construction inspection for Contract TB-64B. In March 2008, the Board approved a revised Contract value of \$16,729,627. Subsequently, three amendments totaling \$222,978 have been issued. The contract currently extends through December 31, 2009. Consistent with the Procurement Guidelines, this amendment together with the previous amendments since the last Board approval constitute a substantial change to the Contract.

Under Contract TB-64B the contractor, Koch Skanska, Inc. ("Koch"), accidentally shorted a 5kv feeder cable that provides power to the bridge lighting and anchorages. Koch admitted responsibility and had its electrical subcontractor perform an expedited repair of the cable. After repairs were completed, the electrical subcontractor proceeded to re-energize the cable, which started a chain reaction culminating in significant fire damage to B&T's equipment in the Queens Meter Room. Koch proceeded to perform repairs to the electrical equipment at B&T's direction. B&T further directed LPB to provide construction inspection services for the equipment repair. These services have resulted in reduced funding available for inspection throughout the remainder of the construction project and to close out the contract. This amendment is to replenish funds under this Contract that were used to perform inspection services for the equipment repair. B&T is pursuing a recovery of the costs, including these additional services, it has incurred due to the electrical fire.

LPB submitted a proposal in the amount of \$199,420; the Engineer's estimate is \$196,944. When compared with the Engineer's estimate, the proposed amount of \$199,420 (1.3% 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-64B.

Schedule I: Modifications to Purchase and Public Works Contracts

Item Number: **7** (Final)

Vendor Name (& Location) Conti of New York, LLC, South Plainfield, New Jersey	Contract Number BW-89	AWO/Modification #
Description Replacement of the Bronx Approach and Miscellaneous Repairs to the Queens Approach at the Bronx-Whitestone Bridge	Original Amount:	\$192,777,291.00
Contract Term (including Options, if any) October 23, 2008 – October 22, 2012	Prior Modifications:	\$9,578,090.00
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:	\$202,355,381.00
Solicitation Type <input type="checkbox"/> RFP <input checked="" type="checkbox"/> Bid <input type="checkbox"/> Other:	This Request:	\$1,333,400.00
Funding Source <input checked="" 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:	5.7%


Discussion:

Approval is requested to modify Contract BW-89 with Conti of New York, LLC (Conti) for funding in the amount of \$1,333,400 for additional work. On October 23, 2008, Contract BW-89 was awarded to Conti in the amount of \$192,777,291 for a four year duration. The 71 year old Bronx-Whitestone is B&T's second oldest bridge and the work to be performed under this contract involves: (i) phased replacement of the Bronx Approach, which includes the installation of mini-pile foundations and new piers; (ii) structural steel and concrete repairs on the Queens Approach; (iii) installation of temporary and permanent barrier systems; (iv) electrical and lighting work; (v) installation of a fire standpipe system; (vi) replacement of the maintenance facility under the lower Bronx Approach Span, including underground storage tank removals; (vii) Maintenance and Protection of Traffic and (viii) performing asbestos and incidental lead abatement. The following summarizes the three areas of additional work.

- 1) The Contract contains provisions for Conti to make any necessary repairs to the plaza and approach roadways, including any on-grade concrete or asphalt pavement, concrete deck slabs and steel or concrete supporting deck structures as directed by the Engineer. The previous allowance for these repairs totals \$1,050,000. B&T projects that an additional \$1,000,000 will be required for as-needed deck and roadway repair work. Conti will be compensated in accordance with the terms of the Contract. The additional funding is considered fair and reasonable.
- 2) The 2009 Biennial Inspection identified one additional floor beam top flange that requires repair. The October Board approved the repair of five floor beam top flanges at the unit price of \$177,400 each. The additional repair was reviewed in accordance with Article 3.02 (Variable Quantities Clause) and the parties determined that using the previously negotiated unit price of \$177,400 would not result in an inequity to either party. The price is considered fair and reasonable.
- 3) The Engineer has determined that the estimated quantity for the excavation support system needs to be increased by 260 square meters (SM) from 1,490 SM to 1,750 SM. The increased quantity is due to the temporary access road being relocated closer to the Bronx Approach pier footings resulting from the discovery of an active underground storm drain system from Ferry Point Park that is located parallel to the approach structure. The quantity increase was reviewed in accordance with Article 3.02 (Variable Quantities Clause) and does not result in an inequity to either party. The additional quantity of 260 SM at the contract unit price of \$600/SM results in an increase of \$156,000, which is considered fair and reasonable.

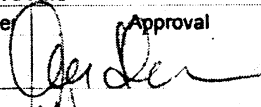
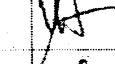

This requested amendment totals \$1,333,400. Funds are available in the 2005 – 2009 Capital Program under Project BW-89 (\$156,000) and the Operating Budget under Project WBM-342, GL #74001 (\$1,177,400).

Staff Summary

Subject	East Side Access 48th Street Entrance
Department	East Side Access
Department Head Name	Alan Paskoff
Department Head Signature	
Project Manager Name	Joseph Petrocelli 

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

Board Action					
Order	To	Date	Approval	Info	Other
1	MTACC Committee	12/09/09			
2	MTA Board	12/16/09			

Internal Approvals			
Order	Approval	Order	Approval
	President MTACC		
	General Counsel		
	Chief Financial Officer		
	Human Resources		

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. The MTA Board has authorized MTACC to enter into a design services agreement to complete the design for the infrastructure changes that have to be made at 415 Madison Avenue to accommodate this ESA entrance. As part of this effort, work needs to be done by Con Edison to relocate the electrical service into the building.

PURPOSE:

To amend the staff summary approved by the MTA Board in September 2009 that authorized \$500,000 in payments to 415 Madison LLC to pay Con Edison for work needed to relocate utilities servicing the building. As design has progressed, Con Edison has advised MTACC that an additional vault will need to be replaced (an increase from the original three to four vaults) and another transformer will need to be exchanged in order to accommodate their requirements. This amendment will increase the scope and cost of the work from \$500,000 to approximately \$750,000.

DISCUSSION:

As noted in the previous Staff Summaries (January 2009 and September 2009), an entrance will be built at 48th Street between Madison and Park Avenues for the East Side Access project. This entrance will impact 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, suspension of five pumps, one chiller, and other mechanical and electrical equipment from the first floor structure;
- Removal and replacement of the south building foundation wall, including the underpinning of the upper portion of the wall;

Staff Summary

- 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;
- Construction of three new transformer vaults in the sidewalk vault space along the south face of the building, the replacement of a fourth vault and the installation of transformers in the new vaults;
- Demolition of the three eastern most transformer vaults and the vault to be replaced;
- 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 work 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, the replacement of a fourth vault and the installation of transformers in the new vaults.

The construction cost for the work within 415 Madison 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 that must be performed includes the installation of four 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. The design and construction of this Con Edison-related utility work must be initiated now so that the project schedule is not adversely affected.

ALTERNATIVES:

There is no alternative as Con Edison has advised the MTA that the contract for these services related to 415 Madison Avenue must be with the building owner.

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 increase the authorized payment to ConEdison for the services described herein from \$500,000 to \$750,000.

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	12/09/09			
2	Board	12/16/09			
Internal Approvals					
Order	Approval	Order	Approval		
1	Agency President		<i>Coert</i>		

SUMMARY INFORMATION	
Vendor Name N/A	Contract Number N/A
Description Request for Authorization to Award Various Procurements	
Total Amount \$ 4,832,000	
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:

of Actions \$ Amount

None

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

Schedule Requiring Majority Vote

Schedule F Personal Service Contracts	1	\$ 3,000,000 (NTE)
Schedule I Modification to Purchase or Public Work Contracts	1	\$ 1,832,000 (NTE)
SUBTOTAL	2	\$ 4,832,000 (NTE)

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

None

TOTAL	2	\$ 4,832,000 (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

DECEMBER 2009

Procurements Requiring Majority Vote:

F. Personal Service Contracts

(Staff Summaries required for items requiring Board Approval)

Page

- | | | | |
|-------------------------------------------------------------------------------------------------------------------|------------------------------|-------------------------------|-----|
| 1. Various Firms (Three)
Contract # PS829A
PS829B
PS829C
On-Call Services for Concrete Consultant | \$ 3,000,000 Aggregate (NTE) | <u>Staff Summary Attached</u> | 283 |
|-------------------------------------------------------------------------------------------------------------------|------------------------------|-------------------------------|-----|

I. Modification to Purchase and Public Work Contracts

(Staff Summaries required for items requiring Board Approval)

- | | | | |
|-----------------------------------------------------------------------------------------------------------------------------|--------------------|-------------------------------|-----|
| 2. Schiavone/Granite-Halmar, JV
Contract # A-35976
Design and Construction of the South Ferry Terminal Structural Box | \$ 1,832,000 (NTE) | <u>Staff Summary Attached</u> | 285 |
|-----------------------------------------------------------------------------------------------------------------------------|--------------------|-------------------------------|-----|

STAFF SUMMARY

Page 1 of 2

Item Number					
Department and Department Head Name: Chief Engineer - J. Trainor					
Division and Division Head Name: Design Integrity - M. Kyriacou					
Board Reviews					
Order	To	Date	Approval	Info	Other
	Capital Construction, Planning & Real Estate	12/9/09	X		
	Finance	12/14/09	X		
	Board	12/16/09	X		
Internal Approvals					
Order	Approval	Order	Approval		
4	President	2	Chief Financial Officer		
3	General Counsel	1	Director, Procurement		

SUMMARY INFORMATION	
Vendor Name	Contract Numbers
1. HAKS Engineering	PS829A
2. Simpson Gumpertz & Heger	PS829B
3. STV Engineering	PS829C
Description	
On-Call Services for Concrete Consultant	
Total Amount	
\$3,000,000 Aggregate	
Contract Term	
Three (3) years with additional one (1) year option	
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 checked="" type="checkbox"/> Capital <input checked="" type="checkbox"/> Federal <input type="checkbox"/> Other:	

I. PURPOSE/RECOMMENDATION

To obtain the approval of the MTA Board to award competitive personal service on-call contracts for concrete consultant services to the firms listed below. The consultants will be available as needed to support MTA Capital Construction projects for an amount not to exceed \$3,000,000 in aggregate over the contract duration of three years with a one-year option.

Contract Number/Firms

1. PS829A - Haks Engineering
2. PS829B - Simpson Gumpertz & Heger
3. PS829C - STV Engineering.

II. DISCUSSION

MTACC intends to enter into three on-call contracts that together will serve as a pool of consultants available to provide services in the following areas: overseeing contractor preparation, transport, placement, curing, testing, and repair of concrete; reviewing contract drawings and specifications regarding concrete; providing MTACC technical expert in the event of disputes; providing assistance in estimating concrete cost, scheduling, phasing and timing to complete; and, assisting MTACC in performing quality assurance reviews and inspections, researching new products, and evaluating alternate or substitute mixtures as required.

The work under these contracts will be performed on an "as-needed" basis. Under this arrangement, MTACC will issue task orders against the base contracts for the specific consulting services as MTACC's needs are identified. These task orders will include detailed specifications for the services required and will typically be competitively solicited among the pool of consultants who can provide the necessary professional services.

III. PROCUREMENT PROCESS

The requirements were advertised in The New York Post and The New York State Contract Reporter. Eight (8) firms requested a copy of the RFP. On April 9, 2009, proposals were received from six (6) firms. A Selection Committee

evaluated the proposals based on the following criteria in order of relative importance:

1. Plan of Approach
2. Experience of Project Team
3. Experience of prime & sub consultant key personnel
4. Current workload of prime and sub consultants
5. Management
6. Quality Assurance Plan
7. Other Relevant Matters

The initial phase of the RFP process required that proposals be evaluated based on technical factors only. A discussion of all proposers led to the short listing of the three (3) firms the Committee believed were most technically qualified. Those firms were 1) Haks Engineering 2) Simpson Gumpertz & Heger 3) STV Engineering. After an in-depth review of the firms' proposals, their relevant experience and references, the Selection Committee unanimously selected all three (3) firms. The decision was based on the Committee's determination that they all demonstrated they possess the capacity, understanding, experience and commitment to perform the subject work.

Responsibility checks revealed no Significant Adverse Information ("SAI") as defined by the MTA's All Agency Responsibility Guidelines on any of the firms, therefore all three firms were deemed responsible.

The firm's proposed overhead rates, financial statements and independent auditor's reports were submitted to MTA Audit Services for review and acceptability. Services to be provided under these contracts will be awarded on an as-needed basis at a negotiated cost plus fee based on the accepted labor and overhead billing rates. The accepted ceiling labor rates will be fixed for a period of one (1) year from the Notice of Award date and subject to MTA Audit's final review.

IV. D/M/WBE

A 10% DBE goal was established for this contract by the MTA Office of Civil Rights

V. IMPACT ON FUNDING

The cost of these contracts will be funded with Capital Program and FTA funds provided on a task order basis by the individual capital project requiring these services. Task orders will not be issued until an approved WAR Certificate is received.

VI. ALTERNATIVES

Perform the work using in-house personnel. Currently, MTACC does not have the in-house personnel to perform the tasks anticipated under this contract

VII. ALTERNATIVES

Perform the work using in-house personnel. Currently, MTACC does not have the in-house personnel to perform the tasks anticipated under this contract

Schedule I: Modifications to Purchase and Public Work Contracts

Item Number:

Vendor Name (& Location) Schiavone/Granite-Halmar, JV	
Description Design and Construction of the South Ferry Terminal Structural Box	
Contract Term (including Options, if any) February 25, 2005 – September 28, 2007	
Option(s) included in Total <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> n/a	
Procurement <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Non-competitive	
Solicitation <input checked="" type="checkbox"/> RFP <input type="checkbox"/> Bid <input checked="" type="checkbox"/> Other: Modification	
Funding Source <input type="checkbox"/> Operating <input checked="" type="checkbox"/> Capital <input checked="" type="checkbox"/> Federal <input type="checkbox"/> Other:	
Requesting Dept/Div & Dept/Div Head Name: Michael Horodniceanu, President, MTACC	

Contract Number	AWO/Modification
A-35976	Mod No. 99
Original Amount:	
	\$ 261,000,000
Prior Modifications:	
	\$ 6,582,684
Prior Budgetary Increases:	
	\$ 0
Current Amount:	
	\$ 267,582,684
This Request	
	\$ 1,832,000
% of This Request to Current Amount:	
	0.68%
% of Modifications (including This Request) to Original Amount:	
	3.22%

Discussion:

This change order, Additional Work Order (AWO) #99 for Contract A-35976 with Schiavone/Granite Halmar, JV (SGH), provides for a global settlement between MTACC and the Contractor. MTACC and SGH have agreed to a payment of \$1,832,000 from MTACC to SGH and the extension of the contractual Substantial Completion date from September 28, 2007 to December 1, 2008 as consideration for the resolution of all remaining contract issues and release of all SGH claims against the MTA.

Under Contract A-35976, SGH designed and constructed the Structural Box for the new South Ferry Terminal that has replaced the existing South Ferry Terminal on the 1 Line. The new station sits under Peter Minuit Plaza in front of the Whitehall (Staten Island) Ferry Terminal. MTACC awarded this Contract on February 25, 2005 in the amount of \$261,000,000 with a contractual substantial completion date of May 25, 2007. Previous approved change orders have increased the contract amount to \$267,582,684 and a substantial completion date of September 28, 2007.

This change order resolves both Contractor claims and MTACC counterclaims which arose during execution of the project. By agreeing to this global settlement, MTACC and SGH have agreed to end dispute on all issues identified in the global settlement agreement.

DECEMBER 2009

MTA REAL ESTATE

LIST OF REAL ESTATE ACTION ITEMS FOR BOARD APPROVAL

ACTION ITEMS

MTA NEW YORK CITY TRANSIT

Permit to Enter in favor of Solaris, LLC, relating to a portion of Long Island Railroad right-of-way at Block 119, Lot 4, Queens, New York

License Agreement (including Easement Purchase Option) with Consolidated Edison, Inc., for use of a portion of MTA Property located at 38-30 & 38-32/26 43rd Street, Block 183, Lots 373 & 375, Queens, New York

MTA LONG ISLAND RAIL ROAD

License Agreement with the Town of Brookhaven for the operation of commuter parking at LIRR's Ronkonkoma Station, Ronkonkoma, New York

License agreement with Newsstation Inc. for the operation of a newsstand at the Flatbush Avenue station, Brooklyn, New York

Conveyance of parcel on north side of 94th Avenue in furtherance of widening of Atlantic Avenue, Jamaica, New York

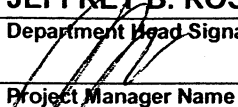
MTA METRO-NORTH RAILROAD

License agreement with BASF Catalysts, LLC for employee parking, storage, freight loading and ancillary uses along a portion of Metro-North's Hudson line right-of-way in Peekskill, New York

License agreement with Answer Vending for the provision of snack and beverage vending machine services at MTA Metro-North stations and employee facilities

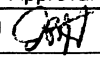

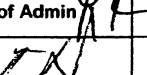

License agreement with US Concepts LLC d/b/a Johnnie Walker Blue Label for the operation of a complimentary engraving service in the Graybar Passage Kiosk, Grand Central Terminal, New York

Staff Summary

Subject PERMIT AGREEMENT
Department REAL ESTATE
Department Head Name JEFFREY B. ROSEN
Department Head Signature 
Project Manager Name JOHN COYNE

Date DECEMBER 9, 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	12/09/09	X		
2	Board	12/16/09	X		

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

Narrative

AGENCY: MTA Capital Construction Company ("MTACC")

PERMITTEE: Solaris, LLC ("Solaris")

LOCATION: LIRR right-of-way (block 119, lot 4), adjacent to 48-39 Barnett Avenue, Queens, New York

ACTIVITY: Temporary storage and parking

ACTION REQUESTED: Approval of terms

SPACE: Approximately one thousand four hundred square feet (1,400 sq. ft.) of vacant land

TERM: One year

COMPENSATION: None

COMMENTS:

In July 2007, the MTA acquired by eminent domain a temporary easement over the above-referenced property to support the construction of the East Side Access ("ESA") project. Such easement affects property that the fee owner, Solaris, uses for storage and parking. In consideration of Solaris foregoing a claim for additional compensation for the taking of such easement from Solaris, MTACC and LIRR have determined that MTACC can allow Solaris to use a portion of the above-referenced Long Island Rail Road right-of-way, which is directly adjacent to Solaris' property, for storage and parking for the duration of the ESA-related construction easement.

Based on the foregoing, MTA Real Estate requests authorization to grant a revocable permit to Solaris, LLC on the above-described terms and conditions.

Staff Summary



Metropolitan Transportation Authority

Page 1 of 2

Subject LICENSE AGREEMENT
Department REAL ESTATE
Department Head Name JEFFREY B. ROSEN
Department Head Signature
Project Manager Name JOHN COYNE

Date DECEMBER 9, 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	12/9/09	X		
2	Board	12/16/09	X		

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

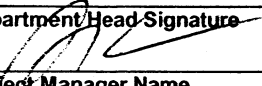
Narrative				
AGENCY:	MTA Capital Construction Company ("MTACC")			
LICENSEE:	Consolidated Edison, Inc. ("Con Ed")			
LOCATION:	Approximately 1,600 sq. ft. at 38-30 & 38-32/26 43rd Street, Block 183 (Lots 373 & 375), Queens, New York			
ACTIVITY:	License agreement for installation of power conduit and easement purchase option for maintenance			
ACTION REQUESTED:	Approval of terms			
TERM:	Ten years			
COMPENSATION:	<u>Year</u>	<u>Annual</u>	<u>Monthly</u>	<u>% Increase</u>
	1	\$1,000.00	\$83.33	
	2	\$1,050.00	\$87.50	5.00%
	3	\$1,102.50	\$91.88	5.00%
	4	\$1,157.63	\$96.47	5.00%
	5	\$1,215.51	\$101.29	5.00%
	6	\$1,276.28	\$106.36	5.00%
	7	\$1,340.10	\$111.67	5.00%
	8	\$1,407.10	\$117.26	5.00%
	9	\$1,477.46	\$123.12	5.00%
	10	\$1,551.33	\$129.28	5.00%
COMMENTS:				
<p>MTACC requires that additional electrical capacity be installed in Long Island City by Con Ed in order to ensure that sufficient power is available to meet the increased demand created by tunnel boring operations relating to the East Side Access project. To install the additional conduit needed to provide this increase in capacity, Con Ed must access and occupy an approximately 1,600 square foot portion of property that the MTA acquired in March 2008 for use in such project.</p> <p>The license area, which is a narrow strip located at the eastern perimeter of the subject property, is currently used as an un-mapped roadway that is maintained by the New York City Department of Transportation. Any additional maintenance related to Con Ed's use will be the responsibility of Con Ed, and Con Ed will provide MTACC with customary indemnifications. The improvements to be made by Con Ed will not prevent the continued use of this portion of the property as a roadway.</p>				

CAPITAL CONSTRUCTION/PLANNING/REAL ESTATE COMMITTEE MEETING**License Agreement and Easement Purchase Option with Consolidated Edison, Inc., for a portion of MTA Property Located at 38-30 & 38-32/26 43rd Street, Block 183, Lots 373 & 375, Queens, New York (Cont'd)****Comments (*continued*):**

The license agreement will contain a purchase option allowing Con Ed to purchase a permanent non-exclusive easement for the maintenance of its improvements for \$9,043.00, to be exercised prior to the termination of the license agreement, subject to the making of any required SEQRA findings and MTA's determination that such a disposition would be consistent with New York Public Authorities Law §2897.



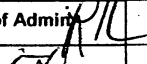
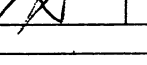
Based on the foregoing, MTA Real Estate requests authorization to enter into a license agreement with Con Ed on the above-described terms and conditions.

Staff Summary

Subject LICENSE AGREEMENT
Department REAL ESTATE
Department Head Name JEFFREY B. ROSEN
Department Head Signature 
Project Manager Name ROBERT GOLDBERG

Date DECEMBER 9, 2009
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref #

Board Action					
Order	To	Date	Approval	Info	Other
1	CC/PRE Committee	12/09/09	x		
2	Board	12/16/09	x		

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

Narrative	
AGENCY:	MTA Long Island Rail Road ("LIRR")
LICENSEE:	Town of Brookhaven
LOCATION:	Ronkonkoma station, Ronkonkoma, New York
ACTIVITY:	Commuter parking
ACTION REQUESTED:	Approval of terms
TERM:	Ten years, with a ten year option
SPACE:	Approximately 294 parking spaces
COMPENSATION:	One dollar, payment waived
COMMENTS:	<p>LIRR has agreed to permit the Town of Brookhaven to operate the LIRR's new commuter parking lot at Ronkonkoma, which is currently under construction. The parking lot, identified as LIRR parking lot #111-12, is located on the north side of the right-of-way and east of the terminal building and will contain approximately 294 spaces. The project is expected to be completed by LIRR in the first quarter of 2010. Upon completion, the Town will assume responsibility for the operation and maintenance of the parking facility at its sole cost and expense. Use of the facility will not be limited to Town of Brookhaven residents and the Town will not be permitted to charge fees for the parking.</p> <p>Based on the foregoing, MTA Real Estate requests authorization to enter into a license agreement with the Town of Brookhaven on the above-described terms and conditions.</p>

Staff Summary



Metropolitan Transportation Authority

Page 1 of 2

Subject LICENSE AGREEMENT
Department REAL ESTATE
Department Head Name JEFFREY B. ROSEN
Department Head Signature
Project Manager Name DORRIE MASSARIA-ROBERTS

Date DECEMBER 9, 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	12/09/09	X		
2	Board	12/16/09	X		

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

Narrative

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

LICENSEE: Newsstation, Inc.

LOCATION: Atlantic Terminal Entry Pavilion, Flatbush Ave. Station, Brooklyn, NY

ACTIVITY: Operation of one newsstand

ACTION REQUESTED: Approval of terms

TERM: Ten years

SPACE: Approximately 126 square feet of retail and 160 square feet of storage

COMPENSATION: Retail:

<u>Year</u>	<u>Annual</u>	<u>PSF</u>	<u>% Increase</u>
1	\$140,400.00	\$1,114.29	
2	\$147,420.00	\$1,170.00	5%
3	\$154,791.00	\$1,228.50	5%
4	\$162,531.00	\$1,289.93	5%
5	\$170,658.00	\$1,354.43	5%
6	\$179,190.00	\$1,422.14	5%
7	\$188,154.00	\$1,493.29	5%
8	\$197,568.00	\$1,568.00	5%
9	\$207,450.00	\$1,646.43	5%
10	\$217,827.00	\$1,728.79	5%

Staff Summary

COMPENSATION (continued)

Storage:

<u>Year</u>	<u>Annual</u>	<u>PSF</u>	<u>% Increase</u>
1	\$6,000.00	\$37.50	
2	\$6,300.00	\$39.38	5%
3	\$6,615.00	\$41.34	5%
4	\$6,948.00	\$43.43	5%
5	\$7,299.00	\$45.62	5%
6	\$7,668.00	\$47.93	5%
7	\$8,055.00	\$50.34	5%
8	\$8,460.00	\$52.88	5%
9	\$8,883.00	\$55.52	5%
10	\$9,333.00	\$58.33	5%

COMMENTS:

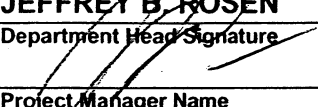
In response to a recent Request for Proposals (RFP) for the newsstand at the Atlantic Terminal entry pavilion, twelve proposals were received.

The compensation payments proposed (calculated on a present value basis, using a discount rate of 9%) ranged from \$163,766 to \$1,094,924. The highest proposal was received from Newsstation, Inc. at \$1,094,924. The remaining proposals were made by Cross Land News III, Inc. at \$852,920; Abdul Hamid at \$683,523; Rose Bangal Newsstand at \$662,876; Toppa Flushing News, Inc. at \$654,936; Zaman News at \$649,238; Jai Ambe Newsstand Corp. at \$561,491; Mofazzal H. Chowdhury at \$527,567; Shake Rassel at \$477,264; Diou Chowdhury at \$313,503; Metro News & Gifts, Inc. at \$296,340; and Bachubai Mehta at \$163,766.

Newsstation, Inc. is the month-to-month incumbent at this site and has been operating newsstands at various LIRR sites for over twenty years.

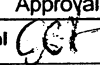

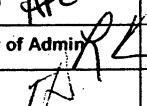
Based on the foregoing, MTA Real Estate requests authorization to enter into a license agreement with Newsstation, Inc. on the above-described terms and conditions.

Staff Summary

Subject DISPOSITION OF PROPERTY
Department REAL ESTATE
Department Head Name JEFFREY B. ROSEN
Department Head Signature 
Project Manager Name ORIT MANHAM

Date DECEMBER 9, 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	12/09/09	X		
2	Board	12/16/09	x		

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

Narrative

AGENCY: MTA Long Island Railroad ("LIRR")

GRANTEE: New York City Department of Transportation ("NYCDOT")

LOCATION: Approximately 879 square feet of land on the north side of 94th Avenue (a.k.a Atlantic Avenue - Block 9989, portion of lot 70) east of the Van Wyck Expressway, Jamaica, New York

ACTIVITY: Disposition of LIRR property to facilitate Atlantic Avenue extension, Jamaica, New York

ACTION REQUESTED: Approval of terms

COMPENSATION: One dollar, payment waived

COMMENTS:

As part of the widening and improvement of Atlantic Avenue in connection with the Atlantic Avenue Extension Project, the New York City Economic Development Corporation ("NYCEDC"), on behalf of NYCDOT, seeks to acquire a strip of LIRR property containing approximately 879 square feet, on the northerly side of 94th Avenue, east of the Van Wyck Expressway. The Atlantic Avenue extension is a component of the Greater Jamaica Development Corporation's redevelopment plan for the Atlantic Avenue area.

Pursuant to the Public Authorities Law, unless an exception applies, all disposals and/or transfers of interests in real property by a public authority must be made after publicly advertising for proposals. However, a disposition can be made by negotiation in instances where, as here, the disposal of property is intended to further the public health, safety, or welfare and the terms of such disposal are documented in writing and approved by resolution of the board of the public authority.

The Public Authorities Law requires the submission to the New York State Comptroller, Director of the Budget, Commissioner of General Services and Legislature of an explanatory statement for any such disposition of any real property that has an estimated fair market value in excess of \$100,000. MTA Real Estate engaged an independent appraiser, Michael Haberman, to appraise the subject property, and he estimates that the fair market value of the subject parcel is \$35,000. Since the estimated fair market value is less than \$100,000, no such explanatory statement will be required.

Based on the foregoing, MTA Real Estate requests authorization to convey the subject property to NYCDOT on the above-described terms. A requested Board resolution is attached to this staff summary.

BOARD RESOLUTION

LONG ISLAND RAIL ROAD

WHEREAS, the NYC Economic Development Corporation has requested that the Long Island Rail Road ("LIRR") dispose of LIRR property in connection with the widening of 94th Avenue, a/k/a Atlantic Avenue, which property is part of lot 70, block 9989, in Jamaica, Queens County, New York; and

WHEREAS, the disposition of such property will further the Greater Jamaica Development Corporation's plan for the overall redevelopment of the Atlantic Terminal area, and will help ease congestion in downtown Jamaica;

NOW THEREFORE, BE IT RESOLVED, that the Board of the LIRR hereby finds that such project will further the public health, safety and welfare and authorizes the disposition described in the staff summary to which this resolution is attached.

Staff Summary



Metropolitan Transportation Authority

Page 1 of 1

Subject LICENSE AGREEMENT
Department REAL ESTATE
Department Head Name JEFFREY B. ROSEN
Department Head Signature
Project Manager Name BENSON GOODWYN

Date DECEMBER 9, 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	12/09/09	X		
2	Board	12/16/09	X		

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

Narrative

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

LICENSEE: BASF Catalysts, LLC ("BASF")

LOCATION: 1050 Lower South Street, Peekskill, New York

ACTIVITY: Employee parking, storage, freight loading and ancillary uses

ACTION REQUESTED: Approval of terms

TERM: Five years

RENEWAL OPTION: One, for 5 years

SPACE: Approximately 20,400 square feet of unused right-of-way

COMPENSATION:	Year	Annual	PSF	% Increase
	1	\$30,161.03	\$1.48	
	2	\$31,065.86	\$1.52	3%
	3	\$31,997.83	\$1.57	3%
	4	\$32,957.77	\$1.62	3%
	5	\$33,946.50	\$1.66	3%

Option Period

6	\$34,964.89	\$1.71	3%
7	\$36,013.84	\$1.77	3%
8	\$37,094.25	\$1.82	3%
9	\$38,207.08	\$1.87	3%
10	\$39,353.29	\$1.93	3%

COMMENTS:

BASF, successor in interest to the Mearl Corporation, owns property adjacent to the Hudson line known as 1050 Lower South Street, Peekskill, New York. Since 1987, BASF has leased approximately 20,400 square feet of unused Metro-North right-of-way to support its business. The agreement has expired and is currently month-to-month. The site is currently used for employee parking. Other allowable uses will include storage and freight loading.

BASF, as the only adjacent property owner, is uniquely capable of making use of the subject property. The compensation was determined based on appraisals of comparable properties in the neighborhood and adjoining areas, and it is 3.48% higher than the amount that BASF is currently paying.

Based on the foregoing, MTA Real Estate requests authorization to enter into a license agreement on the above-

Staff Summary



Subject License Agreement for System-Wide Branded Beverage and Snack Vending Services at Metro-North Railroad Passenger Stations and Employee Locations
Departments MNR Business Development, Facilities and Marketing & MTA Real Estate
Department Head Names Randall J. Fleischer/MNR Jeffery B. Rosen/MTA RE
Department Head Signatures MNR <i>[Signature]</i> MTARE <i>[Signature]</i>
Project Manager Names Peter Ramos / Alan Schuman / Andrew Greenberg

Date December 9, 2009
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref #

Board Action					
Order	To	Date	Approval	Info	Other
1	MNR Committee	12//09	X		
2	CC/P/RE Committee	12/09	X		
3	MTA Board	12/16	X		

Internal Approvals			
Order	Approval	Order	Approval
	Executive Director	3	Civil Rights <i>[Signature]</i>
5 <i>[Signature]</i>	Chief of Staff	2	Legal <i>[Signature]</i>
		1	Metro-North
4	Dep Exec Dir of Admin <i>[Signature]</i>		

AGENCY:	Metro-North Commuter Railroad ("MNR")
LICENSEE:	Answer Vending, Inc
LOCATION:	MNR stations and employee facilities throughout New York State
ACTIVITY:	License agreement for beverage and snack vending machines, including branded snack and beverage vending exclusivity rights
ACTION REQUESTED:	Approval of terms
TERM:	Ten (10) years
COMPENSATION:	<p>Total estimated compensation of the ten year program is approximately \$3.0M, net of a \$2M electric upgrade investment by MNR. Specifically, gross vending compensation over the ten-year term is \$1.7 million in guaranteed payments, with exclusivity compensation of nearly \$1.2 million and licensee contributions to electric upgrades to select stations of \$.32M. Revenues may be higher based upon increased sales, assignment of optional vending areas and additional exclusivity fees. Payments to MNR by the Licensee shall be composed of the following components:</p>

- Minimum Annual Guaranteed Compensation ("MAG")

Year	Annual	Monthly
1	\$128,600	\$8,100.00- 6mths/\$13,333 -6 mths
2	163,200	\$13,600.00
3	166,464	\$13,872.00
4	169,793	\$14,149.44
5	173,189	\$14,432.43
6	176,653	\$14,721.08
7	180,186	\$15,015.50
8	183,790	\$15,315.81
9	187,466	\$15,622.13
10	191,215	\$15,934.57
Total	\$1,720,556	

Staff Summary



In addition to the Minimum Annual Guarantee, Licensee shall make the following payments:

- Variable Compensation Payments: When either of the following two components exceeds the MAG for any license year, Licensee shall pay to MNR the higher of the following:
 - 1) Machine-Based Compensation ("MBC"): MBC will be based on the number of machines in operation in a given license year, multiplied by an annual compensation per machine. Machines in Phase I Stations (see below) will be billed at \$1,200 per annum; machines at Phase II-IV Stations and employee facilities will be billed at \$720 per annum; machines at Yankees E. 153rd Street station will be billed at \$1,861 per annum. These figures will be increased by two percent (2%) per annum, except at Yankees E. 153rd Street station, where the annual increase will be five percent (5%).
 - 2) Percentage Compensation: Percentage Compensation will be calculated by multiplying annual gross sales from all station vending machines by 35%, and annual gross sales from all employee facility vending machines by 15%. Inclusion of this percentage compensation in the license agreement ensures that MNR will participate in the "upside" if and when the percentage compensation exceeds the MAG and MBC.
- Exclusivity payments:
 - 1) Subject to exclusive beverage brand identification and MNR approval, annual payments for brand-exclusive vending machine beverage provider rights shall be paid to MNR. Licensee has proposed and MNR will accept Coca-Cola as the exclusive provider with an initial 5 year commitment to pay \$60,000 annually. Remaining years subject to negotiation or re-solicitation.
 - 2) Subject to exclusive snack brand identification and MNR approval, annual payments for brand-exclusive vending machine snack provider rights shall be paid to MNR. Licensee has proposed and MNR will accept M&M/MARS Inc as the exclusive provider, with an initial 1 year commitment to pay \$50,000. Remaining years subject to negotiation or re-solicitation.
 - 3) An annual payment of \$8,000 for overall exclusive vending machine operator rights to be held by Licensee for stations outside of GCT.
 - 4) At MNR's election of an option, an annual payment of \$5,000 for exclusive vending machine provider rights to be held by Licensee for Grand Central/ North End Access areas.
- Electric upgrade contribution: Select stations need electric work to support the vending program and will, depending on the station, provide MNR greater electrical flexibility, for its own future needs. Licensee shall pay \$320,000 over the first three years of the agreement to compensate MNR for provision of electrical power supply for vending machines at stations. MNR shall perform additional electrical work, at its expense, estimated at \$225,000. If MNR elects to go forward with Phase IV, Licensee shall make additional electrical work contributions of up to \$13,000 per year in years 4-8, and MNR shall also make an equal investment towards electric.
- Optional Additional Machine Payments: MNR may elect to designate additional areas for vending machines in Grand Central North End Access areas and other locations yet to be identified. Payments for North-End Access machines shall be \$2,400 per annum per machine (in addition to above-referred brand exclusivity payment of \$5,000 per annum).

Staff Summary

NARRATIVE:

I. Purpose

The Metropolitan Transportation Authority and Metro-North Railroad created the System-Wide Branded Vending Machine Program for Metro-North Railroad stations and employee locations to: 1) increase non-fare-based revenues to MNR through vending sales and brand exclusivity fees, and 2) provide enhanced amenities to MNR's customers and employees.

II. Background

In August 2000, MTA Real Estate and Metro-North awarded J & S Vending (a predecessor to Answer Vending, the proposed licensee) a license under a pilot program to install and operate select machines at a few outlying Metro-North train stations. The pilot program has successfully provided non-fare-based revenues to MNR and provided its customers with amenities, without any negative impacts on the station environment. Concurrently, J&S Vending has held a license agreement providing 60 vending machines at MNR employee facilities. Through these programs combined, MNR currently receives revenues of approximately \$75,000 a year.

Following a November 2008 Request for Expressions of Interest (RFEI) to inform the solicitation, a Request for Proposals ("RFP") was issued by MTA Real Estate on behalf of MNR to nine firms that had responded to the earlier RFEI. In light of the uncertain economy and extent of capital investment required, Answer Vending was the only firm to respond to the RFP. However, the proposal was evaluated by a selection committee composed of MNR and MTA representatives that unanimously recommended proceeding with negotiations with Answer Vending, based on the following considerations:

- Answer's proposal offered a comprehensive package of additional revenue, customer amenities, and a commitment to deliver state-of-the-art vending machines using up-to-date payment methods, while also providing significant payments towards the cost of providing electrical improvements needed to accommodate vending machines at the passenger stations. Answer Vending has 20 years of vending experience serving the tri-state area, had \$27 million in sales in 2008 and is a franchisee of the Compass Group.
- A comparison of relevant vending machine programs indicates that MNR's average annual guaranteed compensation and overall net annual benefit per machine exceed those of transit peer agencies and is competitive with municipal and hospital sponsorship deals currently in the marketplace. Additional financial benefits of the deal will be realized post ramp-up when the system-wide program will be in full operation, electric upgrades will be in place, and the machine revenue will be realized along with potential sales growth.

III. Description

System-Wide Branded Vending Machine Program

By offering snack and beverage companies the opportunity to install their branded machines throughout the MNR network in New York State, MNR will achieve revenues significantly in excess of those available through non-exclusive arrangements. Product mix and consumer pricing will be subject to approval by MNR. The proposed licensee has committed to including "healthy" snack and beverage choices in machines, subject to MNR approval, in addition to the traditional fare of soda and candy.

At a minimum, the proposed licensee will be required to install vending machines in three phases at MNR locations, with a fourth phase at MNR's option, as shown below:

	License	At Passenger	At Employee	
	Year	Stations	Facilities	Total
Phase I	1	74	59	133
Phase II	2	27		27
Phase III	3	18		18
Phase IV (Option)	4-8	Up to 29		Up to 29
			Potential Total	207

Such phased installation of the vending machines will allow MNR forces the time to complete the station electrical work required for each phase. The electric upgrade compensation mentioned above will fund a portion of MNR's electrical work. Much of the electrical

Staff Summary

Additional Terms

- The compensation structure described above will provide significant non-fare-based revenue to MNR. The exact amount of compensation in any given year will be based on annual true-up of the MAG, MBC, and Percentage Compensation (highest of the three), plus the Exclusivity and other Additional Payments. With full program roll-out, increased sales and exercise of potential options, revenues to MNR could be higher.
- If exclusive rights are not granted in any year or if full exclusive payments for that year are not provided, then non-branded vending machines may be installed instead of branded machines. MTA/MNR reserves the right to discontinue exclusivity arrangements for corporate purposes.
- MNR will have the right to require the licensee to relocate or remove machines from the program for operational or other reasons, at MNR's sole discretion.
- At seasonal and very low traffic stations, MNR can designate select machines as "convenience machines" at 50% of MBC rent (no offset to MAG).
- The Licensee will also have the opportunity to pilot new machines, deploy units at special events/locations and test/provide new product selections.

IV. Project Cost and Benefits

Financial benefits, as indicated above, are significant. Total estimated net compensation of the ten year program will be approximately \$3.0M, with a present value at 7% of \$2.1M. Guaranteed compensation over the ten-year term is estimated to be \$1.7 million, exclusivity compensation could be up to \$1.2 million, and optional vending areas could generate higher gross compensation. The Licensee will also provide an estimated \$320,000, with a present value at 7% of \$281,000, to support MNR's electrical work to accommodate the vending machines. MNR is expected to have an additional electric expense of \$225,000, which is included in the overall net revenue estimates above.

Nonmonetary benefits of the program will be significant as well. With MNR's trains running constantly, customers at the vast majority of stations in New York State will soon have access to a wide choice of beverage and snack amenities at all times. Additional benefits are:

1. 24/7 vending customer service and maintenance phone center, to handle refund and repair issues promptly
2. Expanded payment options for machines to accept credit/debit cards; adaptable for innovative payment methods, such as future MTA fare media
3. Enhancement of MNR employee welfare facilities by replacing vending machines at all MNR employee work areas (NYS), installing new vending machines with wide product offerings and keeping prices reasonable
4. State-of-the-art, Energy Star or other "green" vending machines where feasible.

V. Recommendation

Based on the foregoing, we request authorization to enter into a license agreement with Answer Vending, Inc. on the above-described terms and conditions.

Staff Summary



Metropolitan Transportation Authority

Page 1 of 1

Subject LICENSE AGREEMENT
Department REAL ESTATE
Department Head Name JEFFREY B. ROSEN
Department Head Signature
Project Manager Name NANCY MARSHALL

Date DECEMBER 9, 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	12/09/09	X		
2	Board	12/16/09	X		

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

Narrative	
AGENCY:	MTA Metro-North Railroad ("Metro-North")
LICENSEE :	US Concepts, LLC d/b/a Johnnie Walker Blue Label ("US Concepts")
LOCATION:	Graybar Passage, Grand Central Terminal, New York
ACTIVITY:	For the operation of a complimentary engraving service of Johnnie Walker Blue Label bottles
ACTION REQUESTED:	Approval of terms
TERM:	December 1, 2009 – December 31, 2009
SPACE:	Kiosk
COMPENSATION:	\$25,000
COMMENTS:	<p>US Concepts is a subsidiary of MKTG (formally Coactive Marketing Group, Inc.). US Concepts proposes to operate a kiosk where it will provide a complimentary engraving service for Johnnie Walker Blue bottles during the month of December, 2009. US Concepts will not sell bottles at the kiosk. Consumers may bring an unopened bottle from home or a bottle purchased locally to have it engraved with a personal message.</p> <p>US Concepts has previously licensed space at GCT for this purpose. It operated in the Taxi Stand for Father's Day 2008 and in a Graybar Passage kiosk during December, 2008. We have been advised by Grand Central Wines that last year they experienced an increase in sales in the amount of \$31,740, attributed to the fact that the Johnnie Walker Blue kiosk was open. US Concepts was also pleased with the public reaction and expressed interest in returning to the Terminal and operating again in a Graybar Passage kiosk for the month of December, 2009.</p> <p>As the proposed compensation exceeds \$10,000 per month, MTA Real Estate requires, and hereby requests, specific authorization to enter into a license agreement with US Concepts on the above-described terms and conditions.</p>