



Metropolitan Transportation Authority

April 2010

MTA Board Action Items



MEETING AGENDA
METROPOLITAN TRANSPORTATION AUTHORITY BOARD
April 28, 2010 9:30 a.m.

347 Madison Avenue
Fifth Floor Board Room
New York, NY

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10.EXECUTIVE SESSION

Date of next MTA Board meeting: Wednesday May 26, 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
Minutes of the
Regular Board Meeting
347 Madison Avenue
New York, NY 10017**

**Wednesday, March 24, 2010
9:30 a.m.**

The following members were present:

**Hon. Jay H. Walder, Chairman & CEO
Hon. Andrew M. Saul, Vice Chairman
Hon. Andrew Albert
Hon. John H. Banks, III
Hon. Robert C. Bickford
Hon. Allen P. Cappelli
Hon. Donald Cecil
Hon. Doreen M. Frasca
Hon. Jeffrey A. Kay
Hon. Mark D. Lebow
Hon. Susan Metzger
Hon. Mark Page
Hon. Mitchell H. Pally
Hon. Norman Seabrook
Hon. James L. Sedore, Jr.
Hon. Nancy Shevell
Hon. Vincent Tessitore, Jr.
Hon. Carl V. Wortendyke**

Fredericka Cuenca, Chief of Staff, James B. Henly, General Counsel, Board Member James F. Blair, Board Member Norman E. Brown, Board Member Ira R. Greenberg, Robert Bergen, Executive Vice President of NYCTA, Helena E. Williams, President, Long Island Railroad, James Ferrara, Acting President of TBTA, Joseph A. Smith, President, LI Bus, MTA Bus & Sr. V.P. NYCT Department of Buses, Michael Horodniceanu, President of MTA Capital Construction, and Douglas Sussman, Director, Community Affairs also attended the meeting. Board member Mark Lebow was not present for the vote on agenda items 5-8. Board members Andrew Saul, James Sedore and Nancy Shevell were not present for agenda items 7-8.

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. **CHAIRMAN'S REMARKS.** Chairman Walder welcomed the non-voting Board members back to the Board.
2. **PUBLIC SPEAKERS.** The following speakers addressed MTA agenda items. Refer to the video recording of the March 24, 2010 meeting for the contents of these speakers' statements. Refer to the MTA Agencies' minutes for the list of other speakers.

Bill Henderson, PCAC
Hon. Christine Quinn, Speaker, NYC Council
Lawrence Carter Long, Disabilities Network of New York
Gene Russianoff, Straphangers Campaign
Hon. G. Oliver Koppell, NYC Councilmember
Carol Corcoran, private citizen
Marty Goodman, member of TWU Local 100
John Ferretti, member of TWU Local 100
Hon. James Vacca, NYC Councilmember
Christine Williams, private citizen
Hon. Martin Golden, NYS Senator
Sharon Allen, member of TWU Local 100
Derick Echevarria, member of TWU Local 100
Hon. Ydanis Rodriguez, NYC Councilmember
Sabrina Greenwood, member of TWU Local 100
Joseph Gifford, member of TWU Local 100
David Gillcrest, Executive Director, Project Find
Oneshia Portlette, member of TWU Local 100
Hon. Jumaane D. Williams, NYC Councilmember
Behrouz Fathi, Vice President, DC 37/Local 375 Union
Veronica Vanterpool, Tri-State Campaign
Felicia Fields, member of TWU Local 100
Maurice Jenkins, member of TWU Local 100
Irene Berkson, retired teacher
George Spitz, private citizen
Tony Murphy, Bail Out the People Movement
Brian Collinsworth, Working Families Party
Richard Barr, private citizen
Matthew Shotkin, private citizen
Christine Diamond, private citizen
Elizabeth Bender, private citizen
Ashley Thompson, representative for Councilmember Stephen Levin

3. **MINUTES.** Upon motion duly made and seconded, the Board approved the minutes of the regular Board meeting held on February 24, 2010.

4. **OTHER BUSINESS.**

A. **Board Committee Charter Adoption/Amendments.**

Chairman Walder described changes to the Board committee structure and the committee charters planned for implementation in April. The changes include joint meetings of the Long Island and the Metro-North Railroad committees which will enable consolidated oversight of railroad operations; the creation of a bus operations committee to oversee unified management of all bus operations; finance committee oversight of real estate matters; and oversight of capital construction projects by the operating committees of the respective agencies. Chairman Walder said that he will continue to chair the CPOC committee and will work to ensure that the committee takes a stronger roll in oversight of the Capital Program. Chairman Walder said the changes will be helpful in advancing the MTA's mission and he appreciates the Board's support.

Upon motion duly made and seconded, the Board approved the resolution adopting the amendments to the charters of the Finance, Transit, Long Island and Metro-North committees, delegating authority to oversee and monitor the bus activities conducted by the various MTA agencies to a Committee on Bus Operations and adopting the charter for such committee.

B. **2010 Budget Service Changes:**

Chairman Walder addressed the status of the 2010 budget, noting that the \$800 million shortfall is attributable to the deterioration in dedicated tax revenues and the State's decision to move \$143 million of dedicated funds to its general fund. The Chairman said that the Board has been forced to make tough decisions as a result of these external hits to the budget, including reducing administrative staff by 15%, eliminating station agent positions and addressing the proposed service changes, which are before the Board today.

Chairman Walder stated that the MTA's financial situation left it with few options, and required that MTA move forward with the majority of the proposed service changes. The Chairman noted that following the public hearing process, modifications to the proposed service changes were made based on the feedback received from the public. The Chairman further noted that the remaining cuts are still painful and there remains an additional \$450 million gap that must be addressed even with the services changes.

Chairman Walder opened the matter up for discussion by the Board, after noting that the proposal related to school fares is being deferred to a later date and will not be acted upon today. The extensive commentary and discussion engaged in by Board members on the subject of the proposed 2010 budget service changes is contained in the audiotape of the meeting produced by the MTA and maintained in its records.

1. **Environmental Assessment.** Upon motion duly made and seconded the Board approved a resolution, based on the Environmental Assessment, (i) finding and

determining that the proposed service changes will not result in any significant environmental impacts and are a Type II action exempt from further State Environmental Quality Review Act ("SEQRA") review and (ii) approving the Negative Declaration pursuant to SEQRA.

2. Major Service Changes. Upon motion duly made and seconded the Board approved a resolution authorizing agency implementation of the major service changes subject to public hearing, and the modification of the Cross Bay Bridge resident rebate program. Board members Allen Cappelli and Norman Seabrook voted in opposition to this resolution.

5. COMMITTEE ON FINANCE.

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

1. East Side Access: Owner Controlled Insurance Program ("OCIP"). Approved actions necessary for the extension of MTA's insurance coverage for the OCIP for the East Side Access Project.
2. 2009 Annual Procurement Report. Approved the MTA All-Agency Procurement report for the period January 1, 2009 – December 31, 2009, as required under Section 2879 of the State Public Authorities Law.

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

1. William Scotsman, Inc. – Extend Lease of Temporary MTA Police Facility Trailers – No. 2-01-04077-1-0, C/O #6. Approved an increase in funding for a competitive contract to extend the term of leases for two temporary police office trailer facilities at Central Islip and Garden City.

6. COMMITTEE ON CAP. CONSTR., PLANNING & REAL ESTATE. Upon motion duly made and seconded, the Board approved the following Real Estate items. The specifics are set forth in the attached staff summaries and documentation. Refer to the minutes of the MTA Capital Construction Company for additional items related to this Committee.

New York City Transit Authority

1. Conveyance to Skillman Realty, LLC of a segment of property located at 37-19 to 37-294 8th Street (Block 119, Lot 4), Queens, N.Y.

Metro-North Railroad

2. Second amendment to a license agreement with De & De, Inc. for a coffee/newsstand located at the Poughkeepsie Train Station, Poughkeepsie, N.Y.

Metropolitan Transportation Authority

3. Lease amendment agreement with Picotte Companies for use of office space located at 111 Washington Avenue, Albany, NY.

General

4. Resolution approving the 2010 Real Property Disposition Guidelines and ratifying the appointment of the MTA Director of Real Estate as the Real Property Disposition Contracting Officer for the MTA and the MTA agencies.
7. **EXECUTIVE SESSION.** Upon motion duly made and seconded, the Board voted to convene an executive session to consider a matter concerning the proposed acquisition, sale or lease of real property.
8. **PUBLIC SESSION.** Upon motion duly made and seconded, the public session resumed.

Upon motion duly made and seconded, the Board voted to adjourn the meeting at 12:42 p.m.

Respectively submitted,

Victoria Clement
Assistant Secretary

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

**347 Madison Avenue
New York, NY 10017**

**Wednesday, March 24, 2010
9:30 a.m.**

The following members were present:

**Hon. Jay H. Walder, Chairman & CEO
Hon. Andrew M. Saul, Vice Chairman
Hon. Andrew Albert
Hon. John H. Banks, III
Hon. Robert C. Bickford
Hon. Allen P. Cappelli
Hon. Donald Cecil
Hon. Doreen M. Frasca
Hon. Jeffrey A. Kay
Hon. Mark D. Lebow
Hon. Susan Metzger
Hon. Mark Page
Hon. Mitchell H. Pally
Hon. Norman Seabrook
Hon. James L. Sedore, Jr.
Hon. Nancy Shevell
Hon. Vincent Tessitore, Jr.
Hon. Carl V. Wortendyke**

Fredericka Cuenca, Chief of Staff, James B. Henly, General Counsel, Catherine A. Blue, Acting Corporate Secretary, Board Member James F. Blair, Board Member Norman E. Brown, Board Member Ira R. Greenberg, Robert Bergen, Executive Vice President of NYCTA, Helena E. Williams, President, Long Island Rail Road, James Ferrara, Acting President of TBTA, Joseph A. Smith, President, LI Bus, MTA Bus & Sr. V.P. NYCT Department of Buses, Michael Horodniceanu, President of MTA Capital Construction, and Douglas Sussman, Director, Community Affairs also attended the meeting.

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

1. CHAIRMAN 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

32 speakers addressed NYC Transit/MTA Bus issues.

Bill Henderson, PCAC, urged the Board to maintain existing levels of service and called upon elected officials to dedicate necessary funds for the MTA.

Hon. Christine Quinn, Speaker, NYC Council, urged the Board to exhaust all possible options before cutting service, reiterating her proposal to utilize federal stimulus funds to help pay for operating expenses.

Lawrence Carter Long, Executive Director, Disabilities Network of New York, urged the Board to postpone implementation of proposed reductions to Access-A-Ride services, asserting the lack of a clear plan to implement the service changes.

Gene Russianoff, Straphangers Campaign, acknowledged that budget cuts from Albany have contributed to MTA's budget deficit, but expressed disagreement with the Board for proposing significant service cuts, while refusing to use federal stimulus money.

Hon. G. Oliver Koppell, New York City Councilmember, spoke against implementation of the proposed service reductions, observing that the proposed plan is not likely to save time or money and will create anxiety on behalf of disabled riders.

Carol Corcoran spoke against the proposed elimination of express bus number 27, which provides weekend service from Bay Ridge, Brooklyn to Manhattan.

Marty Goodman, TWU Local 100, advocated on employees' behalf and against lay offs.

John Ferretti, TWU Local 100, spoke against lay offs, service cuts and fare increases.

Hon. James Vacca, NYC Councilmember, urged the Board to use federal stimulus funds for operating costs and called upon Albany to restore dedicated tax revenues to the MTA.

Christine Williams, TWU Local 100, urged the Board to avoid station agent layoffs and spoke against service cuts.

Hon. Martin Golden, New York State Senator, urged the Board to avoid proposed service cuts, which he argued could contribute to a long-term economic downturn in the region.

Sharon Allen, TWU Local 100, protested station agent layoffs, urging the Board to avoid the planned layoffs by using federal stimulus money.

Derick Echevarria spoke against station agent lay offs.

Hon. Ydanis Rodriguez, NYC Councilmember, urged the Board to keep student MetroCards free and to avoid service cuts, calling upon elected officials to share the financial burden of the MTA's budget.

Sabrina Greenwood, TWU Local 100, urged the Board to avoid station agent layoffs.

Samantha, a minor introduced to the Board by listed speaker Murray Boden, proposed the use of an interactive intercom system to provide remote assistance to customers in the subway system.

Joseph Gifford spoke on behalf of station agents and urged the Board to avoid proposed layoffs.

David Gillcrest, Executive Director, Project Find, spoke against proposed cuts to AAR.

Oneshia Portlette, TWU Local 100, spoke against layoffs and proposed service cuts, and urged the Board to keep student MetroCards free.

Hon. Jumaane D. Williams, NYC Councilmember, urged the Board to listen to public input in its decision making process and highlighted the importance of a strong, affordable public transportation system to the City of New York.

Behrouz Fathi, DC 37/Local 375 Union, advocated on behalf of wage increases for the members of DC 37.

Veronica Vanterpool, Tri-State Campaign, urged the Board to use federal stimulus funds for operating expenses.

Felicia Fields, TWU Local 100, urged the Board to maintain current staffing levels and to keep student MetroCards free.

Maurice Jenkins, TWU Local 100, advocated against station agent layoffs, articulating safety concerns.

Irene Berkson urged the Board to maintain service on the number 27 express bus.

George Spitz urged light rail replacement of the Second Avenue Subway line to save on the operating budget.

Tony Murphy, Bail Out the People Movement, spoke against service cuts and layoffs.

Brian Collinsworth expressed approval of the decision to postpone elimination of free student MetroCards, but urged the Board to not adopt the proposed service cuts.

Matthew Shotkin commented generally on the benefits of the NYC Transit system.

Christine Diamond urged the Board to find alternate income sources to help resolve the budget shortfall.

Elizabeth Bender advocated on behalf of free student MetroCards.

Ashley Thompson, on behalf of Councilmember Stephen Levin, urged the Board to eliminate proposed service cuts on Brooklyn bus lines and expressed the Councilmember's concern over elimination of the student MetroCard program.

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 February 24, 2010.

4. OTHER BUSINESS

Action Items

Board Committee Charter Adoption/Amendments

Upon motion duly made and seconded, the Board unanimously approved the proposed Board Committee Charter Amendments. Details of the discussion surrounding the vote, and of the above item, 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.

2010 Budget Major Service Changes

Upon motion duly made and seconded, the Board adopted a negative declaration regarding environmental impact of service changes based upon results of the environmental assessment that was conducted. Details of the discussion surrounding the vote, and of the above item, 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.

Upon motion duly made and seconded, Board approved a resolution authorizing implementation of major service changes and modification of the Cross Bay resident rebate program. Details of the discussion surrounding the vote, and of the above item, 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 TRANSIT/SIR/MTA BUS OPERATIONS
NYC Transit

Procurements

Non-Competitive Procurements: Upon motion duly made and seconded, the Board approved the non-competitive procurements requiring a majority vote (Schedule 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 two-thirds vote (Schedules B and C in the Agenda) and those requiring a majority vote (Schedules F, G, H, I 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 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. COMMITTEE ON REAL ESTATE

Upon motion duly made and seconded, the Board unanimously approved the following two (2) items pertaining to NYC Transit recommended to it by the Committee on MTA Capital Construction, Planning and Real Estate as set forth below:

1. Conveyance of a part of Queens, Block 119, Lot 4 to Skillman Realty, LLC;
2. All Agency, Real Property Disposition Guidelines in accordance with Public Authorities Law Sections 2895-2897.

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.

7. **EXECUTIVE SESSION**

Upon motion duly made and seconded, the Members unanimously voted to convene to discuss the proposed acquisition, sale or lease of real property in Executive Session, as publicity would substantially affects the value of thereof Upon motion duly made and seconded, the Members voted to resume public session.

8. **ADJOURMENT**

Upon motion duly made and seconded, the Members unanimously voted to adjourn the meeting at 12:42 p.m.

Respectfully submitted,



Gena Usenheimer
Assistant Secretary

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

**Meeting Held At
347 Madison Avenue
New York, New York
March 24, 2010
9:30 A.M.**

The following members were present:

Hon. Jay H. Walder, Chairman and CEO
Hon. Andrew M. Saul, Vice Chairman
Hon. Andrew Albert
Hon. John H. Banks, III
Hon. Robert C. Bickford
Hon. Hon. Allen P. Cappelli
Hon. Donald Cecil
Hon. Doreen M. Frasca
Hon. Jeffrey A. Kay
Hon. Mark D. Lebow
Hon. Susan Metzger
Hon. Mark Page
Hon. Mitchell H. Pally
Hon. Norman Seabrook
Hon. James L. Sedore, Jr.
Hon. Nancy Shevell
Hon. Vincent Tessitore
Hon. Carl V. Wortendyke

Fredericka Cuenca, Chief of Staff, James B. Henly, General Counsel, Catherine A. Blue, Acting Corporate Secretary, Board Member James F. Blair, Board Member Norman E. Brown, Board Member Ira R. Greenberg, Robert Bergen, Executive Vice President of NYCTA, Helena E. Williams, President, Long Island Rail Road, James Ferrara, Acting President TBTA, Joseph J. Smith, President of LI Bus, MTA Bus & Sr. V.P. NYCT Department of Buses, Michael Horodniceanu, President of MTA Capital Construction, and Douglas Sussman, Director, Community Affairs, also attended the meeting.

1. CHAIRMAN'S REMARKS

The Chairman welcomed back the Board members representing MTA unions and ridership groups.

2. PUBLIC SPEAKERS

There were thirty-four (34) public speakers. Murray Bodin addressed the issue of eliminating the sounding of train horns. None of the remaining speakers 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 February 24, 2010.

4. **APPROVAL OF REVISIONS TO COMMITTEE CHARTERS**

Upon motion duly made and seconded, the Board unanimously approved changes to the Committee charters. The details of this item is contained in the minutes of the Metropolitan Transportation Authority held this day and the staff summaries and materials filed with those minutes.

5. **SERVICE CHANGES**

Chairman Walder addressed the MTA's financial situation and the MTA's nearly \$800 million budgetary shortfall. He discussed administrative cuts and proposed reductions in service. Details of the Chairman's remarks regarding the service reductions, as well as the remarks of the Board Members, are contained in the minutes of the meeting of the Metropolitan Transportation Authority held this day.

Upon motions duly made and seconded, the Board approved the following two items: the adoption of a negative declaration pursuant to the State Environmental Quality Review Act ("SEQRA") in connection with the proposed reductions in service (approved unanimously); and authorization of the proposed service changes (Board Members Seabrook and Cappelli voted in opposition). Details are contained in the minutes of the Metropolitan Transportation Authority held this day and the staff summaries and materials filed with those minutes.

6. **COMMITTEE ON NEW YORK CITY TRANSIT AUTHORITY/MaBSTOA/SIR/MTA BUS OPERATIONS**

Upon motion duly made and seconded, the Board approved items from the Committee on New York City Transit Authority/MaBSTOA/SIR/MTA Bus Operations. Included among these items was a three-year, competitively negotiated all-agency contract with Milliman, Inc. for annual actuarial valuations of pension plans for the MTA and its constituent agencies.

The details of this item is contained in the minutes of the MTA New York City Transit Authority, the Manhattan and Bronx Surface Transit Operating Authority, the MTA Bus Company, and the Staten Island Rapid Transit Operating Authority held this day and the staff summaries and materials filed with those minutes.

7. **COMMITTEE ON LIRR/LI BUS OPERATIONS**

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

Competitive Procurement

1. **TBD**

\$TBD

Competitive

Contract No. TBD

LIRR requests MTA Board approval to adopt a resolution declaring that competitive bidding is impractical or inappropriate and that it is therefore in the public interest to use the Request for Proposal (RFP) process pursuant to Section 1265-a of the Public Authorities Law to award a contract for the design and construction phase IIb of the Atlantic Avenue Viaduct project.

2. **Macton Corporation**
Competitive
Contract No. TBD

\$1,607,750
Fixed Amount

LIRR requests MTA Board approval to award a Contract to Macton Corporation in the fixed amount of \$1,607,750 to design, manufacture, install and test a new Car Hoist and Body Support System for LIRR's Richmond Hill Maintenance Shop, along with removal and disposal of the existing Car Hoist and Body Support System.

Non-Competitive Procurement

1. **Original Equipment Manufacturers**
Non-Competitive
Contract No. TBD

\$34,950,000-LIRR
\$ 250,000-MNR
\$35,200,000 - Not-to-Exceed

LIRR, on behalf of itself and Metro-North Railroad (the "Railroads") requests MTA Board approval to award six Sole Source Purchase Agreements with the Original Equipment Manufacturers (OEM) of systems contained on various fleet railcars for both LIRR and MNR in a total not-to-exceed amount of \$35,200,000. Under the purchase agreements, the OEMs will supply, on an as-needed basis, complete systems, parts, other equipment, technical/field support and repair services required to (i) support the Railroads' Reliability Centered Maintenance (RCM) programs, and (ii) perform unscheduled maintenance and repairs to the LIRR's diesel fleet of locomotives and coach cars, over a five-year period.

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

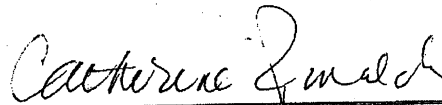
8. **EXECUTIVE SESSION**

Upon motion duly made and seconded, the Board met in executive session to consider a matter related to the proposed acquisition, sale or lease of real property.

9. **ADJOURNMENT**

Upon motion duly made and seconded, the Board unanimously voted to adjourn the meeting. The meeting was adjourned at 12:42 P.M.

Respectfully submitted,



Catherine A. Rinaldi
Secretary

Minutes of the Regular Meeting
Metro-North Commuter Railroad Company

Wednesday, March 24, 2010
9:30 a.m.

The following members were present:

Hon. Jay H. Walder, Chairman & CEO
Hon. Andrew M. Saul, Vice Chairman
Hon. Andrew Albert
Hon. John H. Banks, III Hon. Robert C. Bickford
Hon. Allen P. Cappelli
Hon. Donald Cecil
Hon. Doreen M. Frasca
Hon. Jeffrey A. Kay
Hon. Mark D. Lebow
Hon. Susan Metzger
Hon. Mark Page
Hon. Mitchell H. Pally
Hon. Norman Seabrook
Hon. James L. Sedore, Jr.
Hon. Nancy Shevell
Hon. Vincent Tessitore, Jr.
Hon. Carl V. Wortendyke

Fredericka Cuenca, Chief of Staff, James B. Henly, General Counsel, Catherine A. Blue, Acting Corporate Secretary, Board Member James F. Blair, Board Member Norman E. Brown, Board Member Ira R. Greenberg, Robert Bergen, Executive Vice President of NYCTA, Helena E. Williams, President, Long Island Railroad, James Ferrara, Acting President of TBTA, Joseph A. Smith, President, LI Bus, MTA Bus & Sr. V.P. NYCT Department of Buses, Michael Horodniceanu, President of MTA Capital Construction, and Douglas Sussman, Director, Community Affairs also attended the meeting

1. Chairman Walder welcomed back the non-voting Board members.

2. Public Comment:

There were 34 public speakers. William Henderson of PCAC thanked Metro-North for taking the Pt. Jarvis Line cuts off the table. Murray Bodin of Concerned Grandparents stated that he has been trying to meet with Metro-North President Howard Permut for the past 14 months and a meeting has yet to be scheduled. 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 February 24, 2010 meeting were unanimously approved.

4. Other Business:

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

- Board Committee Charter Adoption/Amendments
- 2010 Budget Major Service Changes – Mssrs. Cappelli and Seabrook voted in opposition.

Chairman Walder's statements and comments from Board members regarding the above items are contained in the minutes of the meeting of the Board of the Metropolitan Transportation Authority held this day. Staff summaries and reports setting forth the details of the above items are filed with the record of this meeting.

5. Committee on Finance

Upon motion duly made and seconded, the Board unanimously approved the following items recommended to it by the Committee on Finance.

- East Side Access: Owner Controlled Insurance Program
- 2009 Annual Procurement Report
- 2009 Prompt Payment Report

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

6. Committee on LIRR/LI Bus Operations:

The Board voted on Long Island Rail Road items. Among the items approved by the Board was a non-competitive procurement requiring two-thirds vote to award a joint procurement to six sole source original equipment manufacturers (OEM) of systems contained on various fleets of railcars for both LIRR and MNR. The details of the above item are contained in the minutes of the Committee on LIRR/LI Bus Operations and the staff summaries and reports filed with those minutes.

7. Committee on Metro-North Railroad Operations:

Mr. Sedore reported that on-time performance in February 2010 was 97.7%.

Procurements:

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

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

- Alstrom Signaling, Inc. – Furnish pre-wired signal houses and cases – Danbury Line.

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

Information Item:

- Impacts to Metro-North of New Jersey Transit's Proposed Fare Increase

A report setting forth the details of the above item is filed with the records of this meeting.

8. 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.

- Real Property Disposition Guidelines
- Second amendment to license agreement with De&De, Inc. for a coffee/newsstand concession at Poughkeepsie, New York.

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

9. Executive Session: Upon motion duly made and seconded, the Committee unanimously voted to convene in Executive Session to discuss a real estate matter. Upon motion duly made and seconded, the Committee unanimously voted to re-convene in Public Session.

10. Next Meeting – April 28, 2010 at 9:30 a.m.

11. Upon motion duly made and seconded, the Board unanimously voted to adjourn the meeting at 12:42 p.m.

Respectfully submitted,



Linda Montahino
Assistant Secretary

**Minutes of the Regular Meeting
Triborough Bridge and Tunnel Authority
March 24, 2010**

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 M. Saul, Vice Chairman
Hon. Andrew Albert
Hon. John H. Banks, III
Hon. Robert C. Bickford
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.
Hon. Nancy Shevell
Hon. Vincent Tessitore, Jr.
Hon. Carl V. Wortendyke

Frederick Cuenca, Acting Chief of Staff; James B. Henly, General Counsel, MTA; Catherine A. Blue, Acting Corporate Secretary; Board Member James Blair; Board Member Norman E. Brown; Board Member Ira Greenberg; Robert Bergen, Executive Vice President, New York City Transit; James Ferrara, Acting President, MTA Bridges and Tunnels; Michael F. Horodniceanu, President MTA Capital Construction Company; Howard R. Permut, President, Metro-North Commuter Railroad; Joseph A. Smith, President Long Island Bus, MTA Bus & Senior Vice President, New York City Transit Department of Buses; 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.

1. Chairman Walder's Opening Comments

Chairman Walder welcomed back to the Board the non-voting Board members.

2. Public Speakers

There were thirty four public speakers who addressed the MTA Budget. None of the speakers specifically commented on issues regarding the Triborough Bridge and Tunnel Authority. The subject matter of the other public comments is contained in the minutes of the meeting of the Board of the Metropolitan Transportation Authority.

3. Approval of the Minutes of the Regular Meeting February 24, 2010

The Minutes of the meeting held February 24, 2010 were unanimously approved.

4. Other Business

Upon a motion duly made and seconded, the Board unanimously approved a Resolution based on the 2010 Service Actions-Environmental Assessment that (i) found and determined that the proposed service changes for implementation in 2010 are exempt from further review under the State Environmental Quality Review Act ("SEQRA") and, although exempt from further review under SEQRA as a Type II action, in any event will not result in any significant environmental impacts; and (ii) adopted and approved a Negative Declaration pursuant to SEQRA.

A copy of the resolution, staff summary and details of the above item are filed with the minutes of this meeting.

Upon a motion duly made and seconded, the Board approved a Resolution which authorizes Agency implementation of the major service changes subject to public hearing, and the Modification of the Metropolitan Transportation Authority's Cross Bay Bridge resident rebate program. Commissioners Cappelli and Seabrook voted in opposition.

A copy of the resolution, staff summary and details of the above items are filed with the minutes of Board of the Metropolitan Transportation Authority.

Chairman Walder's statements and comments from Board members regarding the 2010 Budget-Major Service Changes Resolution are contained in the minutes of the meeting of the Board of the Metropolitan Transportation Authority.

5. Committee on Finance

Upon a motion duly made and seconded, the Board unanimously approved the following items recommended to it by the Committee on Finance.

- Filing with the State of New York the annual MTA All-Agency Procurement report for the period January 1, 2009-December 31, 2009 as required under Section 2879 of the State Public Authorities Law.

- MTA Annual Prompt Payment Report 2009

A copy of the staff summaries setting forth the details of the above items are filed with the minutes of the Board of the Metropolitan Transportation Authority

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

Procurements

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

Competitive Procurements

Chairman Pally stated that there are four competitive procurements totaling \$4.4 million.

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

Personal Service Contracts

HNTB New York Engineering & Architecture, P.C.	Contract No. PSC-09-2852 Provide design services for Project VN-86, New Ramp at the Verrazano-Narrows Bridge.	\$2,810,169.00
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Miscellaneous Service Contracts

United Steel Products, Inc.	Contract No. 09-MNT-2852X Contractor to service, repair and maintain motorized security gates at various Authority facilities for a period of three years. These specialized gates, which were installed at the Verrazano-Narrows and Throgs Neck Bridges, function as part of security fencing for the facilities and will no longer be subject to the provisions of the warranty.	\$39,250.00
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**Modifications to Personal Service Contracts and Miscellaneous
Service Contracts Awarded as Contracts for Services**

PBS&J, P.A. dba PBS&J Architecture and Engineering	Contract No. PSC-08-2843 Additional work to implement the All Electronic Tolling (AET) pilot at the Henry Hudson Bridge.	\$655,115.00
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Modifications to Purchase & Public Works Contracts

Yonkers Contracting Company	Contract No. TB-09B Resolve all claims under Contract TB-09B, Triborough Bridge (now RFK Bridge) Deck Replacement of the Harlem River Lift Span and Approach Truss Span.	\$906,000.00
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Ratifications

Commissioner Pally stated that there are no ratifications.

7. Executive Session

Upon a motion duly made and seconded, the Board unanimously voted to convene in Executive Session to discuss a real estate matter.

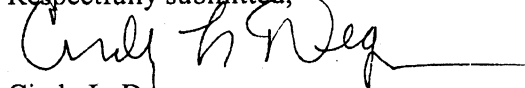
8. Public Session

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

9. Adjournment

Upon a motion duly made and seconded, the Board unanimously voted to adjourn the meeting at 12:42 p.m.

Respectfully submitted,



Cindy L. Dugan
Assistant Secretary

Regular Board Meeting
MTA Capital Construction Company
347 Madison Avenue
New York, NY 10017

Wednesday, March 24, 2010
9:30 a.m.

The following members were present:

Hon. Jay H. Walder, Chairman & CEO
Hon. Andrew M. Saul, Vice Chairman
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 L. Sedore, Jr.
Hon. Nancy Shevell
Hon. Vincent Tessitore, Jr.
Hon. Carl V. Wortendyke

Fredericka Cuenca, Chief of Staff, James B. Henly, General Counsel, Board Member James Blair, Board Member Ira Greenberg, Robert Bergen, Executive Vice President of NYCTA, Helena E. Williams, President, Long Island Railroad, James Ferrara, Acting President of TBTA, Joseph A. Smith, President, LI Bus, MTA Bus & Sr. V.P. NYCT Department of Buses, Michael Horodniceanu, President of MTA Capital Construction, and Douglas Sussman, Director, Community Affairs also attended the meeting.

Chairman 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 February 24, 2010.

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 contract with Merrill Communications LLC for litigation support services
- A modification to the Second Avenue Subway TBM launch box and tunnel contract with S3 Tunnel Construction JV for changes to the tunnel alignment that will affect the volume of TBM work, dewatering requirements and other element of the contractor's work
- A modification to the East Side Access MNR Traction MODs contract with TC Electric for the relocation of an existing conduit rack.

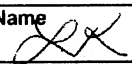
Adjournment

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

Respectfully submitted,




Miriam Cukier
Secretary

Staff Summary

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

Date April 20, 2010
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref #

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance	4/26	X		
2	Board	4/28	X		

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

Narrative

Purpose:

To request MTA Board approval of the MTA's revised \$26.3 billion 2010-2014 Capital Program and authorize its submission to the MTA Capital Program Review Board (CPRB) in accordance with PAL 1269b (exclusive of the Bridges and Tunnels program which does not require CPRB review).

Discussion:

The Proposed MTA 2010-2014 Capital Program was originally approved in September 2009 for a total of \$28.1 billion and subsequently submitted to the CPRB in October 2009. That plan was disapproved by the CPRB without prejudice in December 2009.

In preparation for its resubmission, MTA and agency staff have carefully reviewed the original proposal with the goal of ensuring that all projects demonstrate the delivery of specific customer benefits at the lowest possible capital cost while creating ongoing savings for the operating budget. As a result, we have extended the useful life of some assets, replaced components instead of the entire asset, implemented scaled down, lower-cost solutions, or foregone less critical investments entirely. This review will continue through the life of the program to further enhance the value delivered for funds invested. This new programmatic approach to projects has allowed a \$1.8 billion reduction in the program. This reduction offset a commensurate reduction in federal funding assumptions; since Congress has yet to advance a transportation reauthorization bill, 2010 and 2011 federal funding assumptions were kept flat. The savings achieved in the programmatic review have allowed us to meet this reduction without adding to the funding gap.

The refocused capital program now totals \$26.3 billion and is fully described in the attached Executive Summary and 2010-2014 Capital Program. The revised program continues to identify sufficient funding to fully implement the projects in the first two years of the program, which are the top priorities of the agencies. With this resubmission to the CPRB, the MTA will work with the legislature to secure approval to commence the 2010 and 2011 program of work and continue to work to identify the \$9.9 billion of additional state or other revenues needed to implement the full 2010-2014 program of work.

Impacts on Funding:

The proposed 2010-2014 plan includes funding assumptions from our local, state and federal government partners, including more than \$6 billion of assumed federal funding, \$6 billion of new bonds supported by the recurring revenues approved earlier this year by the State Legislature, and \$500 million assumed from the City of New York. Other sources total another \$600 million. In combination, these revenues fund two years of capital work in this program. MTA will work with its funding partners to identify the additional resources needed to complete the program of investments.


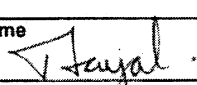
Alternatives:

Fully funding the 2010-2014 Capital Program is critical to the health of the MTA's infrastructure, the regional economy and New York's quality of life. We will work with the state legislature to identify the additional resources needed to fully fund the plan. However, this program is needed to keep pace with ongoing replacement needs of the system and meet the growth needs of the region.

Recommendation:

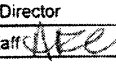

MTA Board approve the revised \$26.3 billion 2010-2014 MTA Capital Program at its April 28, 2010 Board meeting and authorize its submission to the CPRB in accordance with state law (exclusive of the Bridges and Tunnels program which does not require CPRB review).

Staff Summary

Subject	2009 Annual Investment Report
Department	CFO/Treasury
Department Head Name	Robert E. Foran
Department Head Signature	
Division Head Name	Vinay T. Dayal
Division Head Signature	

Date	April 15, 2010
Vendor Name	
Contract Number	
Contract Manager Name	
Table of Contents Ref #	

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance Comm.	04/26/10			
2	Board	04/28/10			

Internal Approvals			
Order	Approval	Order	Approval
	Executive Director		Office of Civil
2	Chief of Staff 	1	Legal 
	Chief Financial Officer		EITG
	Procurement		

Narrative

I. PURPOSE:

To provide the Board information on the MTA Portfolio investment performance for the period 01/01/2009 to 12/31/2009 and obtain Board approval of the MTA 2009 Annual Investment Report and the MTA All Agency Investment Guidelines, pursuant to Public Authorities Law Section 2925.

Performance information is presented by types of funds and by bond resolution. Performance is based on book value.

MTA Investment by Resolutions For the Period 01/01/09 to 12/31/09 Amortized Costs (in thousands)

Resolutions	Daily Average Balance	Yield This Period	Net Earnings This Period	Ending Portfolio Balance	% of Ending Portfolio Balance	Weighted Average Days to Maturity
All Agency Investments	\$560,389	1.06%	\$5,921	\$231,594	10%	146
MTA Finance Fund (Payroll Mobility Tax)	3,575	0.08	3	182,330	8	77
MTA Special Assistance Fund	466,303	0.93	4,336	740,359	34	161
TBTA Investment Pool	96,695	0.32	311	45,317	2	106
MTA Transportation Resolution Funds	572,137	1.20	6,858	448,523	20	541
MTA Dedicated Tax Fund Resolution Funds	335,050	0.21	700	54,827	2	89
2 Broadway Certificates' Funds	26,505	0.30	78	34,109	2	50
TBTA General Revenue Resolution Funds	186,518	0.28	523	303,990	14	169
TBTA Subordinate Revenue Resolution Funds	40,139	0.20	81	50,340	2	4
Other Capital Restricted Funds	81,242	0.58	469	108,667	5	233
Miscellaneous Funds (incl. RANs Proceeds)	69,120	0.44	42	5,890	0	14
Total MTA Managed Funds	\$2,437,673	0.80%	\$19,322	\$2,205,947	100%	226

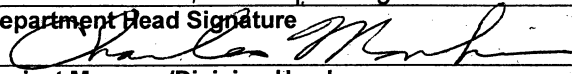
The separate 2009 MTA Annual Investment Report contains the additional required information:

- The investment income record
- Commissions or other charges paid to each investment banker, broker, agent, dealer and advisor
- Investment Inventory
- Broker Activity
- All Agency Investment Guidelines

The above performance numbers do not include the tax benefit lease portfolios since these portfolios have been structured to match the lease obligations as they come due.





Staff Summary

Page 1 of 2

Subject NYPA Peak Load Management Agreement
Department Policy and Media Relations
Department Head Name Charles Monheim, Chief Operating Officer
Department Head Signature 
Project Manager/Division Head Peter Bass, Environmental and Energy Policy

Date April 26, 2010
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref #

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance Comm.	4/26/10			
2	Board	4/28/10			

Internal Approvals			
Order	Approval	Order	Approval
1	Chief Operating Officer 		Civil Rights
2	Chief of Staff 	4	Legal 
3	Chief Financial Officer 		Administration
	Procurement		Other

Purpose:

To obtain Board approval to enter into an agreement to enroll MTA facilities in New York Power Authority's Peak Load Management program.

Discussion:

The New York Power Authority (NYPA), the MTA's primary provider of electricity, operates a Peak Load Management (PLM) program in conjunction with the New York Independent System Operator (NYISO) and ConEd. The program, which is voluntary, is designed to improve the reliability of the electrical grid during times of peak demand, which is when the system is vulnerable to overload and failure. Participants commit to, and are paid for reducing their electrical load during emergency peak demand conditions (generally in the summer months) by curtailing their discretionary electricity usage (e.g., reducing lighting load, raising HVAC set points, etc.) and/or by operating emergency generators to displace electricity from the grid.

The MTA has participated in the NYPA PLM program since 2000 under the terms of the original 2000 Peak Load Management Incentive Agreement. The MTA's primary load curtailment activity involves temporarily dropping NYCT substations off-line in areas with adequate redundancy to maintain service. Various bus depots, train yards, service buildings and office buildings are also enrolled in the PLM program. In 2009, the MTA enrolled 57 megawatts of load curtailment and received \$614,400 in PLM payments (generally applied as a credit to the MTA's electric bill). Since 2000, MTA has received over \$3,175,000 in PLM incentive payments.

In 2010, NYPA reconfigured the program, adjusting the requirements and adding new options for participation, and consequently requires the MTA to execute a new Peak Load Management Master Program Agreement. Once the Master Agreement is executed, the NYPA account representative will enroll those facilities identified by MTA agencies into the program with the option or options determined by the agency as appropriate to the facility. The PLM program provides four options for enrollment. However, the fourth option, referred to as Day-Ahead Energy Bidding, is not considered appropriate for MTA facilities due to the high minimum load reduction requirements and the possibility of penalties for non-performance. The three options for MTA enrollment are (1) a temporary electrical load reduction that is at least 10%; (2), temporarily reducing electrical demand to an agreed-upon level during up to 15 events during the summer; and (3) providing a pledged load reduction of at least 100 kW. A facility may enroll in more than one of the three options.

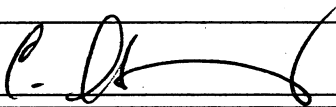
MTA participation in the new PLM program is recommended for the following reasons:

1. The stability and integrity of the electrical grid is essential to MTA operations and therefore load curtailment at times of peak electrical demand is in the MTA's self interest.
2. The MTA benefits from both the PLM payments as well as the avoided cost of the electricity that is curtailed during periods of highest demand and consequently highest price.
3. Financial risk to the MTA is minimal; failure to curtail load when called upon can result in non-payment and possibly limit future participation in the program. However, there is no financial penalty for failure to perform. Joining the new program does not place any of MTA operations at risk.

Recommendation:

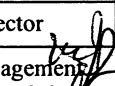
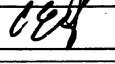

It is recommended that the Board authorize the Chairman and CEO or his delegee to execute the attached Peak Load Management Master Program Agreement.

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 April 6, 2010
Vendor Name Various
Contract Number Various
Contract Manager Name Various
Table of Contents Ref #

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance	4/26/10			
2	Board	4/28/10			

Internal Approvals			
Order	Approval	Order	Approval
			Office of Civil Rights
	Executive Director		Legal
3	Financial Management 		EITG
1	Procurement 	2	Administration 

PURPOSE:

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

DISCUSSION:

MTAHQ proposes to award Non-competitive procurements in the following categories:

# of Actions	\$ Amount
None	\$ -0-

MTAHQ proposes to award Competitive procurements in the following categories:

Schedules Requiring Majority Vote

Schedule F: Personal Service Contracts	1	\$1,507,430
Schedule J: Modifications to Miscellaneous Procurement Contracts	1	\$ 30,000
SUBTOTAL	2	\$1,537,430

MTAHQ presents the following procurement actions for Ratification:

TOTAL	2	\$1,537,430
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BUDGET IMPACT: The purchases/contracts will result in obligating MTAHQ operating and capital funds in the amount listed. Funds are available in the current MTAHQ operating/capital budgets for this purpose.

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

BOARD RESOLUTION

METROPOLITAN TRANSPORTATION AUTHORITY

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

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

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

NOW, the Board resolves as follows:

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

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

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

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

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

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

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

LIST OF PROCUREMENTS FOR BOARD APPROVAL, APRIL 2010
COMPETITIVE PROCUREMENTS

METROPOLITAN TRANSPORTATION AUTHORITY

Procurements Requiring Majority Vote:

Page

F. Personal Service Contracts

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

- | | | | |
|---|---|---|------------------|
| <p>1. Cassidy Turley New York, Inc.
(Formerly Colliers ABR, Inc.)
Property Management Services for
Jamaica Central Control Building
and 242 & 250 Old Country Rd., Mineola, NY
Contract No. 09168-0100</p> <p>Competitively negotiated – one proposal – 36 months
Consultant to perform property management services for two MTA properties – the Jamaica Central Control Building/Air Train Terminal in Jamaica, NY and 242 & 250 Old Country Road Mineola, NY. The managing agent will handle all day-to-day full-service operations and functions at each location, such as: operating and maintaining the buildings; developing a staffing plan and hiring on-site personnel; paying utilities; managing and billing tenants; entering into agreements with service contractors and utility companies; verifying the rentable square footage for each tenant space located in the buildings; and leasing plans. As a result of negotiations, Cassidy Turley New York, Inc.'s proposed cost of \$1,564,282 was negotiated down to \$1,507,430, a savings of \$56,852 or 3.6% over the three-year period of the contract. The negotiated cost of \$1,507,430 is \$25,214 or 1.6% less than the current contract amount of \$1,532,644. Based on the above negotiated savings, the total negotiated cost of \$1,507,430 is considered fair and reasonable.</p> | <p>\$1,507,430
(not-to-exceed)</p> | <p><u>Staff Summary Attached</u></p> | <p>30</p> |
|---|---|---|------------------|

J. Modifications to Miscellaneous Procurement Contracts

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

- | | | | |
|--|--|--|--|
| <p>2. Expedite Video Conferencing Services, Inc.
Web Casting Services of Public Meetings and
Additional Video Distribution Services
Contract No. 07131-0100, S/A # 2</p> <p>Base plus previous supplement = \$24,800
Increase funding for webcasting services due to: i) increase in viewership and ii) to cover the cost of additional services for video-on-demand, pod casts and MTA related news and events added in January 2010 to the current contract, which expires April 30, 2011. Web casting services promote public access to government decision making and public availability of meetings under the Open Meetings Law. Web casting services support live broadcasts, pre-programmed broadcasts and on-demand streaming media in multiple media player formats. The public has become increasingly dependant on information provided by mta.info. Viewership of MTA's monthly live webcast of committee and Board meetings has significantly increased. Because of the substantial increase in viewership and the additional video services, it is necessary for the MTA to increase the capacity (bandwidth) needed to provide this material from 10GB per month to 190GB per month. Under the current contract MTA is paying \$47 per GB. Because of the substantial increase in usage MTA will receive a volume discount and will be paying \$8.90 per GB, for a savings of \$38.10 per GB. Based on this savings, the cost is considered fair and reasonable.</p> | <p>\$30,000
(not-to-exceed)</p> | | |
|--|--|--|--|

Staff Summary

Schedule F: Personal Service Contracts



Page 1 of 2

Item Number:						SUMMARY INFORMATION																			
Dept & Dept Head Name: Administration/L. Kleinbaum <i>R/L</i>						Vendor Name: Cassidy Turley New York, Inc.																			
Division & Division Head Name: Real Estate/J. Rosen						Contract Number: 09168-0100																			
Board Reviews						Description: Property Management Services for LIRR																			
<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th>Order</th> <th>To</th> <th>Date</th> <th>Approval</th> <th>Info</th> <th>Other</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>Finance</td> <td>04/26/10</td> <td></td> <td></td> <td></td> </tr> <tr> <td>2</td> <td>Board</td> <td>04/28/10</td> <td></td> <td></td> <td></td> </tr> </tbody> </table>						Order	To	Date	Approval	Info	Other	1	Finance	04/26/10				2	Board	04/28/10				Total Amount: \$1,507,430	
Order	To	Date	Approval	Info	Other																				
1	Finance	04/26/10																							
2	Board	04/28/10																							
Internal Approvals						Contract Term (including Options, if any) May 1, 2010 thru April 30, 2013																			
<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th>Order</th> <th>Approval</th> <th>Order</th> <th>Approval</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>Procurement <i>C/S</i></td> <td>4</td> <td>Office of Civil Rights <i>M/L</i></td> </tr> <tr> <td>2</td> <td>Real Estate <i>R/K</i></td> <td>5</td> <td>Legal <i>B/S</i></td> </tr> <tr> <td>3</td> <td>Administration <i>R/K</i></td> <td>6</td> <td>Financial Management <i>W/S</i></td> </tr> </tbody> </table>						Order	Approval	Order	Approval	1	Procurement <i>C/S</i>	4	Office of Civil Rights <i>M/L</i>	2	Real Estate <i>R/K</i>	5	Legal <i>B/S</i>	3	Administration <i>R/K</i>	6	Financial Management <i>W/S</i>	Option(s) included in Total Amount? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			
Order	Approval	Order	Approval																						
1	Procurement <i>C/S</i>	4	Office of Civil Rights <i>M/L</i>																						
2	Real Estate <i>R/K</i>	5	Legal <i>B/S</i>																						
3	Administration <i>R/K</i>	6	Financial Management <i>W/S</i>																						
						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: Sole Source																			
						Funding Source: <input checked="" type="checkbox"/> Operating <input type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:																			

Narrative

I. PURPOSE/RECOMMENDATION

To recommend that the Board approve the award of a competitively negotiated, personal services contract to Cassidy Turley New York, Inc. ("Cassidy Turley") (formerly known as Colliers ABR, Inc.) to provide property management services for two MTA/Long Island Rail Road properties: i) The Jamaica Central Control Building/Air Train Terminal in Jamaica, NY and ii) 242 and 250 Old Country Road, Mineola, NY for a three-year period from May 1, 2010 to April 30, 2013, in an amount not to exceed \$1,507,430.

II. DISCUSSION

In 2000, the MTA entered into an agreement with the Port Authority of New York & New Jersey (PANY/NJ) to construct and jointly occupy the Jamaica Central Control Building ("JCC") and Air Train Terminal located at 144-41 94th Avenue in Jamaica, NY. LIRR's portion of the space is currently being managed by Cassidy Turley under an MTA/LIRR contract which will expire on April 30, 2010. Additionally, in April 2005 the MTA purchased property from the Marketspan Gas Corporation (a/k/a "KeySpan") located at 242 and 250 Old Country Road, Mineola, NY consisting of two multiple-story office buildings, a one-story annex structure, and a facilities management shop. The Mineola property is under contract for disposition and is expected to close on or about July 2010, with an option to extend until January 2011. This property is also being managed Cassidy Turley under the same MTA/LIRR contract. The proposed new contract will be terminated at will by the MTA in the event the sale of the Mineola property is successfully completed.

Based on the above, MTA is seeking a property manager to continue to handle the day-to-day full-service operations and functions at each location, such as: operating and maintaining the buildings; developing a staffing plan and hiring on-site personnel; paying utilities, managing and billing the tenants; entering into agreements with service contractors and utility companies; verifying the rentable square footage for each tenant space located in the buildings, leasing plans, etc.

Staff Summary

In order to continue these property management services after the current contract expiration date of April 30, 2010, a Request for Proposals (RFP) was publicly advertised and letters advising potential proposers of the RFP's availability were mailed to approximately forty-eight (48) major consultant firms, ten (10) of which were D/M/WBE firms. Of the two (2) property management firms that attended the site visit, only Cassidy Turley submitted a proposal.

The Selection Committee, consisting of representatives from MTA Real Estate and Facilities Departments and Long Island Rail Road, evaluated Cassidy Turley's proposal and determined that it satisfied the technical requirements of the RFP. Since only one proposal was received, MTA contacted several firms to determine why they did not propose.

The primary reasons provided were (i) the firms had prior obligations and (ii) the properties are too far apart, thus, operationally, it was not economically practical to submit a proposal.

Cassidy Turley is a full-service, commercial real estate services firm headquartered in New York City. The firm is among the top property management firms in the NYC market and manages a portfolio in excess of 12 million square feet, 96% of which is currently leased. Included in its management portfolio are some of the region's premier buildings, such as 5-52 Broadway, 277 Park Avenue and 250 Park Avenue in New York, and Harbor Plaza in Stamford, Connecticut. MTA has conducted a responsibility review and other due diligence on Cassidy Turley and has deemed them to be responsible for award.

As a result of negotiations, Cassidy Turley's proposed cost of \$1,564,282 for the two properties was negotiated down to \$1,507,430 (\$1,003,841 for the Jamaica property and \$503,589 for the Mineola property), a savings of \$56,852 or 3.6% over the three-year period of the contract. Additionally, the negotiated proposed cost of \$1,507,430 is \$25,214 or 1.6% less than the current contract amount of \$1,532,644. Based on the above negotiated savings, the total negotiated, not-to-exceed cost of \$1,507,430 is considered fair and reasonable.

III. D/M/WBE INFORMATION

Mandatory goals of 5% MBE and 5%WBE participation were established by the MTA Office of Civil Rights for this contract. Cassidy Turley New York, Inc. has identified several MBE and WBE firms to meet the contract goals.

IV. IMPACT ON FUNDING

The total cost for the thirty-six month period will not exceed \$1,507,430 for the two properties and will be charged back to LIRR, Account No. 183701.

V. ALTERNATIVES

1. Do not Approve Award of the Contract. This alternative is not feasible. Not approving the award of this contract would make it virtually impossible for MTA Long Island Rail Road to operate and maintain these buildings.

2. Perform the Services In-house. This is not a feasible alternative. MTA and LIRR do not possess the internal resources available to provide the required property management services.

APRIL 2010

MTA REAL ESTATE

LIST OF REAL ESTATE ACTION ITEMS FOR BOARD APPROVAL

ACTION ITEMS

MTA CAPITAL CONSTRUCTION COMPANY

Authorization to enter into agreements with one or more long-stay residential hotels to accommodate the temporary relocation of residential tenants, and to proceed with the acquisition of temporary easements, to allow for building facade protection work in connection with the Second Avenue Subway project

MTA METRO-NORTH RAILROAD

License agreement with the Town of Ramapo to allow the construction, operation and maintenance of a pedestrian bike path in the Piermont Branch right-of-way, Rockland County, New York

Long-term sublease to Dover Station, LLC., with respect to the former Dover Plains Station building in the Town of Dover, New York

Assignment of easement to Cook Associates, LLC in connection with Metro-North's Cortlandt Parking, Intermodal and Access Improvements Project in Cortlandt, New York

License agreement for the installation and operation of a wireless communications network serving Grand Central Terminal and its trainshed

Lease Agreement with KJM Holdings II LLC d/b/a Li-Lac Chocolates, for the sale of high-quality tenant-produced artisanal chocolates, relating to Retail Space MKT-24, Grand Central Terminal, New York

Lease Agreement with O & Co. New York, Inc. d/b/a O & Co., for the sale of high-quality condiments and specialty food items, relating to Retail Space MC-32 and Storage Space LCS-6A, Grand Central Terminal, New York

MTA LONG ISLAND RAIL ROAD

License agreement with National Grid Corporate Services LLC, for the performance by National Grid of groundwater and soil remediation activities on certain portions of LIRR's non-operating West Hempstead Branch right-of-way in Hempstead, New York

License Agreement with SNBK, Corp. for a restaurant at the former Brentwood Railroad Station, Brentwood, New York

Memorandum



Metropolitan Transportation Authority

State of New York

Date: April 26, 2010

To: Members of the Finance Committee

From: Jeffrey B. Rosen

Re: Approval to proceed with condemnation of temporary construction easements and temporary relocations of tenants, including approval to enter into agreements with one or more long-stay residential hotels to accommodate such temporary relocations, in order to perform building stabilization work in six buildings located on the west side of Second Avenue in Manhattan between 94th and 97th Streets in connection with the Second Avenue Subway Project (the "Project").

Building Locations: 1821/23 Second Avenue (Block 1540, Lot 24); 1825 Second Avenue (Block 1540, Lot 26); 1827 Second Avenue (Block 1540, Lot 27); 1829 Second Avenue (Block 1540, Lot 28) and 1873 Second Avenue (Block 1646, Lot 25) (collectively, the "Subject Properties").

To minimize the possibility that Second Avenue Subway construction activities will adversely affect the six residential buildings that are located on the Subject Properties listed above, MTA Capital Construction Company ("MTACC") intends to perform remediation work to protect the façades of five buildings on Second Avenue between 94th and 95th Streets and to stabilize the entire building at 1873 Second Avenue, which is located near the corner of 97th Street and Second Avenue. As explained below, this work will require temporary construction easements from the affected building owners to perform the work and temporary relocations of residents in 28 apartment units and possibly 2 small first-floor commercial establishments. In the event that voluntary agreements cannot be reached with any of the affected building owners and tenants, approval is sought to secure the temporary construction easements and temporary relocations in accordance with the Eminent Domain Procedure Law.

MTACC has implemented a building monitoring program for the Second Avenue Subway Project in consultation with the New York City Department of Buildings. Under this program, MTACC and its contractors are monitoring buildings along Second Avenue that have a potential to be impacted by project construction. The monitoring has confirmed that there has been some movement of the façades of five 5-story residential buildings at 1821-23, 1825, 1827 and 1829 Second Avenue since MTACC's contractors started excavating the launch box for the tunnel boring machine in the adjacent street area. In addition, ongoing investigations have raised concerns about maintaining the structural stability of a 4-story residential building at 1873 Avenue during upcoming excavation required for the adjacent ancillary facility that will be constructed for the 96th Street Station.

To address these concerns, MTACC has developed a plan to perform building stabilization and repair work on these six buildings in two phases. Phase 1 work for all buildings will be performed from the exteriors of the buildings and will not require any tenant relocations. Such work is expected to last for approximately three weeks. Phase 2 will require work to be completed within the buildings and will require some tenants to be temporarily relocated from their apartments for approximately 30-60 days.

MTACC has requested that MTA Real Estate temporarily relocate some of the residential tenants of 1821-1829 Second Avenue (16 apartments) and all of the residential tenants of 1873 Second Avenue (12

apartments) in order to allow for completion of the required work. In addition, two small commercial establishments at 1873 Second Avenue (a Subway sandwich shop and a Dunkin Donuts store) may need to be closed temporarily during the remediation work. MTA Real Estate, in conjunction with the MTA's relocation consultants O.R. Colan, will work to temporarily relocate the residential tenants to suitable accommodations, to move them back to their apartments after the remediation work and all necessary restoration in the apartments is completed, and to compensate both the residential and commercial tenants for all necessary and reasonable out-of-pocket expenses resulting from these temporary impacts in accordance with the federal Uniform Relocation Assistance and Real Property Acquisition Policies Act and applicable federal regulations. The MTA will also compensate building owners for lost rents resulting from the relocations.

Due to the number of affected residential tenants, and their particular needs and circumstances, MTA Real Estate and O.R. Colan will work with each such tenant to provide a suitable temporary replacement dwelling. In order to accomplish this within MTACC's construction schedule, MTA Real Estate will need flexibility to address each relocatee's needs. Because it is unlikely that one temporary housing solution will be appropriate for all affected tenants, MTA Real Estate may need to enter into agreements with two or more facilities to accomplish these relocations and/or to offer an "in lieu of" housing stipend for temporarily displaced tenants who choose to find their own temporary housing accommodations.

MTACC and MTA Real Estate will endeavor to negotiate agreements with the affected property owners and tenants to effectuate the required building stabilization work and temporary relocations, but if negotiations are unsuccessful MTA will need to initiate condemnation proceedings under the Eminent Domain Procedure Law to secure temporary easements to perform the stabilization work and temporarily relocate the affected tenants. MTA Legal has advised that any such eminent domain proceeding would be exempt from public hearing requirements under the Eminent Domain Procedure Law because the acquisitions are *de minimis* in nature and because the public interest would be endangered by any delay caused by the public hearing requirements. A resolution authorizing eminent domain for these purposes is attached hereto.

In addition, based on the foregoing, MTA Real Estate requests (and the attached resolution provides) authorization to enter into agreements with one or more long-stay residential hotels, and/or to offer housing stipends to tenants in lieu thereof, to accommodate the temporary relocation of tenants in the Subject Properties as described above.

BOARD RESOLUTION

WHEREAS, the MTA and the MTA Capital Construction Company (collectively, the "MTA") are engaged in the Second Avenue Subway construction project (the "Project"); and

WHEREAS, in the course of monitoring buildings that are adjacent to Project construction sites, the MTA and its contractors, in consultation with the New York City Department of Buildings, have determined that it is advisable to stabilize the building facades of five buildings located at 1821-23, 1825, 1827 and 1829 Second Avenue (Block 1540, Lots 24, 26, 27 and 28 respectively) located between 94th and 95th Streets, and to perform building stabilization work on the building located at 1873 Second Avenue (Block 1646, Lot 25), located near the corner of Second Avenue and 97th Street (collectively, the "Subject Properties"); and

WHEREAS, the part of the MTA's stabilization work will require the MTA to temporarily relocate some of the residential occupants of 1821-1829 2nd Ave. (16 apartments) and all of the residential and commercial occupants of 1873 2nd Avenue (12 apartments and 2 commercial establishments) for 30 days or longer in order to complete the required remediation; and

WHEREAS, MTA will endeavor to negotiate agreements with the affected property owners and occupants in the Subject Property to effectuate the required building stabilization work and temporary relocations, but if negotiations are unsuccessful the MTA will need to initiate condemnation proceedings under the Eminent Domain Procedure Law ("EDPL") to secure temporary easements to perform the stabilization work and temporarily relocate the affected occupants.

NOW THEREFORE, BE IT

RESOLVED that, pursuant to Section 1267 of the Public Authorities Law and the EDPL, the MTA is hereby authorized to proceed with the acquisition of temporary easements by negotiated agreement or eminent domain in the Subject Properties, or portions thereof, known as 1821-23, 1825, 1827 and 1829 Second Avenue (Block 1540, Lots 24, 26, 27 and 28 respectively) and 1873 Second Avenue (Block 1646, Lot 25). Such acquisitions, if effectuated through eminent domain, will be considered as exempt from a public hearing under the EDPL because the acquisitions are temporary and *de minimis* in nature and because the public interest would be endangered by any delay caused by the public hearing requirements.

RESOLVED that the MTA is hereby authorized to enter into agreements with one of more long-stay residential hotels, and/or to offer housing stipends to tenants in lieu thereof, to accommodate the temporary resolution of tenants in the Subject Properties as described above.

Staff Summary

Subject LICENSE AGREEMENT
Department REAL ESTATE
Department Head Name JEFFREY B. ROSEN
Department Head Signature
Project Manager Name ANITA JHAMB

Date APRIL 26, 2010
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref #

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance Committee	4/26/10	X		
2	Board	4/28/10	X		

Internal Approvals			
Order	Approval	Order	Approval
	Executive Director	1	Legal <i>[Signature]</i>
3	Chief of Staff <i>[Signature]</i>		
2	Dep Exec Dir of Admin. <i>[Signature]</i>		
	Civil Rights		

Narrative

AGENCY: MTA Metro-North Railroad ("Metro-North")
LICENSEE: Town of Ramapo (the "Town")
LOCATION: Piermont Branch, Rockland County, New York
ACTIVITY: Bike and pedestrian path
ACTION REQUESTED: Approval of terms
TERM: Twenty years (subject to termination on 60 days notice)
SPACE: Approximately 7,230 feet (1.37 miles) of the full width of the Piermont Branch right of way
COMPENSATION: One dollar, payment waived
COMMENTS:

The Town of Ramapo has requested a license to construct and operate a pedestrian/bicycle path along a currently inactive section of Metro-North's Piermont Branch. The proposed trail would consist of four sections of fifteen-foot-wide paved path within the larger right-of way extending from the NYS Thruway (I-287) eastward to West Central Avenue, a length of approximately 7,230 square feet.

The Town will be responsible for constructing the path, including all ancillary facilities such as storm drainage equipment, traffic control devices at road crossings and fencing, and will be responsible for maintaining the licensed area and all its improvements. Prior to construction, the Town will be required to remove the existing track, including any rail ties, and to mitigate any environmental conditions requiring mitigation. In addition, the Town will be required as needed to remove various physical encroachments along the right-of-way where the bike path is to be located. Metro-North will reserve the right to access the path area for operations or other corporate purposes, including any uses related to the Tappan Zee Bridge corridor project. MTA will not execute this license agreement unless all required environmental reviews are completed and any needed approvals received.

Based on the foregoing, MTA Real Estate requests authorization to enter into a license agreement with the Town of Ramapo on the above-described terms and conditions.

Staff Summary



Metropolitan Transportation Authority

Page 1 of 2

Subject NET SUBLEASE
Department REAL ESTATE
Department Head Name JEFFREY B. ROSEN
Department Head Signature
Project Manager Name BENSON GOODWYN

Date APRIL 26, 2010
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref #

Board Action					
Order	To	Date	Approval	Info	Other
1	CC/P/RE Committee	04/26/10	X		
2	Board	04/28/10	X		

Internal Approvals			
Order	Approval	Order	Approval
	Executive Director	1	Legal <i>GBA</i>
3	Chief of Staff <i>APC</i>		
2	Dep Exec Dir of Admin <i>JK</i>		
	Civil Rights		

Narrative

AGENCY: MTA Metro-North Railroad ("Metro-North")
LESSEE: Dover Station, LLC
LOCATION: 32 Market Street, Town of Dover, NY (Block 685460, Parcel No. p/o 7061-00-465460)
ACTIVITY: Long-term net sublease of property and improvements
ACTION REQUESTED: Approval of terms
TERM: To expire February 27, 2274, unless option to purchase is sooner exercised
SPACE: Former station building (approximately 1200 square feet on 0.8 acre of land)
COMPENSATION: Sixty thousand dollars (\$60,000), payable in full on lease execution
COMMENTS:

In order to divest itself of ongoing maintenance obligations and potential liabilities associated with the Dover Plains station building, which is no longer used or desired for customer service, Metro-North proposes to grant a long-term triple-net sublease to Dover Station, LLC. The station building was inherited by Metro-North when it took over the long-term lease pursuant to which Metro-North controls the right-of-way and station buildings of the Harlem and Hudson lines. This transaction would be structured as a sale if Metro-North owned the fee interest in the property. The subtenant will be entitled to purchase such fee interest for \$1 if Metro-North ever exercises its purchase option under such Harlem-Hudson lease.

The station building was formerly subleased to the Town of Dover, which in turn sub-subleased the space to a bagel shop. However, the bagel shop closed and the town ceased maintaining the building in 2008. Subsequently, the town's sublease was terminated and MTA Real Estate publicly offered the building for a long-term triple-net sublease, advertising in *The Poughkeepsie Journal* and the *Journal News*. Dover Station, LLC, which is controlled by the owner and operator of various local real estate holdings, was the only proposer to respond to the advertisement. Dover Station, LLC's bid, \$60,000, is below the appraised value of \$160,000. However, in valuing the triple-net subleasehold interest in the property, the appraiser did not take into consideration the deteriorated physical condition of the building. The building suffers from years of deferred maintenance and the cost of renovations will be impacted by the advanced age of the structure, which was constructed in 1851 and is eligible for listing on the National Register of Historic Places.

In 2004, Metro-North commissioned a report by an independent engineering firm that identified high-priority repairs that the building requires, including significant architectural, civil, plumbing, and structural repairs. In 2004, the estimated cost to complete these items was over \$590,000, and it is estimated that such cost would be up to 25% higher today.



FINANCE COMMITTEE MEETING

Dover Station, LLC (Cont'd)

COMMENTS: (Cont'd)

The proposed triple-net sublessee, which plans to renovate the building for commercial use, will be obligated under the proposed sublease to comply with historic preservation requirements to be administered by the New York State Historic Preservation Office, as well as with all other applicable codes. Accordingly, MTA Real Estate believes that the prospective cost of repairing the building should be deducted from the appraised value to determine the fair market value of the property, and that such fair market value therefore does not exceed the compensation that has been offered by Dover Plains, LLC.

Based on the foregoing, MTA Real Estate requests authorization to enter into a sublease with Dover Station, LLC on the above-noted terms and conditions.

Staff Summary



Metropolitan Transportation Authority

Page 1 of 1

Subject ASSIGNMENT OF EASEMENT
Department REAL ESTATE
Department Head Name JEFFREY B. ROSEN
Department Head Signature
Project Manager Name NEIL MASTROPIETRO

Date APRIL 26, 2010
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref #

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance Committee	04/26/10	X		
2	Board	04/28/10	X		

Internal Approvals			
Order	Approval	Order	Approval
	Executive Director	1	Legal <i>DBH</i>
3	Chief of Staff <i>APC</i>		
2	Dep Exec Dir of Admin <i>AK</i>		
	Civil Rights		

Narrative

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

GRANTEE: Cook Associates, LLC ("Cook")

LOCATION: Section 55.09, Block 1, Lots 8 and 9, Trinity Avenue, Cortlandt Manor, New York (the "Keon Site")

ACTIVITY: Easement for driveway to residential property

ACTION REQUESTED: Approval of terms

TERM: Permanent

SPACE: Approximately 10,618 square feet

COMPENSATION: \$24,500

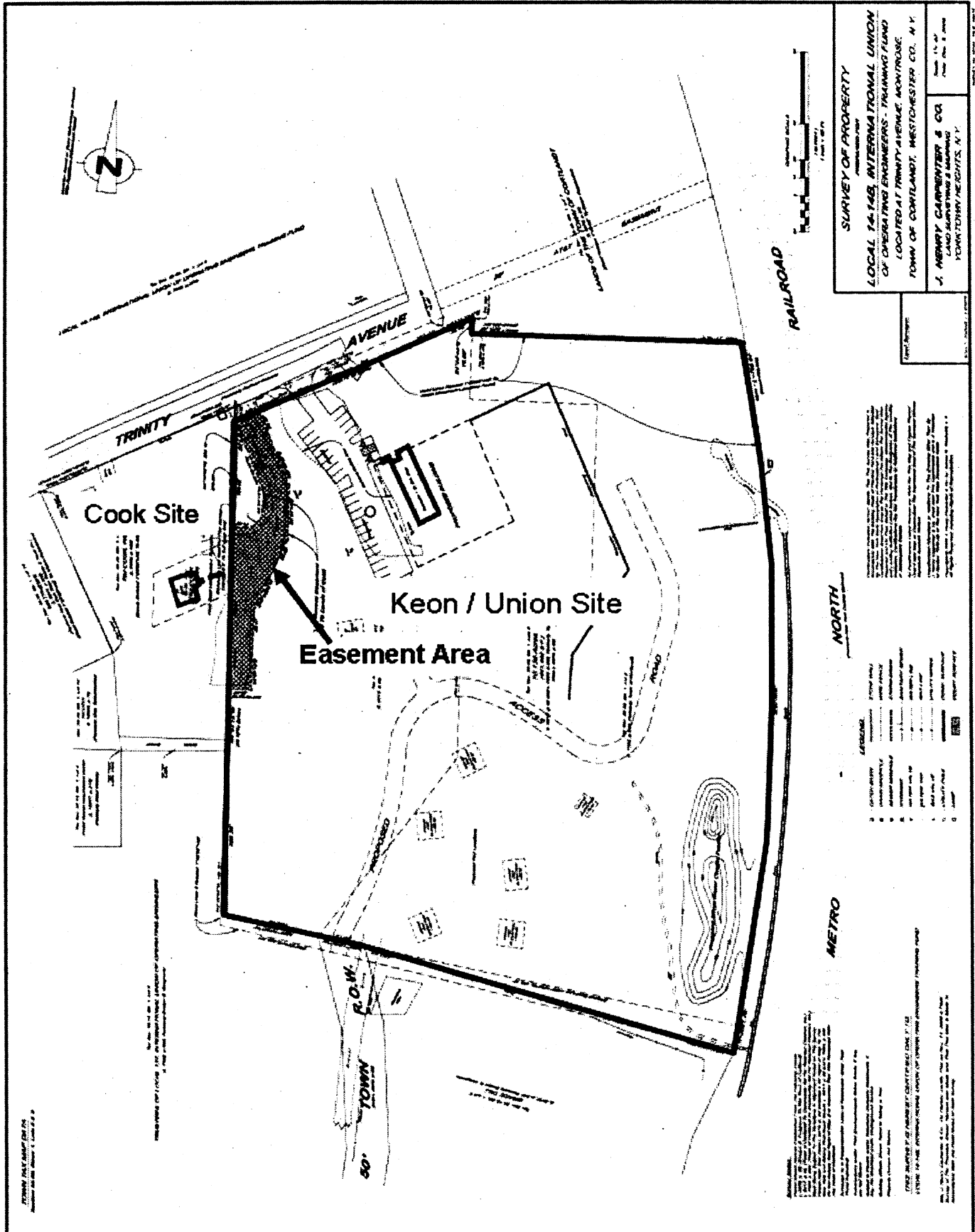
COMMENTS:

In support of Metro-North's Cortlandt Parking, Intermodal and Access Improvements Project, which entails the construction of new commuter parking on the west side of the Cortlandt train station, MTA Real Estate has acquired multiple property interests. Foremost among these is a parcel identified as Section 55.09, Block 1, Lot 6 (the "Union Site"). This parcel was owned by Local 14-14B of the International Union of Operating Engineers Training Fund (the "Union"), which used it to train heavy equipment operators. To induce the Union to vacate the Union Site, the MTA entered into a contract with an adjacent property owner, the Keon Center, to acquire the Keon Site, and subsequently assigned such contract to the Union, which then purchased the Keon Site and relocated its operations there.

A driveway of Cook, which is a property owner adjacent to the Keon Site, encroaches on the Keon Site. As contemplated by a previous Board approval, MTA Real Estate agreed to make the Union whole for this encroachment by purchasing an easement covering the encroachment area (the "Driveway Easement") from the Union for \$24,500.

MTA Real Estate has now arranged for the sale of the Driveway Easement to Cook for \$24,500. This sale will make the MTA whole financially, while transferring future maintenance obligations of the easement area to Cook. Although the easement is being conveyed for more than \$15,000, under Section 2897 of the Public Authorities Law it is permissible to dispose of the easement through direct negotiations because the estimated fair market value (as determined by appraisal) is below \$15,000.

Based on the foregoing, MTA Real Estate requests authorization to assign the Driveway Easement with Cook Associates, LLC on the above-described terms and conditions.



Staff Summary



Subject Provision of Wireless Cellular, WiFi & Safety Radio Network in Grand Central Terminal
Department MTA Metro-North Railroad/ MTA Real Estate
Department Head Name Randall J. Fleischer/MNR, Jeffrey B. Rosen/MTARE
Department Head Signature Metro-North MTA
Project Manager Name Steven Brusca/MNR, Clarethia Fennick/MTA RE

Date April 26th, 2010
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref #

Board Action					
Order	To	Date	Approval	Info	Other
1	Metro-North Committee	4/26	X		
3	MTA Board	4/28	X		
2	Finance	4/26	X		

Internal Approvals (MTA)			
Order	Approval	Order	Approval
		3	Civil Rights
	Chief of Staff	1	Legal
	Chief Op Officer	2	Dir of Real Estate
5	Dep Exec Dir of Admin	4	Office of Security

Internal Approvals (MNR)							
Order	Approval	Order	Approval	Order	Approval	Order	Approval
3	President		SVP Administration	1	General Counsel		
	Chief of Staff		VP Human Resources		VP Planning		
	Government Relations		Controller		Budgets		
	SVP operations		VP Finance & IT		Labor Relations		

AGENCY:	MTA Metro-North Railroad ("Metro-North")
PROPOSED LICENSEE:	A consortium of Cellco Partnership, a Delaware general partnership, and New York SMSA Limited Partnership, a Delaware limited partnership, each d/b/a Verizon Wireless (collectively "Verizon Wireless"), Sprint Spectrum L.P., a Delaware limited partnership, and Nextel Communications of the Mid-Atlantic, Inc., a Delaware corporation, each d/b/a Sprint Nextel ("Sprint Nextel"), New Cingular Wireless PCS, LLC, a Delaware limited liability company ("AT&T"), and T-Mobile Northeast LLC, a Delaware limited liability company ("T-Mobile") ("Proposed Licensee").
LOCATION:	Grand Central Terminal ("GCT"), GCT Trainshed ("Trainshed") and Park Avenue Tunnel ("PAT")
ACTIVITY:	Provision of commercial cellular and WiFi system ("Carrier Network") and MTA/Metro-North operations/security/safety radio communications network ("Metro-North Network").
ACTION REQUESTED:	Approval of Terms and Award of License Agreement to Proposed Licensee. Ratification of MOU with New York City Fire Department ("FDNY")
TERM:	Ten (10) year Initial Term with two five (5)Yr. Renewal Terms at the option of the Proposed Licensee
COMPENSATION:	<p><u>Total value of License Fees and In-Kind Capital Contribution Investment: \$24.3M (for 20 Yr. Term)</u></p> <p>I. <u>Total value of License Fees: \$4.3M (Estimated for 20 yr Term):</u></p> <p>Base License Fee: \$125,000 annually with 3% annual escalations</p> <p>Additional License Fee: 100% of WiFi revenues (net of a 15% management fee) with a \$25,000/year guaranteed minimum fee</p> <p>II. <u>Provision of In-Kind Capital Investments for MTA/Metro-North:</u></p> <p>Proposed Licensee to design, procure and construct in GCT, Trainshed and PAT at no cost to MTA the Metro-North Network and 48 strands of spare fiber optic cable and conduit to be used by Metro-North and MTA Police. Total value of \$20M.</p>



NARRATIVE

I. Purpose

To obtain MTA Board approval for Metropolitan Transportation Authority ("MTA"), acting by and through Metro-North, to enter into a License Agreement with Proposed Licensee to construct and operate a commercial cellular and WiFi system ("Carrier Network") in GCT, Trainshed and PAT and to construct, at no cost to Metro-North, an operations/security/safety radio communications network ("Metro-North Network") for the Railroad, MTA Police and participating emergency responders, such as FDNY. The Network would also include 48 strands of spare fiber optic cable and conduit for Metro-North and MTA PD future communications and signal needs. In addition, Board ratification is sought of an MOU with the FDNY containing terms and conditions for FDNY to connect into the Metro-North Network to facilitate improved FDNY communications in GCT, Trainshed and PAT.

II. Background

Currently, AT&T Wireless is the only commercial carrier with a cellular antenna system in GCT. This sole-carrier cellular network has limited capabilities, inconsistent coverage, dead spots, and no coverage in the PAT. AT&T pays annual rent to Metro-North of approximately \$117K. There is only very limited WiFi service in GCT. The objectives of the GCT Wireless Project are to:

- Expand customer access to all major cellular providers throughout GCT/Trainshed/PAT.
- Significantly improve GCT/Trainshed/PAT wireless access coverage.
- Deploy WiFi services in GCT and the Trainshed.
- Obtain, at no cost, a separate new stand alone Metro-North Network for use by Metro North, MTA PD and emergency responders. The Metro-North Network would replace, for MNR Maintenance of Way, GCT Station Master and MTA PD, an existing antiquated radio system that has gaps in GCT and no coverage in the PAT. The project is separate from communications with trains, which is functioning efficiently.
- Allow participation/use of the Metro-North Network by outside agencies (e.g. FDNY and NYPD) to connect their own equipment at their expense.
- Provide spare fiber optic cable and conduit for future Metro-North and MTA Police use.
- Generate increased revenues.

III. Discussion

In 2004, Metro-North with MTA Police developed a scope of work and requested MTA RE to issue a Request for Proposals ("RFP") for a licensee to design, install, operate and maintain a commercial cellular and WiFi network and to provide, at no cost to Metro-North, the Metro-North Network and 48 strands of fiber optic cable and conduit. To advance this Project, Metro-North's Business Development, Facilities & Marketing and MTA Real Estate organized an Executive Steering Committee and Technical Work Group comprised of key Metro-North Departments, MTA Legal, MTA PD, MTA Security Office, and MTA CC.

In response to the RFP, proposals were received from three entities: InSite Wireless, LLC; the team of Transit Wireless, LLC and Andrew Corporation; and the Proposed Licensee (the only team comprised of carriers), with Verizon Wireless as the lead, Nextel Communications, Cingular Wireless II LP and Sprint Spectrum, L.P. (T-Mobile Northeast LLC was added after the proposal submission). Each proposal package included a technical and a financial component.

The Selection Committee was composed of Metro-North and MTA representatives, complemented by outside expertise. Upon completion of its review of the proposals, the Selection Committee determined that all of the proposers' responses met the minimum requirements of the basic work required by the RFP and that the monetary offers were competitive. In addition to complying with the Metro-North Network requirement, proposers were asked to provide a best and final monetary (License Fee) offer. The Proposed Licensee's 10-year base term offer was \$ 1,926,964 (\$1,315,146 PV @ 7%); the offer from the team of Transit Wireless and Andrew Corporation was \$ 1,680,507 (\$1,164,232 PV @ 7%); and the offer from InSite Wireless was \$ 1,374,369 (\$905,977 PV @ 7%). These amounts do not include the value of the Metro-North Network and fiber to be provided to Metro-North and MTA Police under the RFP terms. For purposes of evaluation, the value of the Metro-North Network and Fiber was assumed to be identical for all proposers.

The proposal from the Proposed Licensee was deemed the best technically with the highest fees and comprehensive benefits to MTA/Metro-North. A separate deal valuation/peer review confirmed that the Proposed Licensee's proposal will provide maximum benefits to the MTA compared to other similar transportation facility projects.

Staff Summary

The Proposed Licensee was the only team directly comprised of major wireless carriers, rather than a neutral platform provider building a system, thereby eliminating future risks and delay to MTA due to the critical need to sign on carriers.

Based on independent feedback, reviews and professional expertise, it was concluded that the Proposed Licensee are among the most experienced firms in the country in the design, installation and management of successful wireless operations. The Proposed Licensee also demonstrated that it has sufficient financial capital and professional resources to undertake the proposed installations. The Selection Committee unanimously recommended award of the License to the Proposed Licensee. The terms of the License Agreement were negotiated with the Proposed Licensee by Metro-North, MTARE and MTA/Metro-North Legal, augmented by experts.

IV. Key Terms of the Business Agreement

The License Agreement with the Proposed Licensee contains the following key business terms:

1. The initial term is ten (10) years with two five (5) year extensions, electable at the option of the Proposed Licensee.
2. The fixed License Fee starts at \$125,000 a year, with 3% annual escalations during the base term. During each year of the optional first and second extensions, the License Fee is the product of 103% multiplied by the sum of the License Fee for the prior year plus an additional \$5,000. Any additional Proposed Licensees (new carriers joining the system) will pay an additional 25% of the then-escalated initial License Fee. The License Fee commences the earlier of Carrier Network being operational, or 36 months after Metro-North approves the final design.
3. The License Fee for the WiFi component will be 100% of the revenue derived from WiFi user fees, net of a 15% management fee to be retained by the Proposed Licensee, with a minimum guarantee to Metro-North of \$25,000 per year. It should be noted that the MTA currently has an RFP on the street on behalf of Metro-North and the Long Island Rail Road seeking proposals for WiFi service on trains and stations. The services to be provided by the Proposed Licensee will not preclude the implementation of WiFi services on Metro-North trains.
4. The Carrier Network will be designed and built at Proposed Licensee's expense, and will be comprised of:
 - Commercial Cellular System - An exclusive License for a multi-carrier system will permit Metro-North's customers in GCT, Trainshed and PAT to select any or all participating commercial wireless carriers and services. Additional carriers will also have a right to participate on a non-discriminatory basis.
 - WiFi - Wireless data system, which is an open network and grants a non-exclusive license for any provider signing on for provision for data services, including WiFi. Licensee will enter into separate agreements with wireless internet service providers to provide the WiFi services to the end users.
 - The Carrier Network is valued at approximately \$20.7M and will be paid for, installed, operated and maintained at the Proposed Licensee's expense.
5. The Metro-North Network will be built at the expense of the Proposed Licensee and will become the property of Metro-North upon completion and acceptance. This network is valued at \$16.5M. MNR will operate and maintain the Metro-North Network.
6. Forty eight (48) strands of fiber optic cable and spare conduit for Metro-North and MTA Police use will be provided at the expense of the Proposed Licensee and will also become the property of Metro-North upon completion and acceptance. The fiber and conduit, which has an estimated value of \$3.5M, supports Agency communications (MNR/MTAPD) and signals (MNR) future needs.
7. Upon execution of the License Agreement, the Proposed Licensee will solicit bids for the full final design and construction (design/build) of the project. The Carrier Network and Metro-North Network are expected to be constructed and fully operational three (3) years after the contractor is selected.
8. The Proposed Licensee plans simultaneous construction of the Carrier Network and the Metro-North Network, which will increase efficiencies and provide overall economies of scale for a project of this magnitude. Track outages will be limited and occur primarily on nights and weekends, minimizing operational impacts on Metro-North. The Proposed Licensee will

be responsible for the cost of any required Metro-North forces to support the project.

9. In the unlikely event that Metro-North requires that all or a portion of the Carrier Network be relocated, Metro-North will be responsible for 50% of the actual relocation cost of the Proposed Licensee, up to a cap equal to the original full cost of the Metro-North Network installation. Facility surveys and future plan reviews including East Side Access have been completed and no known conflicts were identified.

In the event that the Carrier Network cannot be relocated, Metro-North shall have the right to terminate the Proposed Licensee's right to occupy such portion of the licensed area and shall pay to the Proposed Licensee an early termination payment equal to the unamortized portion of the certified Carrier Network costs attributable to such terminated portion of the licensed area. If the termination relates to the entire licensed area or renders the entire Carrier Network inoperable, then Metro-North shall pay to the Proposed Licensee an early termination payment equal to the unamortized certified Carrier Network costs and the unamortized costs and expenses of the construction and installation of the Metro-North Network and Fiber.

V. Optional Network Enhancements

Outside emergency response agencies were approached to discuss their involvement, including the FDNY and the NYPD; both of which participated in the formative technical process. FDNY and NYPD will be granted entry licenses to enable them to connect their own equipment (located in GCT) into the system framework, if they elect to participate, at their expense.

FDNY MOU Terms and Entry License: MTA/Metro-North and FDNY have entered into a Memorandum of Understanding ("FDNY MOU"), the pertinent points of which are:

- The FDNY, at its expense, has requested that the Proposed Licensee shall design and obtain pricing for certain FDNY scope enhancements to the Metro-North Network.
- After the Proposed Licensee receives cost proposals from their contractors for the FDNY Network Enhancements, the FDNY will have a short period of time to decide whether to proceed.
- The FDNY (City of New York) will be responsible for all costs associated with the FDNY Metro-North Network Enhancements, if elected. Inclusion of these optional enhancements will not delay the project construction schedule.
- FDNY at its cost will provide and maintain its own radio equipment to connect to the Metro-North Network.
- Metro-North will maintain and operate Metro-North Network, including the FDNY enhancements, which ownership shall vest to MNR.
- FDNY shall be responsible for the cost of replacement, upgrade or modification of the FDNY equipment.

VI. Budget Impact

The project is estimated to provide MTA/Metro-North a total net value of **\$24.3M**, comprised of License Fees and In-Kind Capital Contribution Investment. The total value of License Fees for the Carrier Network is **\$4.3M** (estimated for full 20 year term, inclusive of options). The provision of the Metro-North Network/Fiber, at the expense of the Proposed Licensee, will allow MTA to avoid a large capital expense for such a critical system, serving both Metro-North and the MTA Police. The Metro-North Network/Fiber provides the MTA with a value/capital cost avoidance of an estimated **\$20M**.

VII. Recommendation

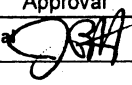
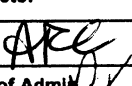

The MTA Board authorize the MTA Chief Executive Officer or MTA Director of Real Estate, acting singly, to (1) execute and deliver the License Agreement and any other agreements, contracts, licenses or other documents, including but not limited to the FDNY entry license, determined by either of them to be necessary or appropriate for the design, installation, operation and maintenance of the Carrier Network, Metro-North Network and 48 strands of spare fiber optic cable and conduit as described in this Staff Summary, and (2) to take steps necessary to implement the GCT Wireless Project. It is also recommended that the MTA Board ratify the MOU with FDNY.

Staff Summary

Subject LEASE AGREEMENT
Department REAL ESTATE
Department Head Name JEFFREY B. ROSEN
Department Head Signature
Project Manager Name NANCY MARSHALL

Date APRIL 26, 2010
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref #

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance Committee	4/26/10	X		
2	Board	4/28/10	X		

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

Narrative

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

LESSEE: KJM Holdings II LLC d/b/a Li-Lac Chocolates ("Li-Lac")

LOCATION: Retail Space MKT-24

ACTIVITY: The retail operation of a chocolatier selling high-quality tenant-produced artisanal chocolate that will complement the quality and unique nature of the Grand Central Market

ACTION REQUESTED: Approval of terms

TERM: Five years

SPACE: Approximately 225 sq. ft. of retail space

COMPENSATION:

Year	Annual	PSF	Breakpoint
1	\$90,000.00	\$400.00	\$600,000.00
2	\$92,700.00	\$412.00	\$618,000.00
3	\$95,481.00	\$424.36	\$636,540.00
4	\$98,345.43	\$437.09	\$655,363.20
5	\$101,295.79	\$450.20	\$675,305.28

Plus 10% of gross sales over breakpoint

MARKETING: \$10.00 per sq. ft. per year increasing annually by 3%

TRASH: \$9.00 per sq. ft. per year increasing annually by 5%

SECURITY: Three months minimum rent

INSURANCE: Standard

CONSTRUCTION PERIOD: Sixty (60) days

Staff Summary

FINANCE COMMITTEE MEETING

KJM Holdings II LLC d/b/a Li-Lac Chocolates (Cont'd)

COMMENTS: (Cont'd)

In response to a recent MTA request for proposals to sell high-quality chocolates at Retail Space MKT-24, Grand Central Terminal, five proposals were received. The proposals were received from Li-Lac; 5th Avenue Chocolatiere, Ltd. d/b/a 5th Avenue Chocolatiere; Charles Chocolates, Inc. d/b/a Charles Chocolates; Nunu Chocolates, LLC d/b/a Nunu Chocolates; and Vosges New York, LLC d/b/a Vosges.

Per the Guidelines for Selection of Tenants for Grand Central Terminal approved by the MTA Board in November 2009, the proposals received were independently evaluated by Williams Jackson Ewing and Jones Lang LaSalle, and subsequently evaluated by the Director of GCT Development. When evaluating the proposals, two evaluation criteria were taken into account. Selection Criterion A, which accounts for 70% of the score, is designed to evaluate the direct economic value of a proposal. Selection Criterion B, which accounts for 30% of the score, is the evaluator's determination of the indirect benefit to the MTA. The following chart outlines the manner in which these criteria were scored for each proposer:

Scoring	A	B	C	D	E	F	G	H	I	J
	Unadjusted Guaranteed Rent Amount*	Guaranteed Rent Adjustment Factor**	Adjusted Guaranteed Rent Amount (AxB)	Unadjusted Percentage Rent Amount	Percentage Rent Adjustment Factor***	Adjusted Percentage Rent Amount (D*E)	Adjusted Total Rent Amount (C+F)	Selection Criterion A**** (0-70)	Selection Criterion B Score (0-30)	Total Selection Criteria Score (H+I)
Li-Lac Chocolates	\$401,168.92	1	\$401,168.92	\$113,042.75	0.50	\$56,521.38	\$457,690.30	70.0	27	97
5th Avenue Chocolates	\$374,424.33	1	\$374,424.33	\$115,457.95	0.04	\$4,618.32	\$379,042.65	58.0	10	68
Charles Chocolates	\$312,087.77	1	\$312,087.77	\$123,143.70	0.16	\$19,702.99	\$331,790.76	50.8	15	65.8
Nunu Chocolates	\$305,891.30	1	\$305,891.30	\$45,523.16	0.50	\$22,761.58	\$328,652.88	50.3	20	70.3
Vosges	\$300,876.69	1	\$300,876.69	\$33,430.74	0.50	\$16,715.37	\$317,592.06	48.6	15	63.6

*Present value, calculated using 6% discount rate

**Guaranteed Rent Adjustment Factor: from 1.00 (no uncertainty about A) to as low as 0.50 (great uncertainty about A); however may be as low as 0 per guidelines

***Percentage Rent Adjust Factor: as high as 0.50 (no uncertainty about D) to as low as zero (great uncertainty about D).

****Selection Criterion A Score: 70 multiplied by the ratio of the Adjusted Total Rent Amount for the proposer to the highest Adjusted Total Rent Amount (from column G)

As indicated, the Unadjusted Guaranteed Rent Amount and the Total Selection Criteria Score were both higher for Li-Lac than for any of the remaining four proposers; consequently a selection committee was not convened. Moreover, the rent proposed by Li-Lac exceeded the estimated fair market rental value of the subject space, as determined by Williams Jackson Ewing.

Li-Lac has been operating in the subject space for the past ten years. Li-Lac is a New York-based brand specializing in high-quality chocolate products. Li-Lac has created a customer base at GCT and its continued operation in this space will complement other tenants in the Grand Central Market.

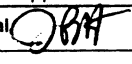
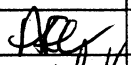

Based on the foregoing, MTA Real Estate requests authorization to enter into a lease agreement with Li-Lac on the above-described terms and conditions.

Staff Summary

Subject LICENSE AGREEMENT
Department REAL ESTATE
Department Head Name JEFFREY B. ROSEN
Department Head Signature
Project Manager Name NANCY MARSHALL

Date APRIL 26, 2010
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref #

Board Action					
Order	To	Date	Approval	Info	Other
1	CC/P/RE Committee	4/26/10	X		
2	Board	4/28/10	X		

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

Narrative

AGENCY: MTA Metro-North Railroad ("Metro-North")
LICENSOR: O & Co. New York, Inc. d/b/a O & Co.
LOCATION: Retail Space MC-32 and Storage Space LCS-6A
ACTIVITY: For the retail sale of high-quality condiments or specialty food items that will complement the quality and unique nature of the Grand Central Market
ACTION REQUESTED: Approval of terms
TERM: Ten (10) years
SPACE: Approximately 590 sq. ft. of retail space and approximately 120 sq. ft. of storage space
COMPENSATION:

Year	Annual	PSF	Breakpoint
1	\$162,250.00	\$275.00	\$1,250,000.00
2	\$167,117.50	\$283.25	\$1,287,500.00
3	\$172,131.03	\$291.75	\$1,326,125.00
4	\$177,294.96	\$300.50	\$1,365,908.75
5	\$182,613.80	\$309.51	\$1,406,886.01
6	\$188,092.22	\$318.80	\$1,449,092.59
7	\$193,734.99	\$328.36	\$1,492,565.37
8	\$199,547.03	\$338.22	\$1,537,342.33
9	\$205,533.45	\$348.36	\$1,583,462.60
10	\$211,699.45	\$358.81	\$1,630,966.48

Plus 8% of gross sales over breakpoint

STORAGE RENT: \$75.00 per sq. ft. per year increasing annually by 3%

MARKETING: \$10.00 per sq. ft. per year increasing annually by 3%

TRASH: \$6.00 per sq. ft. per year increasing annually by 5%

Staff Summary

FINANCE COMMITTEE MEETING

O & Co. New York, Inc. d/b/a O & Co. (Cont'd)

SECURITY: Three months minimum rent

INSURANCE: Standard

CONSTRUCTION PERIOD: Sixty (60) days

COMMENTS:

In response to a recent MTA Request for Proposals ("RFP") for Retail Space MC-32, Grand Central Terminal, three proposals were received to occupy the space. Proposals were received from O & C. New York, Inc. d/b/a O & Co. ("O & Co."), Sabatino & Co. 42nd Street d/b/a Sabatino & Co. ("Sabatino"), and Sopia, Inc. d/b/a Sabon ("Sabon").

Because the subject space is located at the entrance to the Grand Central Market, and in the interest of enhancing the MTA's revenue from such marketplace and in furtherance of the MTA's ongoing effort to attract more shoppers to the Graybar Passage by establishing a food-related theme there, the RFP stipulated that proposals must contemplate use of the subject space for either (a) the retail sale of high-quality condiments or specialty food items, or (b) the retail sale of high-quality kitchen goods or food related homeware/houseware items. Sabon proposed to sell bath and body products and thus did not satisfy said requirement. Consequently, in accordance with the Guidelines for Selection of Tenants for Grand Central terminal, Sabon's proposal was deemed not responsive and thus disqualified, even though the Unadjusted Guaranteed Rent Amount proposed by Sabon was somewhat higher than the Unadjusted Guaranteed Rent Amount proposed by the selected responsive bidder, O & Co. (\$1,349,726).

Per the Guidelines for Selection of Tenants for Grand Central Terminal approved by the MTA Board in November 2009, the proposals received were independently evaluated by Williams Jackson Ewing and Jones Lang LaSalle, and subsequently evaluated by the Director of GCT Development. When evaluating the proposals, two evaluation criteria were taken into account. Selection Criterion A, which accounts for 70% of the score, is designed to evaluate the direct economic benefit of a proposal to the MTA. Selection Criterion B, which accounts for 30% of the score, is the evaluator's determination of the indirect benefits to the MTA.

The following chart outlines the manner in which these criteria were scored for each responsive proposer:

Scoring	A	B	C	D	E	F	G	H	I	J
	Unadjusted Guaranteed Rent Amount*	Guaranteed Rent Adjustment Factor**	Adjusted Guaranteed Rent Amount (AxB)	Unadjusted Percentage Rent Amount	Percentage Rent Adjustment Factor***	Adjusted Percentage Rent Amount (D*E)	Adjusted Total Rent Amount (C+F)	Selection Criterion A**** (0-70)	Selection Criterion B Score (0-30)	Total Selection Criteria Score (H+I)
O & Co.	\$1,349,726.00	1	\$1,349,726.00	\$77,606.00	0.10	\$7,760.60	\$1,357,486.60	63.5	25	88.5
Sabatino & Co.	\$1,202,483.00	1	\$1,202,483.00	\$0.00	0.00	\$0.00	\$1,202,483.00	56.2	20	76.2

*Present value, calculated using 6% discount rate

**Guaranteed Rent Adjustment Factor: from 1.00 (no uncertainty about A) to as low as 0.50 (great uncertainty about A); however may be as low as 0 per guidelines

***Percentage Rent Adjust Factor: as high as 0.50 (no uncertainty about D) to as low as zero (great uncertainty about D).

****Selection Criterion A Score: 70 multiplied by the ratio of the Adjusted Total Rent Amount for the proposer to the highest Adjusted Total Rent Amount (from column G)

As indicated, the Unadjusted Guaranteed Rent Amount and the Total Selection Criteria Score were both higher for O & Co. than for Sabatino; therefore, a selection committee was not convened. The rent proposed by O & Co. exceeded the estimated fair market rental value of the subject space as determined by Williams Jackson Ewing.

Staff Summary

FINANCE COMMITTEE MEETING

O & Co. New York, Inc. d/b/a O & Co. (Cont'd)

O & Co. has been operating in the subject space for the past ten years. It is a well-known brand in Europe and the US, specializing in single estate, small production olive oils, vinegars, tapenades, vegetable spreads, cooking specialties, exclusive food products created by the company, olive oil-based cosmetics, and related accessories. O & Co. has created a customer base at Grand Central and its continued operation in this space will complement other tenants in the Terminal.

Based on the foregoing, MTA Real Estate requests authorization to enter into a lease agreement with O & Co. New York, Inc. 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 GEORGE MCDONALD

Date APRIL 26, 2010
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref #

Board Action					
Order	To	Date	Approval	Info	Other
1	CC/P/RE Committee	4/26/10	X		
2	Board	4/28/10	X		

Internal Approvals			
Order	Approval	Order	Approval
	Executive Director	1	Legal <i>QAH</i>
3	Chief of Staff <i>APC</i>		
2	Dep Exec Dir of Admin <i>AK</i>		
	Civil Rights		

Narrative

AGENCY: Long Island Rail Road ("LIRR")

LICENSEE: National Grid Corporate Services LLC, formerly known as "Keyspan" ("National Grid")

LOCATION: Two sites along LIRR's non-operating West Hempstead Branch ROW in Hempstead, NY for installation and maintenance of:

- 1) A groundwater treatment system running along approximately 385 linear feet in the vicinity of Franklin and Hilton Avenues; and
- 2) A soil remediation project between Wendell and Intersection Streets

ACTIVITY: Environmental remediation activities

ACTION REQUESTED: Approval of terms

TERM: Five years with two 5-year renewals with a 60-day termination provision

COMPENSATION: One-time payment of four thousand dollars (\$4,000.00)

COMMENTS:

The New York State Department of Environmental Conservation ("NYDEC") has ordered National Grid to conduct environmental remediation work on certain portions of LIRR's non-operating West Hempstead Branch due to contamination caused by a manufactured gas plant formerly operated by KeySpan on an adjacent site. National Grid has requested permission to implement the remediation work in two phases. Phase 1 (Groundwater Treatment System) is expected to commence in May 2010 and to remain in place for approximately five to fifteen years. Phase 2 (Soil Remediation Project), the plans for which are currently under review by NYDEC (with an anticipated approval date of July 2010), is expected to commence in August 2010 and to be completed within less than a year.

MTA Legal's environmental group has reviewed NYDEC's findings and the National Grid's work plans and has determined that no further environmental impact assessment is required at this time. Also, LIRR has reviewed the proposed plans and has no objection to the proposed installations.

FINANCE COMMITTEE MEETING

National Grid Corporate Services LLC (Cont'd)

COMMENTS: (Cont'd)

The proposed one-time fee would cover the administrative expenses for the processing of this agreement. In addition, National Grid would be responsible via force account charges for all costs incurred by LIRR in connection with the proposed remediation work.

Based on the foregoing, MTA Real Estate requests authorization to enter into a license agreement with National Grid 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 DORRIE MASSARIA ROBERTS

Date APRIL 26, 2010
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref #

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance Committee	4/26/10	X		
2	Board	4/28/10	X		

Internal Approvals			
Order	Approval	Order	Approval
	Executive Director	1	Legal <i>SGH</i>
3	Chief of Staff <i>ARC</i>		
2	Dep Exec Dir of Admin <i>AK</i>		
	Civil Rights		

Narrative

AGENCY: MTA Long Island Rail Road ("LIRR")

LICENSEE: SNBK, Corp.

LOCATION: Former Brentwood Station, Brentwood, New York

ACTIVITY: Restaurant

ACTION REQUESTED: Approval of terms

TERM: 10 years (subject to termination on 60 days notice)

SPACE: Approximately 8,930 square feet

COMPENSATION:	YEAR	ANNUAL COMPENSATION	% INCREASE
	1	\$2,500.00	
	2	\$2,575.00	3%
	3	\$2,652.25	3%
	4	\$2,731.82	3%
	5	\$2,813.78	3%
	6	\$2,898.20	3%
	7	\$2,985.15	3%
	8	\$3,074.71	3%
	9	\$3,166.96	3%
	10	\$3,261.97	3%

COMMENTS:

In response to a recent LIRR request for proposals, SNBK, Corp. was the lone proposer. The net present value of the compensation is \$18,013, based on a 9% discount rate.

FINANCE COMMITTEE MEETING

SNBK, Corp. (Cont'd)

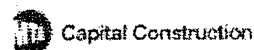
COMMENTS: (Cont'd)

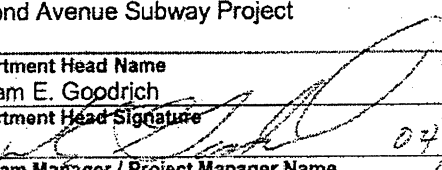
The subject property is the former Brentwood Station building and surrounding property, including the parking area. SNBK, Corp. will operate a restaurant at the site and be required to make approximately \$300,000 of improvements to both the building and property, including a new kitchen. The obligations of the licensee will be guaranteed by its principal, Mr. Santiago Reyes.

Although the license payments are minimal, LIRR wishes to enter into this license agreement in order to safeguard the building, which would otherwise be vacant, and to provide an amenity to its customers.

Based on the foregoing, MTA Real Estate requests authorization to enter into a license agreement with SNBK, Corp. on the above-described terms and conditions.



Staff Summary



Subject Design/Construction Review Services for 301 E. 69th Street (Block 1443, Lot 22)
Department Second Avenue Subway Project
Department Head Name William E. Goodrich
Department Head Signature  04/02/10
Program Manager / Project Manager Name Anil Parikh/Lin Nathan

Date April 2010
Vendor Name 301/69 Owner's Corp., MacArthur Properties, LLC and Alliance Parking Services LLC
Contract Number N/A
Contract Manager Name
Table of Contents Ref #

Board Action					
Order	To	Date	Approval	Info	Other
1	NYCT Committee				
2	MTA Board				

Internal Approvals			
Order	Approval	Order	Approval
	President MTACC		
	General Counsel		
	Chief Financial Officer		TJ 4/2/10
	Human Resources		

BACKGROUND:

The Second Avenue Subway (SAS) project will require permanent and temporary easements for entrances, ventilation facilities and other support functions to be built partially or entirely within privately owned buildings. As design has progressed for this project, it is evident that a number of facilities must be built in a cooperative effort with private property owners to minimize any potential impacts and consequential damages in the event of interruption of critical building utilities. Agreements will, therefore, be required with building owners to cover engineering services and construction. It is anticipated that MTACC will be coming to the Board for a number of these types of agreements for SAS as they are negotiated as design and construction proceeds.

PURPOSE:

To seek Board Authorization to enter into a design/construction review services agreement with the Owners of 301 East 69th Street for a not-to-exceed amount of \$785,000 to review the design and construction to make changes to 301 E. 69th Street which is needed to accommodate Entrance 1 at 72nd Street Station.

DISCUSSION:

SAS will be building Entrance 1 at 301 East 69th Street and 2nd Avenue. This entrance will impact one private building owned by 3 different entities. The work that must be done includes:

- Performing an existing conditions survey to inventory existing mechanical, electrical, plumbing and other building system elements located in or running through space to be acquired by MTA, including traces of lines into owner space to identify ownership, function and other information needed for relocation planning and provide existing conditions drawings to MTA for its design consultant.
- Review design drawings, specifications, calculations and shop drawings by MTA, its consultants and contractors, including but not limited to:
 - Strengthening and/or modifications of structural elements
 - Structural underpinning of three columns
 - Waterproofing details of sub-basement excavation
- Review design documents for MEP relocations and related work for the supplying or originating from 301 East 69th street Condo areas, including garage and retail spaces impacted by the SAS entrance, including:
 - Fire protection/sprinklers
 - Gas.

Staff Summary

- o Water supply.
- o Electric.
- o Telecommunications.
- o HVAC.
- o Plumbing
- o Architectural modifications to areas outside MTA space necessary as a result of MTA's work.
- o Relocate storm riser.

ALTERNATIVES:

The alternative is for the MTA to contract directly for this work without the benefit of input by the building owners and their consultants. This is not recommended because the work cannot be reasonably accomplished without the cooperation of the building owners.

FUNDING IMPACT:

The work will be funded from the MTA's 2005-2009 Capital Plan.

RECOMMENDATIONS:

MTA Board Approval of a design services agreement with 301/69 Condominium for a not-to-exceed amount of \$785,000 to review the design and construction for the required work.

Staff Summary

Item Number					
Dept & Dept Head Name: Law, V. Hakim <i>V. Hakim</i>					
Division and Division Head Name: Law, V. Hakim					
Board Reviews					
Order	To	Date	Approval	Info	Other
1	NYCT	4/26			
2	Board	4/28			
Internal Approvals					
Order	Approval	Order	Approval		
1 <i>W</i>	MTACC General Counsel	3	MTACC President <i>W</i>		
2 <i>AD</i>	MTACC CFO				

SUMMARY INFORMATION	
S3II Tunnel Constructors	Contract Number C-26503
Description Construction of Running Tunnels & Station Structures #7 (Flushing) Line Extension	
Total Amount \$534,462.50	
Contract Term 57 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: None <input type="checkbox"/> Operating <input checked="" type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:	

I. PURPOSE/RECOMMENDATION:

To request authorization from the MTA Board for a settlement agreement and related modifications for Contract C-26503, Construction of Running Tunnels & Station Structures for the #7 Line Extension, to S3II Tunnel Constructors, JV. The settlement includes the issues described in detail below for the agreed upon lump sum amount of \$534,462.50 with no change in the substantial completion date of September 12, 2012.

II. DISCUSSION:

This Contract (C-26503) provides for the construction of running tunnels and station structures for the No. 7 Line Extension project. The new tunnels will extend from the existing 7 Line Times Square Station and continue west under 41st Street and then south under 11th Avenue to 25th Street, with a new station structure at 34th Street and 11th Avenue. The construction includes shafts at Sites A (11th Avenue/26th Street), P (11th Avenue/34th Street) and K (11th Avenue/36th Street), underpinning of the existing 8th Avenue subway structure, and construction of facilities on the abandoned lower level of the 42nd Street station on the 8th Avenue Line. The project was designed by PB America.

The contractor is S3II Tunnel Constructors, JV (S3II). The construction is being administered in the field by the CCM team (Hill/LiRo/HDR, JV) and MTACC personnel. The contract has a 57 month duration with a substantial completion date of September 12, 2012. The construction is approximately 60 percent complete and is ahead of schedule.

Subject to Board approval, MTACC and S3II have reached agreement on the resolution of several open issues. The most significant issues included in the settlement involve resolution of several differing site condition claims, MTACC's consent to lower the tunnel alignment in an area of difficult ground conditions, S3II's assuming responsibility for completion of the tunnels at Site A (south end of line) where it claimed a differing site condition and S3II's agreement to tunnel alignment design modifications in the vicinity of the Port Authority Bus Terminal (PABT). The settlement also establishes earlier target completion dates for certain work than originally included in the contract so as to facilitate overall 7-Line Program schedule completion goals. The proposed settlement includes the resolution of all costs and time impacts associated with the following issues:

1. S3II's differing site condition claims at the Site A tail track area,
2. S3II's claim for additional work associated with the re-alignment of the CC2 tunnel near the PABT,
3. S3II's claim to a differing site condition for low rock cover at the Victory Building/10th Avenue area,
4. S3II's claim associated with the use of Stay in Place forms,
5. S3II's claim for additional work associated with 13 sets of amplifying drawings,
6. MTACC's credit in the amount of \$5,537.50 for the reduction in backfill grout strength for the TBM segments at the Victory Building area.

Staff Summary

7. Settlement of issues related to over excavation and the requirement to bring the excavation to within 18 inches of the "A" line,
8. Settlement of issues related to the location of the waterproofing water barrier with respect to the construction joints,
9. Addition of target completion dates for areas of work needed to initiate follow-on construction to support the 7-Line program schedule,
1. In consideration for the settlement of the above issues, MTACC will pay S3II the amount of \$540,000 to resolve and release MTACC from further liability associated with these claims, and also permit S3II to occupy a work area near the intersection of 41st Street and Tenth Avenue, until July 31, 2010.

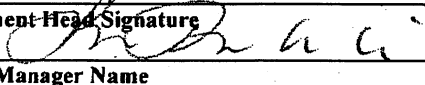
MTACC has evaluated its financial exposure to the issues included in the settlement and believes it is a good business decision in the agency's best interest to enter this settlement because MTACC's geotechnical experts have advised that the independent Disputes Resolution Board hired to resolve disputes on this Contract may likely support the Contractor's Differing Site Condition claim which has a potential financial exposure greater than the agreed to settlement.


MTACC is in discussions with the designer as to the merits of an claim for error or omission relating to the need to re-align the tunnels at the PA bus terminal.

The Substantial Completion date of September 12, 2012 is unchanged as a result of this settlement.

III. ALTERNATIVES:

This is MTACC's most advantageous alternative as it will provide a favorable settlement of several issues, and thus more certainty with regard to the final C-26503 cost and schedule, including the Contractor's agreement to complete these issues without delay to the Schedule. The Contractor also agreed to include Target Completion dates for certain aspects of the work so as to provide timely access to the follow-on contractors.

Subject Request for Authorization to Award Various Procurements					
Department Materiel					
Department Head Name Stephen M. Plochochi					
Department Head Signature 					
Project Manager Name Rose Davis					
Board Action					
Order	To	Date	Approval	Info	Other
1	Committee	4/26/10			
2	Board	4/28/10			

April 7, 2010			
Vendor Name			
Contract Number			
Contract Manager Name			
Table of Contents Ref #			
Internal Approvals			
	Approval		Approval
	President	X	Capital Construction Co.
	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:

<u>Schedules Requiring Majority Vote</u>		<u># of Actions</u>	<u>\$ Amount</u>
Schedule H:	Modifications to Personal/Miscellaneous Service Contracts	1	\$ 10.4 M
	• Dental Pay Plus d/b/a The Dental Shop		\$ 10.4 M
SUBTOTAL		1	\$ 10.4 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 C: Competitive Requests for Proposals (Award of Purchase and Public Work Contracts)	1	\$ 87.1 M

Schedules Requiring Majority Vote

	<u># of Actions</u>	<u>\$ Amount</u>
Schedule F: Personal Service Contracts	1	\$ 3.3 M
Schedule H: Modifications to Personal/Miscellaneous Service Contracts	1	\$ 43.3 M
Schedule I: Modifications to Purchase and Public Works Contracts	1	\$.5 M
Schedule L: Budget Adjustments to Estimated Quantity Contracts	1	\$ 3.3 M
SUBTOTAL	5	\$ 137.5 M

NYC Transit proposes to award Ratifications in the following categories:

Schedules Requiring Majority Vote:

Schedule K: Ratification of Completed Procurement Actions	1	\$ 1.3 M
SUBTOTAL	1	\$ 1.3 M
TOTAL	7	\$ 149.2 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, 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.

APRIL 2010

LIST OF NON-COMPETITIVE PROCUREMENTS FOR BOARD APPROVAL

Procurements Requiring Majority Vote:

Page

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

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

- | | | | |
|---|-------------------------------|--------------------------------------|-----------|
| 1. Dental Pay Plus, Inc. d/b/a
The Dental Shop
Contract #08E9879.3 | \$10,400,000.00 (Est.) | <u>Staff Summary Attached</u> | 62 |
|---|-------------------------------|--------------------------------------|-----------|
- Modification to the contract for third party Dental Administrative Services.

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

Item Number: 1

Vendor Name (& Location)	
Dental Pay Plus, Inc. d/b/a The Dental Shop (Amherst, NY)	
Description	
Dental Administration Services	
Contract Term (including Options, if any)	
May 15, 2008 – May 14, 2010	
Option(s) included in Total Amount? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> n/a	
Procurement Type	<input type="checkbox"/> Competitive <input checked="" type="checkbox"/> Non-competitive
Solicitation Type	<input type="checkbox"/> RFP <input type="checkbox"/> Bid <input checked="" type="checkbox"/> Other: Modification
Funding Source	
<input 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 Administration, Judith Pierce	

Contract Number	AWO/Modification #
08E9879	3
Original Amount:	
	\$ 5,200,000.00
Prior Modifications:	
	\$ 5,200,000.00
Prior Budgetary Increases:	
	\$ 0
Current Amount:	
	\$ 10,400,000.00
This Request:	
	\$ 10,400,000.00 (Est.)
% of This Request to Current Amount:	
	100%
% of Modifications (including This Request) to Original Amount:	
	300%

Discussion:

This modification will extend the contract for 12 months from May 15, 2010 – May 14, 2011 for \$5.2 million, with an option for an additional 12 month extension for an additional \$5.2 million. This contract provides for third party dental administrative services. As part of their collective bargaining agreement, the Transport Workers Union (TWU) Locals 100, the Subway Surface Supervisors Association, the Transit Supervisors Organization and MTA Bus employees are entitled to receive dental benefits. NYC Transit currently administers various dental plans for these employees where NYC Transit either is directly responsible for the payment of claims adjudicated by the dental providers (self insured) or for the payment of premiums for each employee (fully insured). Since 1993, American Dental Center, a fully insured plan, and American Medical & Life Insurance Company (AMLI), a self insured plan, have been the two dental plans offered to designated groups of employees. In January 2007, AMLI began outsourcing the third party dental administrative services to The Dental Shop and on February 12, 2008, AMLI submitted a 90-day termination notice to NYC Transit stating that AMLI made a business decision to discontinue all administrative services for all of its customers, including NYC Transit. Due to the 90-day timeframe to find a replacement dental administrator, NYC Transit negotiated directly with The Dental Shop, since it has been performing these services satisfactorily since January 2007, as a subcontractor to AMLI. After receiving Board approval, NYC Transit awarded a one year miscellaneous service contract effective May 15, 2008 with an option to extend for up to twelve additional months to The Dental Shop, which will expire on May 14, 2010. To avoid a break in service due to delays incurred in soliciting for new dental plans, a one year extension to the contract with The Dental Shop with an option to extend for up to an additional 12 months is required. During the term of this contract, in order to solicit competition to obtain dental services, NYC Transit issued a competitive Request for Proposal (RFP) in August 2008. The RFP yielded 12 proposals. However, this RFP was put on hold in December 2008 to await the results of the arbitration of the collective bargaining agreement with TWU Local 100, and to retain the services of benefits consultants to review the dental plans and their cost structures, to accurately evaluate the price proposals, and to develop comprehensive action plans to replace all of the existing dental plans. Three benefits consulting contracts were awarded during the period September 2009 through December 2009. NYC Transit's Administration Department is currently reviewing strategies with the benefits consultants and senior management on how to compete for new dental and major medical plans. At the present time, The Dental Shop has approximately 20,809 members and 28,343 dependents enrolled in their dental plan. For this extension and option, The Dental Shop agreed to maintain the same administrative fee of \$1.25 per enrolled member per month established in 2009. The Dental Shop only charges an administrative fee for the members and not their dependents. In 2009, The Dental Shop reviewed 48,404 claims or approximately 4,033 claims per month. The administrative fees are paid to The Dental Shop and the remainder of the monies allocated to the contract will be used to reimburse the dental providers based on a fixed reimbursement schedule established in 1993. The monthly administrative fee of \$1.25 per member for the one year extension and one year option period represents approximately .75% annual escalation in comparison to the administrative fee of \$1.10 per member established in 1993. The U.S. Department of Labor, Bureau of Labor Statistics shows an increase of approximately 2% for insurance carriers and related activities since 2009 when the monthly \$1.25 fee went into effect on May 15, 2009. Based on the above, The Dental Shop's administrative fee and dental provider reimbursement schedule for the extension are deemed fair and reasonable. Using the average expenditures from 2007 through 2009 of \$4,973,501 for administration cost and dental provider reimbursements as a benchmark, HR budgeted \$5,200,000 for the one year extension and an additional \$5,200,000 for the option period for a total of \$10,400,000. Based on the current member population, the projected annual expenditure for the administrative cost will be approximately \$312,135 or 6% and dental provider reimbursements will be approximately \$4,887,865 or 94%.

APRIL 2010

LIST OF COMPETITIVE PROCUREMENTS FOR BOARD APPROVAL

Procurements Requiring Two-Thirds Vote:

Page

C. Competitive Requests for Proposals (Award of Purchase and Public Work Contracts)
(Staff Summaries required for items requiring Board approval.)

- | | | | |
|----|--|--|-----|
| 1. | Kawasaki Rail Car, Inc.
Contract #R-34188
Forty-month contract, with 30-month option
Purchase of 23 A-Division CBTC-ready Subway Cars and Conversion to CBTC-ready of 10 R142A Cars. | \$87,094,272.00

<i><u>Staff Summary Attached</u></i> | 64a |
|----|--|--|-----|

Procurements Requiring Majority Vote:

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

- | | | | |
|----|--|--|----|
| 2. | The Louis Berger Group, Inc.
Contract #CM-1403
Three-year contract with 24-month option
Multi-Agency Consultant contract for IQ Risk Assessment. | \$3,300,000.00 (Est.)

<i><u>Staff Summary Attached</u></i> | 65 |
|----|--|--|----|

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

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

- | | | | |
|----|---|---|----|
| 3. | Unisys Corporation
Contract #03A8602-2.65
Modification to the contract for desktop support services, in order to exercise a two-year option and to extend the contract term for an additional one year. | \$43,264,350.00 (Est.)

<i><u>Staff Summary Attached</u></i> | 67 |
|----|---|---|----|

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.)

- | | | | |
|----|---|---|----|
| 4. | Judlau Contracting, Inc.
Contract #C-34763.3
Modification to the contract for the rehabilitation of the Culver Line Viaduct, in order to perform track bed remediation for low vibration track. | \$509,599.00

<i><u>Staff Summary Attached</u></i> | 68 |
|----|---|---|----|

APRIL 2010

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.)

5. Breaking Solutions	Original Amount:	\$ 1,667,405
Contract #08B9837	Prior Modifications:	\$ 0
Oct. 23, 2008 – Oct. 22, 2011	Prior Budgetary Increases:	\$ 0
	Current Amount:	\$ 1,667,405
	This Request:	\$ 3,276,148
	% of This Request to Current Amount:	196.5%
	% of Modifications (including This Request) to Original Amount:	196.5%

Discussion

This contract provides for rental of Brokk concrete breaking machines with operators and oilers in support of NYC Transit's Track Operations capital reimbursable Subway Track Replacement Program. The utilization of these specialized hydraulic chipping machines, which accelerate the concrete breaking operation, began approximately thirteen years ago and has resulted in increased overall productivity of the Track forces. The Brokk machine breaks up approximately 8 to 10 feet of track bed per hour compared to the prior manual method using smaller scale pneumatic equipment which only breaks up approximately 8 to 10 feet per eight hour shift. Additional funds are needed for the following reasons. During the term of this contract Track generally encountered much harder concrete than previously experienced, which required a greater utilization of these machines than previously anticipated. Additionally, a reduction in the duration of General Orders (GOs) has been experienced during the contract term in an attempt to reduce the disruption of subway service to the riding public. This has resulted in increased utilization of the Brokk machines to compensate for the reduced time permitted to perform Track's scheduled work. Subsequently, funding for the contract was exhausted prematurely in December 2009. Track has performed an analysis of its needs to retain this service until the end of the contract term and determined that an additional \$3,276,148 will be required to meet all its needs. Due to the significant dollar increase, Procurement requested a price concession. Breaking Solutions offered a 2% discount for payment within 10 days. When the contract was originally awarded, Breaking Solutions's bid price was approximately \$1 million less than that of the second low bidder.

Staff Summary

Item Number 1					
Division & Division Head Name: Acting VP Materiel, Stephen M. Plochoch					
Division Head Signature & Date					
					
Board Reviews					
Order	To	Date	Approval	Info	Other
Internal Approvals					
Order	Approval	Order	Approval		
1	Materiel	5	President		
2	X Law				
3	X Subways				
4	X Civil Rights				

SUMMARY INFORMATION	
Vendor Name Kawasaki Rail Car, Inc	Contract Number R-34188
Description Purchase of 23 A Division CBTC-ready Subway Cars and Conversion of 10 R142A Cars to be CBTC-ready	
Total Amount \$87,094,272	
Contract Term (Including Options, if any) 40 months with 30-month option	
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:	

PURPOSE/RECOMMENDATION:

It is requested that the Board determine that competitive bidding is impractical or inappropriate and that it is in the public's interest to use the competitive Request for Proposal process, pursuant to subdivision 9(g) of Section 1209 of the Public Authorities Law, for the purchase of 23 new Communication Based Train Control-Ready (CBTC-ready) A-Division subway cars and conversion of 10 NYC Transit R142A cars to be CBTC-ready and approve a negotiated contract to Kawasaki Rail Car, Inc. (Kawasaki) for the purchase of 23 new CBTC-ready A-Division subway cars and conversion of 10 NYC Transit R142A cars to be CBTC-ready in the amount of \$87,094,272. This contract contains an option to be exercised at a later date for the purchase of 123 new CBTC-ready A-Division subway cars and conversion of 350 NYC Transit R142A cars to be CBTC-ready.

DISCUSSION:

The MTA 2005-2009 Capital Program includes the purchase of 23 new CBTC-ready A-Division subway cars and conversion of 10 R142A cars (one ten-car train) to be CBTC-ready for use on the Flushing Line. The car-borne and wayside CBTC equipment supply and installation will be provided under a separate contract also part of the MTA 2005-2009 Capital Program. This is in accordance with NYC Transit's plan to automate the Flushing Line signaling system to CBTC.

The new 23 cars (scheduled for delivery in the 4th quarter of 2012) will make two new eleven-car trains (22 cars) and the 23rd car will be inserted within the 10 converted R142A cars (scheduled for conversion in the 4th quarter of 2011) to make an eleven-car converted train. The Flushing Line runs eleven-car trains; therefore, a new single car will be inserted within the converted R142A ten-car train to make it an eleven-car train. The two new trains and one converted train will be prototype trains that will be used for acceptance testing of the trains and the CBTC system. This contract includes an option for the purchase of 123 new CBTC-ready cars and conversion of 350 R142A cars (35 ten-car trains) to be CBTC-ready, where 88 of the new cars will make eight new eleven-car trains and the remaining 35 single cars will be inserted within the 35 converted R142A ten-car trains to make 35 eleven-car converted trains. Deliveries of 88 of the new option cars (eight eleven-car trains) are scheduled to take place during the 4th quarter of 2013 through the 2nd quarter of 2014. Conversion of the 350 R142A cars along with the deliveries of the remaining 35 new option single cars, for insertion within the converted cars, are scheduled to take place during the 1st quarter of 2014 through the 4th quarter of 2015. Conversion of the 10 R142A cars under the base contract will be performed by Kawasaki at its Yonkers facility. However, conversion of the 350 R142A option cars will be performed by both Kawasaki and NYC Transit personnel. Kawasaki will convert the cab cars (A cars) at its Yonkers facility and the non-cab cars (B cars) will be converted jointly by Kawasaki and NYC Transit personnel at NYC Transit's 207th Street Overhaul Shop. The net result of the base contract and the option will be a total of 46 CBTC-ready eleven-car trains (10 new trains and 36 converted trains) for service on the Flushing Line.

In June 2008, NYC Transit issued a Request for Proposal (RFP) which invited carbuilders to submit proposals for a single award for the purchase of 23 new cars and conversion of 10 R142 or R142A cars with an option for the purchase of 163 new cars (which was later reduced to 123) and conversion of 310 R142 or R142A cars (which was later increased to 350). Because the resulting Flushing Line fleet would have consisted of new cars and existing R142 or R142A cars, the RFP called for the design of the new cars to be based on the selected car class (either R142 or R142A) and for the maximization of commonality of systems and parts with the

Staff Summary

selected car class in order to ensure, to the greatest extent possible, a homogeneous fleet. The R142 and R142A cars are NYC Transit's newest A-Division cars, NYC Transit's only A-Division new technology cars and are consequently the only candidates for conversion to CBTC-ready. Therefore the RFP included a threshold requirement that only carbuilders that have built the R142 or R142A cars would be eligible to participate in this RFP. The R142 cars were built by Bombardier Transportation and the R142A cars were built by Kawasaki. Cars to be converted will be transferred to the Flushing Line and the existing Flushing Line (R62A) cars will be transferred to replace the converted cars.

Prior to the proposal due date, Bombardier informed NYC Transit of its decision not to submit a proposal, citing as one of its reasons the small size order with a large requirement for engineering resources. A single proposal in the amount of \$117,942,940 for the base contract and \$492,070,690 for the option was received from Kawasaki on 2/17/09. The selection committee reviewed the proposal in accordance with the evaluation criteria, which included overall technical qualification, overall project cost and value, New York State content and other relevant matters, and recommended proceeding with negotiations with the single proposer. The proposal included various technical issues and requested waivers of various testing requirements which warranted the need for extensive technical dialogue between Kawasaki and NYC Transit. Kawasaki conducted an oral presentation on 3/23/09 and a series of technical exchanges took place between Kawasaki and NYC Transit which lasted through 9/15/09.

A revised proposal in the amount of \$120,720,710 for the base contract and \$452,083,459 for the option was received from Kawasaki on 9/25/09, which was based on the technical exchanges that took place between Kawasaki and NYC Transit and reflected the change to the option quantities from 163 to 123 new cars and 310 to 350 converted cars. Kawasaki was requested to submit cost data for review by MTA Audit. A series of meetings and negotiations with Kawasaki took place in order to settle additional technical issues and further reduce pricing. Negotiations concentrated on pursuing significant unilateral price concessions from Kawasaki and entailed bringing in Kawasaki's major suppliers to explain technical and cost elements in an effort to achieve maximum price reductions. Negotiations were concluded on 2/23/10 resulting in a final price of \$87,094,272 for the base and \$384,315,168 for the option, having New York State content of 27% for the base and 30% for the option. The negotiations produced a combined savings for the base and option of \$101,394,729 when compared to the 9/25/09 revised proposal. The Selection Committee reviewed the final offer and recommended Kawasaki for award.

Kawasaki's final offer of \$87,094,272 for the base contract is \$37,410,088 or 29.8% below the revised in-house estimate and \$3,903,886 or 4.3% below the negotiation objective developed by NYCT Transit's Cost/Price Unit, which was based on a price recommendation provided by MTA Audit. Kawasaki's option price of \$384,315,168 is \$13,714,343 or 3.4% below the in-house estimate and \$7,501,629 or 1.9% below the negotiation objective. Notwithstanding the date the option is exercised, the option prices will be escalated based on a formula, utilizing applicable industrial indices, from the award date of the base contract to seven months prior to the scheduled delivery of the last car under the base contract. Based upon the aforementioned, Kawasaki's price was determined to be fair and reasonable. Kawasaki is a qualified carbuilder of NYC Transit subway cars and is the carbuilder of various NYC Transit subway car classes that continue to perform satisfactorily. A background search and review of the documents submitted by Kawasaki disclosed no significant adverse information within the meaning of the Responsibility Guidelines.

MBE/WBE:

Goals of 10% MBE and 10% WBE were assigned to this contract. Kawasaki has committed to complying with the MBE/WBE goals as stipulated or establishing a good faith effort satisfactory to the MTA Department of Diversity and Civil Rights.

CAPITAL PROGRAM REPORTING:

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

IMPACT ON FUNDING:

This contract will be funded with 100% MTA funds. A budget of \$75,869,200 is available under Planning Number CM09-6733, MTA Project ID T50101/01 and PSE Number R-34188 for the Purchase of 23 A-Division Railcars. The balance of the funds will be made available by the 2009 deferrals identified in the 2010-2014 Capital Program resubmission. A WAR certificate will be requested and the contract will not be executed until a WAR Certificate has been issued and the 30-day post Board approval waiting period for award as cited in PAL1209 has been exhausted. The option is included in the 2010-2014 Capital Program proposal.

ALTERNATIVES:

Not to purchase CBTC-ready cars or convert existing cars to be CBTC-ready. NYC Transit A-Division CBTC-ready cars are needed to run on the Flushing Line, which will be equipped with a CBTC signal system through a separate contract.

Staff Summary



New York City Transit

Page 1 of 2

Item Number 1					
Division & Division Head Name: Acting VP Materiel, Stephen M. Plochochi					
Division Head Signature & Date <i>[Signature]</i>					
Board Reviews					
Order	To	Date	Approval	Info	Other
Internal Approvals					
Order	Approval	Order	Approval		
1	Materiel <i>WD</i>	5	EVP <i>MB</i>		
2 X	Law	6	President <i>JP</i>		
3 X	Budget	7			
4 X	CPM	8			

SUMMARY INFORMATION	
Vendor Names	Contract Number
The Louis Berger Group, Inc.	CM-1403
Description	
IQ Risk Assessment Consultant Services	
Total Amount	
\$3,300,000 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 (MNR) procurement for one Indefinite Quantity contract for Risk Assessment Consultant Services to The Louis Berger Group, Inc (LBG). This Contract joins the two IQ Risk Assessment Consultant Contracts approved by the December 2009 MTA Board. LBG will be awarded a 36-month base contract for an estimated \$2 million with an Option for 24 months, estimated at \$1.3 million. The Option will be exercised upon approval by the NYCT Assistant Chief Procurement Officer. There is an overall budget of \$4.2 million in task orders to be divided among these three contracts.

II. DISCUSSION

As presented to the December 2009 MTA Board, NYCT and MNR have been seeking to retain the services of three 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. During the original solicitation, the BSC identified three agencies as potential candidates for a joint procurement. Two agencies declined; one due to funding issues and the other declined as a review of their five year plan did not identify any large scale construction projects requiring risk assessments. The third agency, MNR, decided to partner with NYCT on this procurement. NYCT/MNR will utilize three awards to avert any potential conflicts of interest stemming from a Consultant performing a risk assessment for a project on which they are also proposing to perform design or construction management.

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. 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, prepare a final presentation and update prior risk assessments if necessary.

Two Consultants, ARCADIS of NY, Inc. and Henningson, Durham & Richardson, Architecture and Engineering, PC (HDR), were approved for award by the December 2009 MTA Board and will provide these services under Contracts CM-1396 and CM-1397, respectively. Along with ARCADIS and HDR, Louis Berger would be responsible for providing all staff and materials necessary to conduct a comprehensive risk assessment process. Consultant services will be utilized on an individual Task Order (TO) basis. NYCT's budget for the base contracts is \$4,000,000; MNR's budget is \$200,000. TOs typically range between \$50,000 and \$70,000.

Generally, Consultants will be selected for TOs on a rotation basis unless there are overriding reasons not to do so. The Project Manager may submit the Scope of Work to multiple consultants to obtain competitive proposals. If the TO should exceed \$100,000,

Staff Summary

the designated Procurement Representative will issue the TO request for proposal and will be the sole point of contact until the TO is executed.

LBG was recommended for award by the Selection Committee, negotiations were conducted and their Best and Final Offer (BAFO) was found Fair and Reasonable by NYCT and MNR. However, LBG was not recommended to the MTA Board at that time due to the fact that the firm had disclosed information that could be considered Significant Adverse Information (SAI) within the meaning of the All Agency Responsibility Guidelines. Following a hearing and a review of the relevant information, NYCT and MNR determined that LBG was a responsible proposer for this contract, notwithstanding the existence of significant adverse information.

As described in greater detail for the December Board, fourteen submissions were received in response to NYCT's Step 1 advertisements. The Selection Committee recommended six firms to receive the RFP. In Step 2, the six short-listed firms submitted technical proposals and provided 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.

Following negotiations, LBG's Best and Final Offer (BAFO) for the base contract was the lowest of the four Consultants by 5%. CPM, Procurement and MNR have determined the BAFO to be "Fair and Reasonable" based on an analysis of the initial and revised cost proposals and the competitive nature of the RFP.

LBG currently performs complex Risk Analysis for the World Trade Center reconstruction for the PANYNJ. For this contract, the firm proposed an experienced team that demonstrated an impressive understanding of the risk assessment process. References checked were satisfactory.

III. M/WBE INFORMATION

The MTA Office of Civil Rights has established 0% 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 H: Modifications to Personal & Miscellaneous Service Contracts  **New York City Transit**

Item Number: **2**

Vendor Name (& Location) Unisys Corp. (Blue Bell, PA)	
Description Desktop Support Services	
Contract Term (including Options, if any) June 1, 2005 – May 31, 2010	
Option(s) included in Total Amount? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> n/a	
Procurement Type <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Non-competitive	
Solicitation Type <input type="checkbox"/> RFP <input type="checkbox"/> Bid <input checked="" type="checkbox"/> Other: Modification	
Funding Source <input checked="" type="checkbox"/> Operating <input type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:	
Requesting Dept/Div & Dept/Div Head Name: Technology and Information Services, Sidney Gellineau	

Contract Number 03A8602-2	ASWO/Modification # 65
Original Amount:	\$ 105,223,750.00
Prior Modifications:	\$ 7,209,885.00
Prior Budgetary Increases:	\$ 0
Current Amount:	\$ 112,433,635.00
This request	\$ 43,264,350.00 (Est.)
% of This Request to Current Amount:	38.5%
% of Modifications (including This Request) to Original Amount:	47.9%

Discussion:

Under the terms of this contract, Unisys provides a wide variety of desktop support services to NYC Transit and procures desktop PC hardware and software on a pass-through basis. The pass-through purchases included in the requested amount are approximately \$22.8 million, while approximately \$20.5 million is for services provided by Unisys. The contract includes a two-year option with established pricing. This modification is to exercise the two-year option and to extend for one additional year for a total of three years (i.e., June 1, 2010 – May 31, 2013), with negotiated price reductions and scope reductions that are expected to generate approximately \$5.5 million in savings for the MTA over the three year period. NYC Transit had concerns regarding Unisys' performance during the first two years of the contract. As a result, in late 2007 and for part of 2008, NYC Transit explored the possibility of providing these desktop support services in-house. By February 2008, all performance issues had been resolved. Notwithstanding, NYC Transit decided that it would not exercise the two-year option. A decision had been made whereby Technology and Information Systems (TIS) would provide the desktop support services using in-house staff. In order to accomplish this, TIS would have to, among other things, increase its staff through external hiring. Shortly thereafter, the MTA's financial situation worsened. In response to the need for budget reductions, the MTA initiated several major cost cutting initiatives, including staff reductions. Because of the need for budget reductions, and in recognition that Unisys is performing well, NYC Transit conducted a comparative analysis of the costs associated with providing desktop services using in-house staff or having Unisys continue to provide these services by exercising the option. As explained below, it was determined that maximum cost savings would be achieved by having TIS provide the "Server Support" services using in-house staff and by having Unisys provide the balance of the desktop services at significantly reduced rates for a period of three years. NYC Transit and Unisys have had intense negotiations in connection with several different proposal iterations to extend the current contract for a period of three years. A three-year proposal was requested from Unisys as a procurement strategy in order to make the expiration dates for the two IT Services Contracts with IBM and Unisys coterminous. In the end, NYC Transit negotiated three-year savings of approximately \$5.5 million through a combination of negotiated rate reductions (\$1.8 million) and the decision to take "Server Support" services in-house (\$3.7 million). Note that, since the base contract did not contain rates for the third year, the savings computation assumes that existing contract rates for the second option year would have applied for the third year. The rates for the three year period will be, on average, 18% below the rates in effect for the current contract year and approximately 8% below the option year rates set forth in the contract. The potential exists for additional NYC Transit savings when the number of desktop printers is reduced under TIS' ongoing Printing Cost Reduction initiative since NYC Transit pays a fixed monthly price for hardware support of each active printer. Gartner Consulting reviewed the negotiated price reductions and indicated that they are favorable to NYC Transit. The final price is considered fair and reasonable.

Schedule I: Modifications to Purchase and Public Work Contracts

Item Number: 3

Vendor Name (& Location) Judlau Contracting, Inc. (College Point, NY)	
Description Rehabilitation of the Culver Line Viaduct	
Contract Term (including Options, if any) March 5, 2009 – February 13, 2013	
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 checked="" type="checkbox"/> Federal <input type="checkbox"/> Other:	
Requesting Dept/Div & Dept/Div Head Name: Capital Program Management, Frederick E. Smith	

Contract Number	AWO/Modification #
C-34763	3
Original Amount: \$ 178,800,000.00	
Prior Modifications: \$ 349,000.00	
Prior Budgetary Increases: \$ 0	
Current Amount: \$ 179,149,000.00	
This Request: \$ 509,599.00	
% of This Request to Current Amount: 0.3%	
% of Modifications (including This Request) to Original Amount: 0.5%	

Discussion:

The contract is for the partial rehabilitation of the Culver Line Viaduct, including rehabilitation of the concrete viaduct deck; installation of new track, including low vibration track (LVT); installation of a new deck waterproofing membrane; truss steel repairs; and a new signal relay room. The Culver Line Viaduct was built in 1930 to carry the 'F' and 'G' Lines over the Gowanus Canal and local streets in Brooklyn. The contract calls for the removal of existing standard track and for the installation of new low vibration track using resilient concrete blocks on a concrete roadbed. Subsequent to award, the Department of Subways (DOS) issued a "Changed Standard" affecting details of installation of LVT. Most NYC Transit track beds on elevated structures use wooden ties and are lined with track ballast, which creates a water filtration system that displaces standing water and forces it into the track bed trough. Recently, NYC Transit started installing LVT, which is only used on structural rehabilitation projects where the tracks can be kept out of service 24/7. LVT has already been used on three projects: Jamaica Line in 2004; Ocean Parkway Viaduct in 2006-2007; and South Ferry Terminal in 2008. Those projects installed the LVT on a concrete roadbed that was relatively flat. A lesson learned from those projects is that standing water remained on the roadbed, causing concrete spalling and cracks due to water intrusion. Accordingly, DOS introduced a "Changed Standard" which improved slopes in the concrete roadbed, designed so that water runoff is collected by the trough in the concrete roadbed and exits through drains. These improvements in the details of constructing the LVT will assure proper drainage, and thereby reduce maintenance and increase the life of the concrete roadbed. For approximately 20,000 LVT concrete block track ties over 3.5 track miles, the modification requires the contractor to furnish and install rubber wraps around the concrete blocks prior to concrete pours, and to perform additional masonry finishing work to form a "vee" with a 1/2" slope between ties and at stop machine locations. The contractor submitted an initial proposal of \$1,112,498 and a revised proposal of \$580,076 following scope revisions. NYC Transit's revised estimate was \$541,000. Following negotiations, the lump sum of \$509,599 was agreed upon and is considered fair and reasonable. Savings of \$602,899 were achieved through scope revisions and negotiations.



APRIL 2010

LIST OF RATIFICATIONS FOR BOARD APPROVAL

Procurements Requiring Majority Vote:

Page

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

- | | | | |
|---|-----------------------|--------------------------------------|-----------|
| 1. Tully Construction Company, Inc.
Contract #C-40419.32 | \$1,287,357.00 | <i><u>Staff Summary Attached</u></i> | 70 |
| Modification to the contract for the Design and Construction of the Charleston Annex Bus Facility,
in order to install a temporary storm water drainage basin. | | | |

Schedule K: Ratification of Completed Procurement Actions



Item Number: 1

Vendor Name (& Location) Tully Construction Company, Inc. (Flushing, NY)	
Description Design and construction of the Charleston Annex Bus Facility – Staten Island	
Contract Term (including Options, if any) January 30, 2008 – December 29, 2009	
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 checked="" type="checkbox"/> Federal <input type="checkbox"/> Other:	
Requesting Dept/Div & Dept/Div Head Name: Capital Program Management, Frederick E. Smith	

Contract Number	AWO/Modification #
C-40419	32
Original Amount: \$ 112,900,000.00	
Prior Modifications: \$ 1,724,574.00	
Prior Budgetary Increases: \$ 0	
Current Amount: \$ 114,624,574.00	
This Request: \$ 1,287,357.00	
% of This Request to Current Amount: 1.1%	
% of Modifications (including This Request) to Original Amount: 2.7%	

Discussion:

This contract is for the design and construction of the Charleston Bus Facility in Staten Island. The contract requires a storm water drainage system to be connected to a storm water sewer line, which is to be provided in the future under a separate contract. However, the sewer line contract has been delayed by property condemnation and easement issues and design requests from the NYC Department of Environmental Protection (DEP). The sewer contract is currently forecast for award later this year and construction completion in August 2011. Since the permanent sewer is delayed, a temporary storm water system must be constructed to allow the facility to be placed in operation. DEP initially required a temporary system consisting of 63 dry wells, ranging from 8 ft to 12 ft in diameter, with interconnecting piping. However, a preliminary NYC Transit estimate indicated that would cost approximately \$5M. Therefore, NYC Transit secured DEP approval of an alternate temporary system, consisting of a single catch basin 80 ft long x 45 ft wide x 35 ft deep, with infiltration wells at the bottom of the basin to distribute the storm water into the soil. Backfill of this basin will be added to the scope of the sewer line contract. To expedite installation of the temporary basin, two modifications were needed, one for long-lead materials and one for the balance of materials and labor. The October 2009 Board approved the award of AWO # 26, in the amount of \$431,277, for the purchase and delivery of long-lead king piles and steel plates, to be used to construct the basin walls. This modification is for the balance of materials and labor needed to complete the installation. The installation of piles began in November 2009, but was stopped due to concerns of the local community. Different installation methods were developed and monitoring requirements added. Following changes to the scope of work, the contractor submitted a revised proposal for \$1,640,975. NYC Transit's revised estimate was \$1,390,000. Following negotiations, the final price of \$1,287,357 was found to be fair and reasonable and resulted in a savings of \$353,618. The SVP & Chief Engineer, CPM approved a retroactive waiver effective November 16, 2009, in order not to impact the project schedule. The contractor has requested an extension of time; the request is currently under review.

Staff Summary

Item Number					
Dept & Dept Head Name: Law, Veronique Hakim <i>V. Hakim</i>					
Division & Division Head Name: N/A					
Board Reviews					
Order	To	Date	Approval	Info	Other
1	Committee	04/26/10			
2	Board	04/28/10			
Internal Approvals					
Order	Approval	Order	Approval		
1	Agency President	<i>[Signature]</i>			

SUMMARY INFORMATION	
Vendor Name N/A	Contract Number N/A
Description Request for Authorization to Award Various Procurements	
Total Amount \$ 7,477,857	
Contract Term (including Options, if any) Various	
Option(s) included in Total Amount? <input type="checkbox"/> Yes <input type="checkbox"/> No Various	
Renewal? Various <input type="checkbox"/> Yes <input type="checkbox"/> No	
Procurement Type Various <input type="checkbox"/> Competitive <input type="checkbox"/> Non-competitive	
Solicitation Type Various <input type="checkbox"/> RFP <input type="checkbox"/> Bid <input type="checkbox"/> Other:	
Funding Source Various <input type="checkbox"/> Operating <input type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:	

I. PURPOSE/RECOMMENDATION

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

II. DISCUSSION

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

None

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

Schedule Requiring Two-Thirds Vote

Schedule C Competitive Request for Proposal	2	\$ 2,167,000 (NTE)
(Award of Purchase and Public works Contracts)		

Schedule Requiring Majority Vote

Schedule G Miscellaneous Service Contracts	1	\$ 594,225 (NTE)
Schedule H Modifications to Personal/Miscellaneous Service Contracts	1	\$ 438,789 (NTE)

SUBTOTAL	4	\$ 3,200,014 (NTE)
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MTA Capital Construction proposes to award Ratifications in the following categories:

Schedule Requiring Two-Thirds Vote

Schedule D Ratification of completed Procurement Actions	1	\$ 2,021,009 (NTE)
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Schedule Requiring Majority Vote

Schedule K Ratification of completed Procurement Actions (Involving Schedule E-J)	3	\$ 2,256,834 (NTE)
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SUBTOTAL	4	\$ 4,277,843 (NTE)
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TOTAL	8	\$ 7,477,857 (NTE)
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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, 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.

MTA CAPITAL CONSTRUCTION

LIST OF COMPETITIVE PROCUREMENTS FOR BOARD APPROVAL

APRIL 2010

Procurements Requiring Two-Thirds Vote:

Page

C. Competitive Request for Proposal (Award of Purchase and Public works Contracts)

(Staff Summaries required for items requiring Board Approval)

- | | | | | |
|----|---|---------------------------|--------------------------------------|-----------|
| 1. | Henry Brothers Electronics | \$ 917,000 (NTE) | <u>Staff Summary Attached</u> | 75 |
| | Contract # 10-460 & 10-0461 | | | |
| | IESS/C3 Contract Wrap-Up Support Services | | | |
| 2. | Skanska USA Civil Northeast Inc. | \$ 1,250,000 (NTE) | <u>Staff Summary Attached</u> | 76 |
| | Contract # C -10464 | | | |
| | IESS Facilities Work | | | |

G. Miscellaneous Service Contracts

(Staff Summaries required for items requiring Board Approval)

- | | | | | |
|----|--|----------------------------|--------------------------------------|-----------|
| 3. | NICE Systems, Inc. (Reston, VA) | \$ 594,225.25 (NTE) | <u>Staff Summary Attached</u> | 77 |
| | Contract # 10-0463 | | | |
| | Implement Voice Recording System | | | |

H. Modifications to Personal Service and Miscellaneous Service Contracts

(Staff Summaries required for items requiring Board Approval)

- | | | | | |
|----|---|----------------------------|--------------------------------------|-----------|
| 4. | Verizon (New York, NY) | \$ 438,789.33 (NTE) | <u>Staff Summary Attached</u> | 78 |
| | Contract # 08-0345A, 08-0345B & 08-0345C | | | |
| | Provide Data Transmission Equipment, Network Line Capacity and Managed Network Services | | | |

Schedule C: Competitive Request for Proposal (Award of Purchase and Public Work Contracts)

Item Number Dept & Dept Head Name: Security Program . R. Miras						SUMMARY INFORMATION																									
Division and Division Head Name:						<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 70%; padding: 5px;"> Vendor Name Henry Brothers Electronics </td> <td style="width: 30%; padding: 5px;"> Contract Number 10-460 & 10-0461 </td> </tr> </table>		Vendor Name Henry Brothers Electronics	Contract Number 10-460 & 10-0461																						
Vendor Name Henry Brothers Electronics	Contract Number 10-460 & 10-0461																														
Board Reviews						Description IESS/C3 Contract Wrap-Up Support Services																									
<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <th style="width: 10%;">Order</th> <th style="width: 20%;">To</th> <th style="width: 15%;">Date</th> <th style="width: 15%;">Approval</th> <th style="width: 10%;">Info</th> <th style="width: 10%;">Other</th> </tr> <tr> <td></td> <td>NYCT</td> <td>4/26/10</td> <td style="text-align: center;">X</td> <td></td> <td></td> </tr> <tr> <td></td> <td>Finance</td> <td>4/26/10</td> <td style="text-align: center;">X</td> <td></td> <td></td> </tr> <tr> <td></td> <td>Board</td> <td>4/28/10</td> <td></td> <td></td> <td></td> </tr> </table>						Order	To	Date	Approval	Info	Other		NYCT	4/26/10	X				Finance	4/26/10	X				Board	4/28/10				Total Amount \$917,000	
Order	To	Date	Approval	Info	Other																										
	NYCT	4/26/10	X																												
	Finance	4/26/10	X																												
	Board	4/28/10																													
Internal Approvals						Contract Term 3 Months																									
<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <th style="width: 10%;">Order</th> <th style="width: 20%;">Approval</th> <th style="width: 15%;">Order</th> <th style="width: 15%;">Approval</th> </tr> <tr> <td></td> <td>VP Project Controls</td> <td>4</td> <td>President</td> </tr> <tr> <td></td> <td>Chief Budget Officer</td> <td>3</td> <td>Sr. VP General Counsel</td> </tr> <tr> <td>1</td> <td>Dir, Procurement</td> <td>2</td> <td>Chief Financial Officer</td> </tr> </table>						Order	Approval	Order	Approval		VP Project Controls	4	President		Chief Budget Officer	3	Sr. VP General Counsel	1	Dir, Procurement	2	Chief Financial Officer	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									
Order	Approval	Order	Approval																												
	VP Project Controls	4	President																												
	Chief Budget Officer	3	Sr. VP General Counsel																												
1	Dir, Procurement	2	Chief Financial Officer																												
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: Ride																									
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 ride MTA Bridges and Tunnels Contract 08-MNT-2827, Maintenance of IESS System with Henry Brothers Electronics for various IESS/C3 Contract Wrap-Up Support Services under two agreements for the total amount of \$917,000.

II. DISCUSSION:

As part of the effort to bring the functions of the IESS/C3 system to operational readiness after the default of IESS contract (C-52038) with Lockheed Martin Transportation & Security Solutions (LMTSS), a firm to perform electrical work and to integrate the various IESS subsystems is required. Given the urgent nature of this effort MTACC considers formal competitive bidding related to the wrap-up of the IESS/C3 project to be impractical and inappropriate pursuant to the prior Emergency Declaration. MTACC has determined that Henry Brothers Electronics ("HBE") has the technical expertise and capability to perform both of these tasks. With the latitude provided under the prior Declaration of Emergency for security-related contracts, MTACC request Board approval to enter into the following two non-competitive agreements with Henry Brothers:

10-0460

Work under this agreement is for the installation of the IESS Access Control System. This includes but not limited to the furnishing and installation of door hardware, conduit supports, power and communication cable; fiber optic cable installation and testing; access control panel interconnections and terminations/splices; program, configure test and document new access control system; removal of existing Access Control System; perform punch list inspection. HBE's proposal for this work was in the amount of \$749,227 while the in-house estimate is \$739,690. Negotiations were held and the parties agreed to a cost of \$735,000 which is considered to be fair and reasonable as it compares favorably to the in-house estimate.

10-0461

Work under this agreement is for the installation of the Inter-floor LAN System, Access Control work, electrical punch list work, and badging stations at two locations. The work also includes providing Solarwinds software. HBE's proposal for this work was in the amount of \$185,598 while the in-house estimate is \$176,000. Negotiations were held and the parties agreed to a cost of \$182,000. The agreed upon amount is considered fair and reasonable as it is within 10% of the in-house estimate.

III. IMPACT ON FUNDING:

Funding for this Contract is available in the 2005 – 2009 Capital Program.

V. ALTERNATIVES:

There are no viable alternatives as to competitively bid this work would cause further delays in its completion.

Schedule C: Competitive Request for Proposal (Award of Purchase and Public Work Contracts)

Item Number Dept & Dept Head Name: Security Program . R. Miras						SUMMARY INFORMATION	
Division and Division Head Name:						Vendor Name Skanska USA Civil Northeast Inc.	
Board Reviews						Contract Number C -10464	
Order	To	Date	Approval	Info	Other	Description IESS Facilities Work	
	NYCT	4/26/10	X			Total Amount \$1,250,000	
	Finance	4/26/10	X			Contract Term 24 Months	
	Board	4/28/10				Option(s) included in Total Amount? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
Internal Approvals						Renewal? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
Order	Approval	Order	Approval			Procurement Type <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Non-competitive	
	VP Project Controls	4	President			Solicitation Type <input type="checkbox"/> RFP <input type="checkbox"/> Bid <input checked="" type="checkbox"/> Other: Ride	
	Chief Budget Officer	3	Sr. VP General Counsel			Funding Source <input type="checkbox"/> Operating <input checked="" type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:	
1	Dir. Procurement	2	Chief Financial Officer				

I. PURPOSE/RECOMMENDATION:

To obtain Board approval to ride NYCT Contract A-36119, Fulton Street Transit Center Foundation, with Skanska USA Civil Northeast Inc. ("Skanska") to complete miscellaneous civil, architectural, mechanical, HVAC and related work at various Integrated Electronic Security System ("IESS") Facilities in the amount of lump sum price of \$1,250,000.

II. DISCUSSION:

When the IESS contract (C-52038) with Lockheed Martin Transportation & Security Solutions (LMTSS) was terminated for default, there was outstanding facilities work remaining at several of the project facilities including: mechanical and punchlist work at the MTAPD Central C3 facility; electrical, fire suppression, architectural and mechanical work at LIRR central facilities; punchlist, HVAC, fire suppression and electrical work at the B&T facilities; and, punchlist and video wall work at NYCT C3 facility.

MTACC and NYCT have worked to engage the major subcontractors and subconsultants working under the Integrated Electronic Security System (IESS/C3) Contract in separate agreements that will collectively complete the work unfinished by Lockheed Martin. Given the urgent nature of this effort and the practical consideration that the existing IESS/C3 subcontractors and subconsultants are most familiar with and likely most qualified to perform the wrap-up work required, MTACC considers formal competitive bidding related to the wrap-up of the IESS/C3 project to be impractical and inappropriate pursuant to the prior Emergency Declaration. Skanska had been performing as a subcontractor to LMTSS at the majority of these facilities and are best able to complete the above work since they are familiar with it and are technically qualified.

Skanska's proposal for this work was in the amount of \$1,499,525. The in-house estimate is \$1,158,427. Negotiations were held and the parties agreed to a cost of \$1,250,000 to complete the work. The agreed upon amount is considered fair and reasonable as it is within 10% of the in-house estimate.

III. IMPACT ON FUNDING:

Funding for this Contract is available in the 2005 – 2009 Capital Program.

V. ALTERNATIVES:

There are no viable alternatives as to competitively bid this work would cause further delays in its completion and there is no guarantee we would receive more favorable pricing since Skanska has performed work on IESS at the majority of these facilities and is familiar with the work.

Schedule G: Miscellaneous Service Contracts

Item Number

Vendor Name (& Location) NICE Systems, Inc. (Reston, VA)
Description Implement Voice Recording System
Contract Term (including Options, if any) 60 Months
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: Non-Competitive Negotiation

Contract Number 10-0463	AWO/Modification
Total Amount:	\$594,225.25
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: Security Program, R. Miras, Program Executive	

Discussion:

MTACC requests approval to award a negotiated non-competitive contract to NICE Systems, Inc. ("NICE") to implement a voice communication system for the Integrated Electronic Security System and Command, Control and Communications (IESS/C3) program.

At the time of termination of the IESS contract (C-52038) with Lockheed Martin Transportation & Security Solutions, the state of the voice recording system that was to be provided as part of the Contract was largely incomplete and had not been fully tested. The lack of a voice recording system would be a significant risk to dispatching emergency responders at key security locations. In addition, the ability to record critical voice channels that report back to MTA agency security centers is a critical requirement for investigating security related incidents and post-incident forensic analysis.

Given the urgent need of this requirement, MTACC considers formal competitive bidding related to the wrap-up of the IESS/C3 project to be impractical and inappropriate pursuant to the prior Emergency Declaration. MTACC desires to utilize NICE Systems, Inc.'s voice recording application. NICE was chosen since it has the necessary technical expertise, experience, resources and capability to meet the MTA's requirements in a timely fashion. NICE submitted a cost proposal of \$138,735.75 which was accepted by MTACC and is deemed to be fair and reasonable as it compares favorably to the MTACC estimate of \$140,688.00. In addition, it was agreed to include software support services from NICE under this contract. MTAHQ will fund the software support services separately as part of the five (5) year support plan for IESS in the amount of \$455,489.50.

Schedule H: Modifications to Personal Service and Miscellaneous Service Contracts

Item Number:

Vendor Name (& Location) Verizon (New York, NY)
Description Provide Data Transmission Equipment, Network Line Capacity and Managed Network Services
Contract Term (including Options, if any) 7 Months
Option(s) included in Total Amount? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Procurement Type <input type="checkbox"/> Competitive <input checked="" type="checkbox"/> Non-competitive
Solicitation Type <input type="checkbox"/> RFP <input type="checkbox"/> Bid <input checked="" type="checkbox"/> Other: Modification

Contract Number 08-0345A, 08-0345B & 08-0345C	AWO/Modification # 1
Original Amount:	\$ 304,000.00
Prior Modifications:	\$ 731,844.60
Prior Budgetary Increases:	\$ 0.00
Current Amount:	\$1,035,844.60
This Request:	\$ 438,789.33
% of This Request to Current	42.36%
% of Modifications (including This Request) to Original amount	485.08%
Requesting Dept/Div & Dept/Div Head Name: Security Program, R. Miras, Program Executive	

Discussion:

MTACC has three agreements (original it was one agreement, 08-0345, but was divided into three due to the services/equipment being provided by three separate Verizon Business Units) with Verizon to provide Customer Premise Equipment (08-0345A), Ethernet Private Line (08-0345B) and Managed Network Services (08-0345C) to provide a network for the IESS/C3 program. This is to be a temporary solution until the deployment of the upgrade to NYCT's Sonet Network and Dense Wave Division Multiplex (DWDM) transport network is completed. This work will increase the data capacity on NYCT's fiber optic network. The original term with Verizon was from August 11, 2008 to August 11, 2009 and was extended to January 11, 2010 due to further delays in the deployment of the DWDM network. Board approval is now being requested to retroactively approve the extension of these services through August 2010 at which time the DWDM is scheduled to be operational. The agreed upon negotiated cost for these modifications totaling \$438,789.33 (\$49,415.73 for 08-0345A, \$365,016.00 for 08-0345B and \$24,357.60 for 08-0345C) is deemed to be fair and reasonable as it compares favorably to the MTACC estimate of \$515,734.

MTA CAPITAL CONSTRUCTION

LIST OF RATIFICATIONS FOR BOARD APPROVAL

APRIL 2010

Procurements Requiring Two-Thirds Vote:

Page

D. Ratifications of Completed Procurement Actions

(Staff Summaries required for items requiring Board Approval)

- | | | | |
|---|-------------------------|--------------------------------------|-----------|
| 5. Henry Brothers Electronics (Fairlawn, NJ)
Contract # 10-0451
IESS/C3 Contract Wrap-Up Support Services | \$ 123,000 (NTE) | <u>Staff Summary Attached</u> | 80 |
|---|-------------------------|--------------------------------------|-----------|

Procurements Requiring Majority Vote:

K. Ratifications of Completed Procurement Actions

(Staff Summaries required for items requiring Board Approval)

- | | | | |
|---|-------------------------|--------------------------------------|-----------|
| 6. ARINC, Inc. (Annapolis, MD)
Contract # CM-1402
Engineering Services in Support of the IESS/C3 Security System Project | \$ 998,065 (NTE) | <u>Staff Summary Attached</u> | 81 |
| 7. Judlau Contracting, Inc. (College Point, NY)
Contract # A-36006
Furnishing and installation of station finishes at South Ferry Terminal | \$ 357,688 (NTE) | <u>Staff Summary Attached</u> | 82 |
| 8. PB Americas, Inc. (New York, NY)
Contract # CM-1189R
Preparation of a Draft and Final Environmental Impact Statement and Provision of Transit Engineering Design Services for the Proposed No. 7 Subway Line Extension – Far West Midtown Manhattan Rezoning | \$ 901,081 (NTE) | <u>Staff Summary Attached</u> | 83 |

Schedule D: Ratifications of Completed Procurement Actions



Capital Construction

Item Number:

Vendor Name (& Location) Henry Brothers Electronics (Fairlawn, NJ)		Contract Number 10-0451	Renewal? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Description IESS/C3 Contract Wrap-Up Support Services		Total Amount: \$123,000	
Contract Term (including Options, if any) Various		Funding Source <input type="checkbox"/> Operating <input checked="" type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:	
Option(s) included in Total Amount? <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> n/a		Requesting Dept/Div & Dept/Div Head Name: Security Program, Richard Miras	
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: Request for Quotation			

Discussion:

As a result of the default of Lockheed Martin in June 2009, MTACC and NYC Transit have engaged various firms to bring the functions of the IESS/C3 system to operational readiness. Given the urgent nature of this effort MTACC considers formal competitive bidding related to the wrap-up of the IESS/C3 project to be impractical and inappropriate pursuant to the prior Emergency Declaration. With the latitude provided under the prior Declaration of Emergency for security-related contracts, MTACC entered into a competitive agreement with Henry Brothers Electronics for the installation of conduit, cable, patch panels, racks, fiber raceways, innerducts, outlets and data jacks at the Central C3 facility. HBE proposed \$133,790 while the in-house estimate was \$123,317. The parties agreed to a cost of \$123,790 which is considered to be fair and reasonable as it is within 10% of the in-house estimate.

Schedule K: Ratification of Completed Procurement Actions



Item Number:

Vendor Name (& Location) ARINC, Inc. (Annapolis, MD)	
Description Engineering Services in Support of the IESS/C3 Security System Project	
Contract Term (including Options, if any) July 10, 2009 – January 10, 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 type="checkbox"/> Operating <input checked="" type="checkbox"/> Capital <input checked="" type="checkbox"/> Federal <input type="checkbox"/> Other:	
Requesting Dept/Div & Dept/Div Head Name:	

Contract Number	AWO/Modification #
CM-1402	1
Original Amount:	\$ 651,091.00
Prior Modifications:	\$ 0
Prior Budgetary Increases:	\$ 0
Current Amount:	\$ 651,091.00
This Request:	\$ 998,065.00 (not-to-exceed)
% of This Request to Current Amount:	153.3%
% of Modifications (including This Request) to Original Amount:	153.3%

Discussion:

As a result of the default of Lockheed Martin in June 2009, MTACC and NYC Transit have worked to engage the major subcontractors and subconsultants working under the Integrated Electronic Security System (IESS/C3) Contract in separate agreements that will collectively complete the work by Lockheed Martin. Given the urgent nature of this effort and the practical consideration that the existing IESS/C3 subcontractors and subconsultants are most familiar with and likely most qualified to perform the wrap-up work required, MTACC considers formal competitive bidding related to the wrap-up of the IESS/C3 project to be impractical and inappropriate pursuant to the prior Emergency Declaration. ARINC, Inc. was utilized as the technology services subconsultant under IESS/C3 primarily tasked with establishing network engineering and network connectivity between security locations, MTA agency-specific control centers, and MTA's centralized control center. Contract CM-1402 was ratified by the January 2010 Board in the not-to-exceed amount of \$651,091. The work is being managed in stages to control cost and scope. Services provided under CM-1402 include network assessment, completion of key network spans, implementation and configuration of network management system(s), implementation of network IT security measures for the project, support for various application vendors to complete subsystem components on the project, and support for network training to MTA's Operations Maintenance staff. To date, ARINC has conducted independent reviews of the status of the MTAPD and LIRR IESS/C3 systems and their subordinate subsystems, assessing and documenting the current state of completeness and recommending system modifications necessary to bring the systems into an operational state. This contract modification is to retroactively extend the contract term for an additional nine months from January 10, 2010 to September 30, 2010 for additional stages of engineering services in support of the IESS/C3 Security System Project. Under this modification, ARINC will complete the work associated with the MTAPD and LIRR systems and initiate the assessment and documentation of the current state of completeness of the MNR and NYC Transit systems. ARINC's initial proposal was \$1,003,860; MTACC's estimate was higher, as it was based on more hours. Negotiations, beginning on March 11, 2010, resulted in the not-to-exceed amount of \$998,065. The final negotiated amount reflects reductions to ARINC's fee and proposed escalation and is considered fair and reasonable as it is 16.5% below the in-house estimate. ARINC initially requested 3.1% escalation, in line with its company wide increases. For this modification, the 2009 rates in the base contract were escalated by 2% and coupled with a fee reduction of 0.5% resulting in effective escalation below 1.5% for the nine month period and in line with IT labor escalation indices. This modification also includes a provision for an out-of-pocket (OOP) expense budget of \$250K for critical IT security software licensing, network hardware and miscellaneous incidentals that may be required to complete network connectivity.

Schedule K: Ratification of Completed Procurement Actions

Item Number:

Vendor Name (& Location) Judlau Contracting, Inc. (College Point, NY)	
Description Furnishing and installation of station finishes at South Ferry Terminal	
Contract Term (including Options, if any) August 8, 2006 – August 8, 2008	
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 checked="" type="checkbox"/> Federal <input type="checkbox"/> Other:	
Requesting Dept/Div & Dept/Div Head Name: MTA Capital Construction, Michael Horodniceanu	

Contract Number	AWO/Modification #
A-36006	204
Original Amount:	
	\$ 120,000,000.00
Prior Modifications:	
	\$ 22,501,922.00
Prior Budgetary Increases:	
	\$ 0
Current Amount:	
	\$ 142,501,922.00
This Request:	
	\$ 357,688.00
% of This Request to Current Amount:	
	0.3%
% of Modifications (including This Request) to Original Amount:	
	19%

Discussion:

The contract is for the furnishing and installing of architectural station finishes and railroad systems including tracks, signal, communication, elevators and escalators, lighting, power and other miscellaneous work for the South Ferry Terminal. This is the second of two contracts needed to construct the Terminal. Under the first contract, a different contractor performed the civil and heavy structural work needed to construct the Terminal's structural box. The first contract constructed the circuit breaker house (CBH), and provided twelve sleeves in the CBH west wall adjacent to the tracks. The second, subject contract calls for twelve 2" diameter DC power cables to exit the CBH through the sleeves in the wall, make a horizontal right angle bend, then travel along the CBH wall, four northward and eight southward, to third rail connection points elsewhere in the station. However, this was not possible because, after exiting the CBH wall, the 2" diameter cables would have required a minimum bend radius of three feet, which would have intruded into the subway car operating clearance envelope. Accordingly, the DC power cables had to be rerouted, so as to exit beneath the CBH floor and travel underneath the nearside tracks to the invert between the northbound and southbound tracks, exiting from underground through the invert. The space between the north and southbound tracks provides sufficient room for a vertical right angle bend, after which the power cables are suspended from the ceiling and/or supported on columns en route to the third rail connection points. This modification is the settlement of a claim in connection with AWO No. 8, which required the rerouting of electric power ducts from the CBH to the third rails. It provides for the rerouting of twelve cables which involves the installation of fourteen ducts (two spares) through the concrete invert and up the center column of the tunnel. The rerouting of the ducts included the extensive removal and restoration of the track and the structural concrete. These ducts were extended vertically to the center of the tunnel roof slab and the center columns in order to pull the cables. Four ducts were routed north under the tunnel roof support beams, secured to the bottom of the steel beams by removing the concrete encasement from approximately 25 beams and installing special steel brackets. Eight ducts were routed south along the center columns between the tracks and secured to the columns. The additional work was performed during twelve weekend (52 hrs.) diversions. In April 2007, MTACC issued a request for proposals. In October 2007, MTACC's initial estimate was \$82,390; the contractor's initial proposal was \$498,133. On November 15, 2007, after unsuccessful negotiations, MTACC directed the contractor to proceed at the estimated price of \$82,390. On November 19, 2007, the contractor filed a claim. On September 25, 2008, the MTACC Chief Engineer ruled that contractor's claim had merit and the parties must negotiate a settlement based on time and material records. This negotiated settlement of AWO No. 8 is now identified as AWO No. 204. In December 2008, Procurement was informed of the ruling and presented with MTACC's revised estimate of \$325,097 for AWO No. 204. In May 2009, MTACC submitted a revised as-built scope of work, in response to which the contractor submitted a revised proposal of \$809,468. A scope meeting with the contractor was conducted on September 2009. In January, the contractor submitted a revised proposal of \$644,967, which included a credit of \$65,431. MTACC's revised estimate was \$409,880, which included a credit of \$114,781. After negotiations, a lump sum of \$440,078 was agreed upon and is considered fair and reasonable. However, since AWO No. 8 was issued unilaterally for \$82,390, this modification will be awarded for the difference, which is \$357,688. AWO #93 will be negotiated to extend the contractual substantial completion date from August 8, 2008 to September 21, 2009. The construction is complete with the exception of non-contractual work requested by the NYC Transit Subways.

Schedule K: Ratification of Completed Procurement Actions

Item Number:

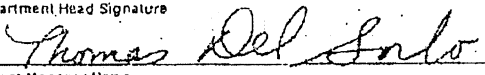
Vendor Name (& Location) PB Americas, Inc. (New York, NY)	
Description Preparation of a Draft and Final Environmental Impact Statement and Provision of Transit Engineering Design Services for the Proposed No. 7 Subway Line Extension – Far West Midtown Manhattan Rezoning	
Contract Term (including Options, if any) September 30, 2002 – August 7, 2013	
Option(s) Included in Total Amount? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> n/a	
Procurement Type <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Non-competitive	
Solicitation Type <input type="checkbox"/> RFP <input type="checkbox"/> Bid <input checked="" type="checkbox"/> Other: Modification	
Funding Source <input type="checkbox"/> Operating <input checked="" type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:	
Requesting Dept/Div & Dept/Div Head Name: MTA Capital Construction, Michael Horodniceanu	

Contract Number CM-1189R	AWO/Modification # 22
Original Amount: \$ 40,784,046.00	
Prior Modifications/Options: \$ 113,192,958.00	
Prior Budgetary Increases: \$ 0	
Current Amount: \$ 153,977,004.00	
This Request: \$ 901,081.00 (Not-to-Exceed)	
% of This Request to Current Amount: 0.6%	
% of Modifications/Options (including This Request) to Original Amount: 279.8%	

Discussion:

This contract was awarded to PB Americas, Inc. (PBA) for the preparation of a draft and final environmental impact statement (D/FEIS) and for transit engineering design services for the No. 7 subway line extension. To date, twenty-one modifications have been issued, including exercise of options and extensions of the contract end date by 82 months to August 7, 2013. The contract is currently in the Final Design stage under which MTACC is facing a shortfall in funds required for completion, primarily because of the considerable and unanticipated effort required to resolve coordination issues with various site developers due to their repeated changes to designs at various sites. The ongoing coordination between Hudson Yards Development Corp (HYDC) and the various developers and the continuing uncertainties and redesigns related to various developer agreements have necessitated that all remaining Final Design issues be addressed as the specific scopes of work are finalized and the work is quantified. Modification No. 22, which is partially retroactive, includes the following new tasks: Task 65 – Lowering the vertical alignment of tunnels CC1 and CC2 to increase rock cover over tunnel CC1. Major work includes the assessment and revision of track alignment profile, revision of documents to reflect the lowered alignment and the assessment and revision of impacts to core and shell and finishes contracts. Task 66 - Reconfigure the design of Site J due to the addition of a shear wall and changes to development overbuild loads to support the future Development Overbuild Structure as requested by HYDC. Task 67 - Revisions to the 34th Street station mezzanine level beam arrangements and the steel hanger layouts to reflect the proposed construction changes. Task 68 - Review and revise the structural design of the 34th Street Station cavern lining. Task 69 – Revisions to bid packaging scheme to include the scope of work ("SOW") previously included in AWO #1 (Inverts and Benches) and SOW previously included in AWO #3. The retroactive portion of this modification will reimburse PBA for work performed prior to the issuance of this modification, in order to keep the project on schedule. PBA's initial proposal was \$1,313,757; MTACC's estimate was \$932,251. Negotiations, held on February 16, 2010, resulted in the not-to-exceed amount of \$901,081. Savings of \$412,676 or 31.4% were achieved. The final negotiated amount utilizes existing contract rates and is considered fair and reasonable.

Staff Summary

Subject	Requests for Authorization to Award Various Procurements
Department	MTA Bus Company/Long Island Bus/NYCT Department of Buses
Department Head Name	Thomas Del Sorbo
Department Head Signature	
Project Manager Name	James Curry

Date	April 8, 2010
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	Bus Committee	4/26/10	X		
2	Board	4/28/10	X		

Internal Approvals			
Order	Approval	Order	Approval
3	President		
2	Executive VP		
1	General Counsel		

PURPOSE:

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

DISCUSSION:

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

None

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

None

MTA Bus Company seeks Ratifications in the following categories:

None

	<u># of Actions</u>	<u>\$ Amount</u>
Total MTABC	0	\$0.000M

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

<u>Schedules Requiring Majority Vote</u>	<u># of Actions</u>	<u>\$ Amount</u>
Schedule C: Miscellaneous Service Contracts	1	\$0.115M
Subtotal LIB Non-Competitive	1	\$0.115M

Long Island Bus proposes to award Competitive procurements in the following categories:

None

Long Island Bus seeks Ratifications in the following categories:

None

	<u># of Actions</u>	<u>\$ Amount</u>
Total LIB	1	\$0.115M

NYC Transit Department of Buses (DOB) proposes to award Non-Competitive procurements in the following categories:

<u>Schedules Requiring Majority Vote</u>	<u># of Actions</u>	<u>\$ Amount</u>
Schedule E: Miscellaneous Procurement Contracts	1	\$0.167M

Subtotal DOB Non-Competitive	1	\$0.167M
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NYC Transit Department of Buses proposes to award Competitive procurements in the following categories:

<u>Schedules Requiring Two Thirds Vote</u>	<u># of Actions</u>	<u>\$ Amount</u>
Schedule C: Competitive Requests for Proposals (Purchase and Public Work Contracts)	1	\$0.228M

<u>Schedules Requiring Majority Vote</u>		
Schedule H: Modifications to Personal Service and Miscellaneous Service Contracts	1	\$4.912M

Subtotal DOB Competitive	2	\$5.140M
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NYC Transit Department of Buses seeks Ratifications in the following categories:

None

	<u># of Actions</u>	<u>\$ Amount</u>
Total DOB	3	\$5.307M

Total all procurement actions	4	\$5.422M
--------------------------------------	----------	-----------------

BUDGET IMPACT: the purchase/contracts will result in obligating MTA Bus Company funds in the amount listed. Funds are available in the current operating budgets of the respective agencies for this purpose.

RECOMMENDATION: That the purchases/contracts be approved as proposed.

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, 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.

April 2010

LONG ISLAND BUS

LIST OF NON-COMPETITIVE PROCUREMENTS FOR BOARD APPROVAL

Procurements Requiring Majority Vote:

Page

G. Miscellaneous Service Contracts

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

- | | | | |
|----|---|--------------|----------------------------|
| 1. | INFOR Global Solutions, Inc. .
Maintenance of SmartStream payroll and human resources system for one year. | \$115,014.58 | <u>Schedule G Attached</u> |
|----|---|--------------|----------------------------|

88

Schedule G: Miscellaneous Service Contracts

Item Number: 1

Vendor Name (& Location) INFOR Global Solutions, Inc., Alpharetta, GA	Contract Number E-3955	Renewal? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Description Maintenance Support Services for Smartstream (GEAC) System	Total Amount: \$ 115,014.58	
Contract Term (including Options, if any) May 1, 2010 – April 30, 2011	Funding Source <input checked="" type="checkbox"/> Operating <input type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:	
Option(s) included in Total Amount? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Requesting Dept/Div & Dept/Div Head Name: IT Department – Mike Moran, CIO	
Procurement Type <input type="checkbox"/> Competitive <input checked="" type="checkbox"/> Non-Competitive	Contract Manager: Patti Robertson	
Solicitation Type <input type="checkbox"/> RFP <input type="checkbox"/> Bid <input checked="" type="checkbox"/> Other: Sole Source		

Discussion:

LI Bus, on behalf of itself and MTA Bus Company (MTABC), requests MTA Board approval to renew their noncompetitive, sole source, miscellaneous service contracts with INFOR Global Solutions, Inc. (INFOR) for maintenance support services for the May 1, 2010 through April 30, 2011 period, in the not-to-exceed prices of \$ 96,131.44 and \$18,883.14, respectively. INFOR is the incumbent and sole provider of maintenance support services for an enhanced version of its proprietary SmartStream (GEAC) 7.0.03 System, in which LI Bus and MTABC utilize its Payroll and Human Resources software. This request is related to, and is coordinated with, the MTA Business Service Center's (BSC) initiative to implement a PeopleSoft ERP Financial & Human Resources System.

LI Bus has successfully utilized INFOR's enhanced SmartStream (GEAC) System for 9 years and requires on-going maintenance support services. In 2008 LI Bus and MTA Bus began a project to configure and install an enhanced SmartStream (GEAC) System for MTABC's use. INFOR was contracted to configure and install the enhanced SmartStream (GEAC) system. Thus far, this project has automated and modernized MTABC's former payroll processes for approximately 10% of the total MTABC headcount, and has evolved these into a single, deeply functional and integrated Payroll and Human Resource System. This outcome greatly reduces risks and enhances performance, functionality and usability. Full implementation of the SmartStream (GEAC) 7.0.03 system will produce a beneficial return on investment by allowing MTABC to retire its' former private bus company's payroll systems, which require a significant maintenance investment of \$739,000, annually. The MTA Bus 2010 financial plan reflects the elimination of approximately \$552,000 attributable to its legacy AS400 payroll system retirement. This elimination has yet to have been realized due to the six month delay in project completion. The elimination for 2010 will be \$276,000 and \$552,000 annually thereafter. At project completion MTA Bus will also be retiring its VAX Payroll system resulting in a savings of approximately \$94,000 in 2010 and \$187,000 annually thereafter. The payroll process migration for the 90% of remaining MTABC staff is planned for second quarter 2010. Without these renewals there is a high risk the payrolls will fail, thus the renewals are critical to ensure payroll is processed and distributed timely. The BSC will be processing Bus Company payroll starting 1/16/2011. On that date timekeeping records will be processed to the new PeopleSoft System.

The New York City Transit Unified Timekeeping System (UTS) is currently used at LI Bus and MTABC for all Bus Operator Timekeeping, Picking and Dispatch purposes. Since the SmartStream (GEAC) System is tightly integrated with the UTS, it will be required for a period after BSC implementation of the Peoplesoft ERP system for payroll processing and timekeeping purposes. And by January 1, 2012, the UTS is scheduled to be modified to communicate with the BSC, for the New York City Transit Human Resources and Payroll implementation at the BSC. At that time, LI Bus and MTABC will no longer require the SmartStream (GEAC) System for payroll processing and timekeeping collection purposes.

For 2010, INFOR proposed a 5% increase in its standard support rate to partially offset higher labor rates and software upgrade/replacement costs. LI Bus negotiated with INFOR and reached agreement to hold existing contract prices firm for another one year term for LI Bus and MTABC, for a savings of \$5,750.73. LI Bus advertised its intent to award a sole source contract to INFOR in the NYS Contract Reporter, Minority Commerce Weekly, El Diario and Newsday. To date, LI Bus has not identified another vendor who is interested and qualified to provide services for this system. INFOR informs its prices and rates for this scope of work are the lowest it would offer to any of its customers or governmental agencies. Thus, prices are deemed fair and reasonable. There are no recommended alternatives as neither LI Bus nor MTABC possess the proprietary source code and cannot support the application with in-house resources.

It is recommended the MTA Board approve an award for two sole source miscellaneous service contracts to INFOR Global Solutions, Inc. for SmartStream (GEAC) maintenance support services for LI Bus and MTABC, in an amount not-to-exceed \$115,014.58. The Office of Civil Rights established a 0% DBE goal. Each contract will be funded from its respective agency's operating budget.

April 2010

NYC Transit Department of Buses

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)

Page

- | | | | |
|---|-----------------|----------------------------|----|
| 2. Zenco Systems Ltd .
Sole Source- Ten months
Contract # U-A268260
Test and evaluation of a Bus Lane Enforcement System | \$167,100(Est.) | <u>Schedule F Attached</u> | 90 |
|---|-----------------|----------------------------|----|



Schedule E: Miscellaneous Procurement Contracts

Item Number: 2

Vendor Name (& Location) Zenco Systems Ltd. (London, U.K.)
Description Rental of a Bus Lane Enforcement System
Contract Term (including Options, if any) 10 months (4 month startup and 6 month test)
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: Sole Source

Contract Number U-A268260	Renewal? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Total Amount:	\$167,100.00 (est.)
Funding Source <input checked="" type="checkbox"/> Operating <input type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:	
Requesting Dept/Div & Dept/Div Head Name: Department of Buses, Joseph Smith	

Discussion:

The approval of the Board is being sought for the award of a miscellaneous procurement contract for the rental of a Bus Lane Enforcement System (BLES), for the NYC Transit Department of Buses (DOB) to conduct a test and evaluation of a BLES utilizing vehicle-mounted cameras from Zenco Systems, Ltd (Zenco). Three methods of camera placement are typically utilized in BLES systems: fixed posts stationed along the bus lane, bus-mounted and mounted on roving (road operations) vehicles. In coordination with the NYC Department of Transportation (DOT), which will conduct a fixed-post BLES test, NYC Transit wishes to determine the effectiveness of two of the systems, cameras mounted on buses and on road operations vehicles, to help determine if mobile cameras can effectively capture sufficient video evidence for enforcement of bus lane traffic restrictions, pending authorization of the use of cameras for this purpose. Legislation to allow camera enforcement has been introduced to the NY State Legislature. As this legislation is not yet in place, this test will not entail summonses or communications to bus lane violators; the test will only determine the potential effectiveness of vehicle mounted camera technology for the purpose of identification of violators. Specifically, DOB wishes to test the use of a BLES for possible future use with its bus lanes, some of which are Select Bus Service Corridors. Cars entering and parking in designated bus lanes tend to impede the overall flow of traffic, as bus drivers must then move buses back into the other traffic lanes, which slows down traffic in those lanes. However, current vehicle and traffic law allows vehicles to use bus lanes for the expeditious drop-off/pick-up of passengers and to make the next right turn. Therefore, a mobile camera must have a potential bus lane violator in its sights long enough to determine the length of time and/or distance traveled in the bus lane to determine if a violation occurred. For this purpose, the back office software utilized will allow evaluation of video footage to determine whether the same vehicle is observed in the same position for a prolonged time period. To help identify and obtain information from firms experienced in designing, furnishing and installing a BLES, a Request for Information (RFI) was issued. Of a total of twelve submissions to the RFI request, DOB selected Zenco, a London-based company providing a bus and roving vehicle-mounted BLES for several cities in England, based on a combination of the quality of its RFI proposal submission, presentation and DOB market research, as the best fit for conducting a mobile camera test. DOB may consider other vendors for testing. DOB intends to utilize a test fleet consisting of two non-revenue vehicles assigned to Road Operations and two articulated buses assigned to the 100th Street Depot operating on the M101 route in Manhattan (which uses the Lexington Avenue and Third Avenue bus lanes). Zenco will supply the on-board vehicle camera and recording equipment along with a back office suite of computer application software necessary to review and process the video. Zenco will install (and remove) all components and will provide all associated project management, systems engineering, training, software support and hardware support. It is anticipated that there will be a startup period of approximately four months after which actual testing will occur for a six-month period. During this period, if the effectiveness is determined to be acceptable, DOB will develop a pass/fail test and evaluation program to specifically test and qualify Zenco's complete system and their ability to provide support in the event this technology is adopted as the subject of a future procurement. Zenco could not accommodate providing this program at no charge. The approach needed for the NYC application will require certain modifications to Zenco's existing system as well as extensive travel for installation and on site support. The agreement presently being finalized includes a total rental cost of \$96,300 (\$16,050/month for 6 months for 4 vehicles), covering on board hardware including cameras, on site support and maintenance, and server hosting. Additional itemized fees totaling \$70,800 will cover fabrication of bus enclosures, configuration and set up of software and server, installation of all hardware and software, testing, training and data management.

April 2010

NYC Transit Department of Buses

LIST OF COMPETITIVE PROCUREMENTS FOR BOARD APPROVAL

Procurements Requiring Two-thirds Vote:

Page

C. Competitive Requests for Proposals (Award of Purchase and Public Work Contracts)
(Staff Summaries required for all items requiring Board Approval)

- | | | | | |
|----|--|------------------|-------------------------------|----|
| 3. | Neopart, LLC
Bid #76489 – 27 month contract
Purchase of a center rear shock absorber | \$228,000 (Est.) | <u>Staff Summary Attached</u> | 92 |
|----|--|------------------|-------------------------------|----|

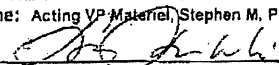
Schedules Requiring Majority Vote:

H. Modifications to Personal Service Contracts

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

- | | | | | |
|----|--|--------------------|----------------------------|----|
| 4. | Various Contractors
Modification to extend each contracts for six (6) months, for voucher based car service for Paratransit | \$4,912,273 (Est.) | <u>Schedule H Attached</u> | 94 |
|----|--|--------------------|----------------------------|----|

Staff Summary

Item Number 3					
Division & Division Head Name: Acting VP Materiel, Stephen M. Plochocki					
					
Board Reviews					
Order	To	Date	Approval	Info	Other
Internal Approvals					
Order	Approval	Order	Approval		
1	Materiel, CLO	4	EVP		
2	Materiel, Acting CPO	5	President		
3 X	Law				

SUMMARY INFORMATION	
Vendor Name Neopart, LLC	Contract Number 76489 #1
Description NYC Transit #76-83-0400, Center/Rear Shock Absorber	
Total Amount \$228,000.00	
Contract Term (including Options, if any) Twenty-seven months	
Option(s) included in Total Amount? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
Renewal? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
Procurement Type <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Non-competitive	
Solicitation Type <input checked="" type="checkbox"/> RFP <input type="checkbox"/> Bid <input type="checkbox"/> Other:	
Funding Source <input checked="" type="checkbox"/> Operating <input type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:	

I. PURPOSE/RECOMMENDATION

To request Board approval for the purchase of NYCT #76-43-0400, Center/Rear Shock Absorber and award to Neopart, LLC (Neopart) in the estimated amount of \$228,000.00 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' rankings 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' rankings, the award would be made to the lowest responsive, responsible proposer without seeking further Board approval. However, if the application of the evaluative formula changed the order of the proposers' rankings that resulted in an award recommendation to a proposer other than the lowest priced proposer, NYC Transit would seek Board authorization to award. The latter circumstance applies to this solicitation for the following commodity:

RFP #76849 #1, NYCT#76-43-0400, Center/Rear Shock Absorber. This shock absorber is used on the center and rear axle of the New Flyer Articulated bus fleet. Proposal opening date: 12/22/2009.

This is an award of a twenty-seven (27) month estimated quantity contract to be made to Neopart, an "A" rated vendor, in the estimated amount of \$228,000, allowing NYCT to bypass one "B" rated vendor, resulting in a price difference of \$9,140.

Staff Summary

Shock Absorbers manufactured by Koni are only used on the New Flyer Articulated Bus Fleet: one stock number is for the front shock absorbers, one stock number is for the center and rear shock absorbers. Koni was made the approved source in 2001 because the original OEM shocks were failing prematurely due to the NYCT duty cycle. While a fleet defect was not declared, DOB chose Koni shocks to replace the existing OEM shocks. Several other brands were tested including Tenneco and Gabriel, but Koni was affirmed as the best fit for the duty cycle. Koni also offers a longer warranty period than other manufacturers. A market survey conducted prior to solicitation revealed that awarding both items as a class would not yield more favorable pricing than awarding the items individually. Thus, while the items were solicited together, each line item will be awarded individually. Only this line item requires Board approval.

Gillig Corporation was advised by letter sent via email and certified mail that it was not the successful proposer based upon the evaluation criteria set forth in the solicitation documents.

The current proposal price from Neopart represents an increase of 26.7% from the previous procurement. The 26.7% increase in price from the previous procurement is primarily the result of the US dollar weakening in exchange against the Euro. This item is manufactured by Koni in Holland entirely from European components, and then distributed in the US through its North American affiliate, Koni North America. January 1, 2009, Koni North America had a 20% increase in price due to the weakening dollar. NYCT was not affected by this price change at the time because it had an existing contract in place. NYCT asked Neopart to review its pricing to assure it is offering its best price. Neopart assured it is offering its best price, and declined to reduce its offer. Having evaluated all the available facts, Procurement finds the proposal submitted by Neopart 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
Gillig Corporation	2,000	\$109.43	\$218,860.00	B	5%	\$5.47	\$10,943.00	\$229,803.00	3
Neopart, LLC	2,000	\$114.00	\$228,000.00	A	0%	\$ -	\$ -	\$228,000.00	1
Muncie Transit Supply	2,000	\$114.36	\$228,720.00	A	0%	\$ -	\$ -	\$228,720.00	2
New Flyer Industries	2,000	\$119.20	\$238,400.00	A	0%	\$ -	\$ -	\$238,400.00	4
Daimler Buses North America	2,000	\$121.75	\$243,500.00	A	0%	\$ -	\$ -	\$243,500.00	5
North American Bus Industries	2,000	\$125.02	\$250,040.00	A	0%	\$ -	\$ -	\$250,040.00	6
MCI Service Parts	2,000	\$142.85	\$285,700.00	A	0%	\$ -	\$ -	\$285,700.00	7

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 NYCT's operating budget. The resulting contract is a non-obligatory, estimated quantity contract. As a result, any changes in the operating budget or forecast will not impose any unforeseen expenditures upon NYCT.

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.

Schedule H: Modifications to Personal & Miscellaneous Service Contracts

Item Number: **4-7**

Vendor Name (& Location) Various Contractors	
Description Voucher-based transportation services	
Contract Term (including Options, if any) May 14, 2007 – May 13, 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 checked="" type="checkbox"/> Operating <input type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:	
Requesting Dept/Div & Dept/Div Head Name: Division of Paratransit, Thomas J. Charles	

Contract Number	AWO/Modification #
06K9572A, D, F, G	1
Original Amount:	
A. All City Transportation, Inc.	\$ 8,447,889.00
D. Executive Transportation Group	494,748.00
F. N.J.M., Inc. (Mid-Island)	2,392,694.00
G. J.J.S. Transportation, Inc. (Grant City)	2,481,958.00
Prior Modifications:	\$ 0
Prior Budgetary Increases:	\$ 0
Current Amount:	\$ 13,817,289.00
A. All City Transportation, Inc	\$ 968,115.00
D. Executive Transportation Group	329,330.00
F. N.J.M., Inc. (Mid-Island)	1,917,208.00
G. J.J.S. Transportation, Inc. (Grant City)	1,697,620.00
This request	\$ 4,912,273.00 (Est.)
% of This Request to Current Amount:	36.0%
% of Modifications (including This Request) to Original Amount:	36.0%

Discussion:

Voucher-based car service plays a major role in Paratransit's strategy to utilize a more cost effective approach to transporting ambulatory customers and increase service capacity during peak times, rather than utilizing more costly primary and regional carriers. Modifications are being requested to extend a series of the existing voucher-based contracts for six months in order to continue providing service until replacement contracts are awarded. Contractors provide service utilizing their own vehicles (black car and livery) dispatched from their existing operating facilities, in concert with their normal commercial business. Pricing is based on a per trip rate and this service is used for applicant trips for potential AAR customers as well as miscellaneous/recurring trips for existing AAR customers. During the extension period, Procurement will conduct a renewal bid for voucher-based car service contracts with the intention of maximizing participation on behalf of the minority and women owned business community. It will also allow awardees of the renewal Contract necessary time for a smooth transition. This voucher-based car service Contract series 06K9572 has 12 awardees A through N, four of which require Board approval for this extension period (Contracts A, D, F and G). Eight do not require Board approval (Contracts B, C, E, J, K, L, M and N) because the estimated expenditure for each of these Contracts during the extension period is less than \$250,000. Contract H will not be extended and as such, miscellaneous/recurring trips formerly performed under Contract H will be performed by the remaining contractors. Contract F, operated by N.J.M, Inc., d/b/a Mid Island Car Service is also being modified to include applicant trips formerly provided under Contract H. The final pricing for these contracts is considered fair and reasonable based on considerable competition at the time of solicitation. Several companies have offered price reductions for the extension period offered in the form of a discount off of the current per trip rate ranging from 0.83% to 5% per trip. A few companies did not offer a reduction because they believed their rate(s), competitively bid in 2007, could not be reduced without adversely impacting service.



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	

Date	April 7, 2010
Vendor Name	Various
Contract Number	Various
Contract Manager Name	Various
Table of Contents Ref #	

Board Action					
Order	To	Date	Approval	Info	Other
1	MNR/LIRR Comm Mtg	4-26-10			
2	MTA Board Mtg	4-28-10			

Internal Approvals			
Approval		Approval	
X President			Budget
X Sr. VP Operations			Capital Programs
X Sr. VP Administration			Engr/Const
X VP Finance & IT			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	X	Customer Service

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	1	\$59,000
• Whiting Corporation \$59,000		

Schedules Requiring Majority Vote

NONE

SUB TOTAL: 1 \$59,000

Schedules Requiring Two-Thirds Vote (or more, where noted)

<u>Schedules Requiring Two-Thirds Vote (or more, where noted)</u>	<u># of Actions</u>	<u>\$ Amount</u>
Schedule C: Competitive Requests for Proposals (Award of Purchase and Public Work Contracts)	1	\$924,511
• Abalon Exterminating Company, Inc.		\$924,511

Schedule E: Miscellaneous Procurement Contracts

Schedule E:	Miscellaneous Procurement Contracts	1	\$2,075,369
	• ARINC, Inc.		\$2,075,369

SUB TOTAL:	2	\$2,999,880
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Schedules Requiring Two-Thirds Vote (or more, where noted)

NONE

NONE

SUB TOTAL: NONE

TOTAL:	3	\$3,058,880
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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, 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.

APRIL 2010

METRO-NORTH RAILROAD

LIST OF NON-COMPETITIVE PROCUREMENTS FOR BOARD APPROVAL

Schedules Requiring Two-Thirds Vote:

A. Non-Competitive Purchases and Public Work Contracts

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

1. Whiting Corporation \$59,000 (not-to-exceed)

Purch. Agree – Repair/Maintenance Parts for Overhead Shop Cranes, Lifts & Supports

Non-competitive three (3)-year purchase agreement for OEM (Original Equipment Manufacturer) parts used exclusively by Metro-North Railroad (MNR) and Staten Island Rapid Transit Operating Authority (SIRTOA) to repair and maintain overhead shop cranes, lifts and supports. Whiting Corporation is the OEM, sole source and current supplier of this material. Prices in this agreement are all-inclusive and fixed for the three (3)-year period. Based on the most frequently ordered sample items included in the price inquiry, the unit prices quoted reflect an average annual increase of 2.2% in comparison to the previous prices paid by MNR ('06-'10). Many of the parts to be used in the contract contain copper whose price has fluctuated greatly in recent years. These replacement parts will be purchased on an "as-needed" basis. Pricing is deemed fair and reasonable.

Advertisements placed have not identified any additional interest from other sources, confirming the sole source status of Whiting parts. The total cost of this three (3)-year procurement is not-to-exceed \$59K (MNR \$50K; SIRTOA \$9K). This procurement is to be funded by the MNR and SIRTOA Operating Budgets.

APRIL 2010

METRO-NORTH RAILROAD

LIST OF COMPETITIVE PROCUREMENTS FOR BOARD APPROVAL

Schedules Requiring Two-Thirds Vote:

Page

C. Competitive Requests for Proposals (Award of Purchase and Public Work Contracts)
(Staff Summaries required for items requiring Board approval)

2. Abalon Exterminating Company, Inc. \$924,511 Staff Summary Attached

101

Pest Control Services for Grand Central Terminal

RFP Process (Non-Brooks Method); twelve (12) proposals received; four (4) firms shortlisted; negotiated, public work contract for a five (5)-year period. The contractor shall provide Integrated Pest Management (IPM) services (the identification & removal of the source of pest problems) and regular pest control treatments to all MTA/MNR GCT facilities and retail locations. This contract offers additional resources for more proactive service, including 24/7 coverage as well as an on-staff Entomologist. In addition, this will consolidate pest control services into a single responsible company for the GCT complex. The locations in GCT include, but are not limited to: office towers, crew facilities, loading docks, GCT North, the Station Master's office, track areas, 98 retail operations located within GCT including balcony restaurants, the Grand Central Market and the various non-food retail shops.

The Selection Committee unanimously determined that the firm, Abalon Exterminating Co., was best qualified in light of their relevant experience with large clients, mixed-use facilities and their proactive approach. In addition, their pricing was 18% below the next lowest proposer. The prior five (5)-year pest management contract, '05-'10, included fixed pricing for the term, and the new contract with Abalon will also be fixed for the term '10-'15. An analysis of Abalon's pricing concluded that overall cost has decreased approximately 1% when compared to historical cost despite the increased services.

Pricing is a factor of the different types of spaces: (1) Retail/Food and (2) GCT and Public Spaces. Retail/Food pricing is based on service frequency & square footage for which Abalon has provided all-inclusive monthly rates fixed for term of the agreement. The rate for GCT and Public Spaces is an all-inclusive monthly rate of \$5,300 per month firm and fixed for the term of agreement.

The total cost of this contract for the five (5)-year period is \$924,511. An estimated 66% of the charges (\$606.5K) are directly reimbursed by Jones-Lang LaSalle (GCT managing agent for the tenants) to MTA / MNR and the remaining 34% (\$318K) is to be funded by the MNR Operating Budget.

Schedules Requiring Majority Vote:

Page

E. Miscellaneous Procurement Contracts

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

3. ARINC, Inc. \$2,075,369

Staff Summary Attached

103

Public Address System Replacement

RFP process (Non-Brooks Method); three (3) proposals received. Five (5)-year negotiated miscellaneous procurement contract (3 yr. base + 2 yr. option) with the firm, ARINC, Inc., to design, furnish, test, commission and warranty a new, fully-functional Public Address (PA) System for Metro-North Railroad. The system includes two (2) new identical and complete head-end equipment installations in the Operations and Emergency Control Centers, new operator consoles, and new field equipment at five (5) real-time information stations (Fordham, 125th Street, White Plains, Yankees/E153rd, and Larchmont). The new system will support Metro-North's existing legacy system/equipment as well as accommodate future expansion at the remaining 99 MNR stations.

Metro-North's existing PA system is at the end of its useful life, is failing intermittently and constrains system reliability and expansion. Additionally, the existing system has audio cards that are no longer available from any vendor source. The new procurement will facilitate enhanced technology for audio and LCD/LED communications in stations and on all platforms.

After evaluating the three (3) proposals for technical capability and cost as well as the other selection criteria, the Selection Committee unanimously determined that ARINC was the best qualified vendor. ARINC demonstrated a good understanding of the tasks required to accomplish the services in accordance with the specifications. The ARINC project team demonstrated extensive technical knowledge and project management experience with other transportation agencies executing projects similar in scope.

New York City Transit (NYCT) and Long Island Rail Road (LIRR) utilize a PA system provided by Penta. Their respective Penta systems have not reached the end of their useful lives; as such no plans have been made for their replacement. However, the MNR contract provides NYCT & LIRR the ability to take advantage of the MNR/ARINC design and favorable pricing structure should they decide to replace their existing Penta PA systems during the five (5) year contract period.

The negotiated project cost of \$2,075,369 is 25.8% below ARINC's original proposal amount, 9% below the engineer's estimate and 5.3% beneath the next lowest proposer. Pricing is deemed fair and reasonable. This procurement is to be funded by the MNR Capital Program (73.5% or \$1.525M) and by the State of Connecticut Department of Transportation with Federal funds (26.5% or \$550K).

Staff Summary

Item Number C					
Dept & Dept Head Name: Procurement & Material Management, Anthony J. Bombace, Jr.					
Division & Division Head Name: Sen. VP - Administration, Raymond Burner					
Board Reviews					
Order	To	Date	Approval	Info	Other
1	MNR/LIRR Comm.Mtg.	4-26-10	X		
2	MTA Board Mtg.	4-28-10	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		
	Capital Programs				

SUMMARY INFORMATION	
Vendor Name Abalon Exterminating Inc.	Contract Number 53726
Description Grand Central Terminal - Pest Control Services	
Total Amount \$924,511	
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 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 checked="" type="checkbox"/> Other:	

I. PURPOSE/RECOMMENDATION: To obtain MTA Board Approval to award a five (5) year negotiated, public work contract to the firm, Abalon Exterminating, Inc., for the provision of Integrated Pest Management (IPM) services and regular pest control treatments to all MTA/MNR Grand Central Terminal (GCT) facilities and retail locations. Through the IPM process the firm will identify the source(s) of pest problems and work to eliminate them rather than reacting to the symptoms of the problem. IPM is preventative in nature and reduces or eliminates the use of toxic pesticides and provides for a safer environment for employees and customers.

MNR has selected an experienced pest management company that is capable of developing and employing a Pest Management program for a mixed-use facility such as GCT. This contract offers additional resources for more proactive service including 24/7 coverage as well as an on-staff Entomologist. In addition, this will consolidate pest control services into a single responsible company for the GCT complex. The locations to be serviced include, but are not limited to: office towers, crew facilities, loading docks, GCT North, the Station Master's office, track areas, 98 retail operations located within GCT including balcony restaurants, the Grand Central Market and the various non-food retail shops.

II. DISCUSSION: Board approval to use the RFP process for this procurement was granted during the September 2009 session. A Request for Proposal (RFP) was issued for the required pest control services, and a proposal review team/selection committee was assembled comprising of individuals representing the following areas: GCT Administration, MTA Real Estate, Jones-Lang LaSalle (the GCT managing agent), MNR Environmental Compliance, MTA Agency-Wide Environmental Policy & Compliance, MNR Operating Budgets & Organizational Staffing and MNR Procurement & Material Management.

The RFP was forwarded directly to 32 firms. Additionally, a notice of the RFP was publicly advertised in the following publications: New York Post, the Daily Challenge the New York State Contract Reporter and on the MNR website. A pre-proposal conference was held on October 15, 2009 and one addendum was issued prior to receipt of proposals.

Twelve (12) proposals were received on November 18, 2009. The selection criteria as stated in the RFP were listed as follows:

- Project Plan (detailed description of how services will be performed)
- Cost
- Confidence level, commitment of relevant resources to the project including the qualifications of key personnel assigned to the facility and reliability to perform the services
- Past experience handling large commercial accounts

The Selection Committee evaluated the twelve (12) proposals in accordance with the selection criteria and Metro North's Procurement procedures and short-listed the field to four (4) firms (J.C. Ehrlich, Magic Exterminating, GM Pest Control and Abalon Exterminating). The four (4) short-listed firms were invited to provide oral presentations.

Staff Summary

Following the oral presentations all four (4) firms were requested to submit a Best and Final Offer (BAFO).. The BAFO submitted by Abalon was 18% lower than the next lowest proposer. The Selection Committee unanimously determined that Abalon Exterminating Company was best qualified in light of their relevant experience with large clients, mixed-use facilities and their proactive approach.

The prior five (5)-year pest management contract, '05-'10, included fixed pricing for the term, and the new contract with Abalon will also be fixed for the term '10-'15. An analysis of Abalon's pricing concluded that overall cost has decreased approximately 1% when compared to historical cost despite the increased space.

Pricing is a factor of the different types of spaces: (1) Retail/Food and (2) GCT and Public Spaces. Retail/Food pricing is based on service frequency & square footage for which Abalon has provided all-inclusive monthly rates fixed for term of the agreement. The rate for GCT and Public Spaces is an all-inclusive monthly rate of \$5,300 per month firm and fixed for the term of agreement. It is recommended that the MTA Board approve the selection of Abalon Exterminating Company to provide pest management services to GCT for a five (5)-year amount of \$924,511.

III. D/M/WBE INFORMATION: The MTA Affirmation Action Department did not establish goals for this contract.

IV. IMPACT ON FUNDING: The total cost of this contract for the five (5)-year period is \$924,511. An estimated 66% of the charges (\$606.5K) are directly reimbursed by Jones-Lang LaSalle (the GCT managing agent for the tenants) to MTA / MNR and the remaining 34% (\$318K) is to be funded by the MNR Operating Budget.

V. ALTERNATIVES: None at this time. Metro North does not have the available in-house staff with the experience, equipment or certifications to furnish the required pest control services for GCT.

Staff Summary

Item Number E					
Dept & Dept Head Name: Procurement & Material Management, Anthony Lombace, Jr.					
Division & Division Head Name: Sen. VP – Administration, Raymond Burney					
Board Reviews					
Order	To	Date	Approval	Info	Other
1	MNR/LIRR Comm. Mtg.	04-26-10	X		
2	MTA Board Mtg.	04-28-10	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		
	Capital Programs	X	Customer Service		

SUMMARY INFORMATION	
Vendor Name ARINC, Inc.	Contract Number 0000066154
Description Public Address System Replacement Project	
Total Amount \$ 2,075,369	
Contract Term (including Options, if any) Five (5) Years	
Option(s) included in Total Amount? <input checked="" type="checkbox"/> Yes <input 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 checked="" type="checkbox"/> Federal <input type="checkbox"/> Other:	

Narrative

I. PURPOSE/RECOMMENDATION:

Recommendation to award a five-year (3-year base + 2-year option) competitive miscellaneous procurement contract to ARINC, Inc. to design, furnish, test, commission and warranty a new, fully functional Public Address (PA) System for Metro-North Railroad. The system includes two (2) identical and complete "head-end" equipment installations in MNR's Operations and Emergency Control Centers, new operator consoles, new field equipment at five (5) real time information stations (Fordham, 125th Street, White Plains, Yankees/E153rd, and Larchmont), an interface to Metro-North's existing legacy Penta system / equipment at the remaining 99 stations and all associated hardware, software, maintenance and installation oversight / support services.

II. DISCUSSION:

Background

Penta Corporation furnished and installed MNR's existing Public Address System in 1993. Under their contract Penta provided all maintenance and support services required plus additional enhancements such as a result of ADA requirements in 1995, Audio Visual Information System (AVIS) functionality in 1995, and Stations Communications network in 1999.

Procurement Justification

MNR's existing PA technology is at the end of its useful life, is failing intermittently and constrains expansion. The existing PA system is incapable of interfacing with MNR's train schedule database and can no longer support MNR's enhanced signage standards. The passenger information displays have limited functionality and no flexibility in terms of formats and content. In addition, connectivity to stations via Penta's proprietary analog system is difficult as it operates on an isolated data network and prevents remote administration and integration with train tracking and reporting systems. Additionally, MNR's existing PA system has audio cards that are no longer available from any vendor source.

The procurement of a new PA system supports the existing system and the roll-out of real time information at all stations. The new procurement will facilitate enhanced technology for audio and LCD/LED communications in stations and on all platforms.

Staff Summary

Procurement Discussions

In August 2009, RFP No. 0000066154 was advertised in the New York State Contract Reporter, the New York Post, the Daily Challenge, and the MNR website. Although there are only four (4) known PA system integrators (Penta, ARINC, GE and IED), the advertising yielded a total of 34 firms who expressed interest in obtaining the RFP documents. On October 28, 2009, RFP No. 0000066154 was released to all 34 vendors. Site Tour and Pre-proposal Conferences were held on November 3 & 5, 2009. A total of eleven (11) firms attended both the site tour and the pre-proposal conference. On January 15, 2010, three (3) proposals were received. Penta Corporation submitted their cost proposal at \$2,025,661.40; ARINC, Inc submitted \$2,796,363.39 and GE Transportation Systems Global Signaling proposed \$3,815,927.36.

Evaluations of Proposals

The three (3) proposals received were evaluated based on established selection criteria within the RFP which included:

- Detailed description of how the proposed PA System comply with the specifications, and how services will be performed for complete design, testing and commissioning of the new PA in accordance with the technical work scope;
- Demonstrated full understanding of the work scope through vendor presentations, project management plans, qualifications and commitment of key personnel, and quality and completeness of all required submissions. Firm has demonstrated its ability to support MNR requirements for the overall duration of the contract.
- Overall cost of required hardware, software, spare parts, training, project management and installation oversight, as well as the related maintenance and support services.
- Past experience in providing services of a similar nature.

Penta and ARINC were invited for vendor presentations. Penta was asked and subsequently provided pricing on items that were not included in their original proposal. The additional items yielded a revised Penta cost proposal of \$2,425,857.35. However, Penta did not display sufficient information in their written or oral presentation and they displayed a lack of attention to detail which is necessary for a project of this magnitude. A number of their solutions did not fit with our new system requirements.

The Committee unanimously selected ARINC to provide the new PA System. ARINC demonstrated a good understanding of the tasks required to accomplish the services in accordance with the specifications. Their project team demonstrated extensive technical knowledge and project management experience with other transportation agencies executing projects similar in scope. During ARINC's presentation, they exhibited expertise and experience and generated a high confidence level which outlined their ability to provide MNR with a PA system to fit its needs now and into the future.

The new procurement will facilitate enhanced technology for audio and LCD/LED communications in stations and on all platforms. The various components for the new PA system are all off-the-shelf products and ARINC's application is expandable to future stations. The new PA is specifically designed to work with both the older technology at stations that have not yet been upgraded to an Ethernet environment, and to also work with the model station's higher standards and design elements for announcements, 9 train displays and 3 train platform signs.

This is a five (5) year contract which includes a two-year design and implementation phase, a one year maintenance program for all components starting from system acceptance date, and a two-year renewal option for maintenance. All hardware and most software components are off-the-shelf and readily available products. The provision of maintenance including replacement parts beyond the five-year contract will be competitively solicited.

Cost Analysis

Following the vendor presentations, the Committee reviewed and approved multiple scope reductions including the removal of various station equipment and the Network Management System. The Committee also agreed to reduce site surveys, and certain training and reporting requirements. ARINC submitted a revised cost proposal reflecting the scope

Staff Summary

reductions in the new amount of \$2,342,584.59 which reflected a 16.23% decrease from their original proposal (of \$2,796,363.39) or a reduction of \$453,778.80. Upon multiple discussions and further cost negotiations with ARINC, Metro-North successfully received an additional 9.55% discount or additional cost reduction of \$267,215.22 which represented ARINC's Best and Final Offer (BAFO). The final project cost of \$2,075,369.37 is 25.8% or \$720,994.02 below the original proposed amount of \$2,796,363.39, 9% below the Engineer's estimate of \$2,283,795.00 and 5.3% below the next lowest proposer. Pricing is deemed fair and reasonable.

Joint Procurement Opportunity

New York City Transit (NYCT) and Long Island Rail Road (LIRR) utilize a PA system provided by Penta. Their respective Penta systems have not reached the end of their useful lives; as such no plans have been made for replacement. However, the MNR contract provides NYCT & LIRR the ability to take advantage of the MNR / ARINC design and favorable pricing structure should they decide to replace their existing Penta PA systems during the five (5) year contract period.

III. D/M/WBE INFORMATION:

No DBE participation goals were assigned to this project.

IV. IMPACT ON FUNDING:

Funding is provided as follows: 73.5% (\$1.525M) MNR Capital Program, Project No. M5080109 Customer & Employee Communications, Task No. M07483; and 26.5% (\$550K) CDOT/FTA Funds through administrative assets.

V. ALTERNATIVES:

The only alternative is to continue maintaining the existing, obsolete PA System and absorb the additional future expenses in the event of system failures.



Subject Request for Authorization to Award Various Procurements						Date April 28, 2010			
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	LIRR/MNR Committee	4.26.10				X	President		VP & Chief Financial Officer
2	MTA Board	4.28.10				X	Sr. VP-Administration		VP, General Counsel & Secy
							Sr. VP-Operations		
							Executive VP		

PURPOSE:

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

DISCUSSION:

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

Schedules Requiring Two-Thirds Vote

			<u># of Actions</u>	<u>\$ Amount</u>
Schedule A:	Non-Competitive Purchase and Public Works Contracts		1	\$0.975M
	• NorFast, Inc.	\$0.975M		
	SUBTOTAL:		1	\$0.975M

LIRR proposes to award Competitive Procurements in the following categories:

Schedules Requiring Majority Vote

			<u># of Actions</u>	<u>\$ Amount</u>
Schedule F:	Personal Service Contracts		1	\$0.200M
	• Bureau Veritas North America	\$0.200M		
Schedule G:	Miscellaneous Service Contracts		1	\$8.200M
	• AB Oil, Coastal Environ'l, Fenley & Nicol Environ'l	\$8.200M		
Schedule H:	Mods. to Personal Svc. Contracts & Misc. Svc. Contracts		1	\$0.133M
	• Staples Marketing, LLC.	\$0.133M		
	SUBTOTAL:		3	\$8.533M

LIRR proposes to award Ratifications in the following categories:

None

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

Schedules Requiring Majority Vote

		<u># of Actions</u>	<u>\$ Amount</u>
Schedule I:	Mods. to Purchase and Public Work Contracts	1	\$2.420M
	• Perini Corporation		
			\$2.420M
	SUBTOTAL:	1	\$2.420M
	<u>TOTAL:</u>	<u>5</u>	<u>\$11.928M</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, 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
APRIL 2010

MTA LONG ISLAND RAIL ROAD

Procurements Requiring Two-Thirds Vote

Page

Schedule A: Non-Competitive Purchase and Public Works Contracts

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

- | | | | | |
|----|--|---|--------------------------------------|------------|
| 1. | NorFast, Inc.
Sole Source
Contract No. TBD | \$975,000
Fixed Amount | <u>Staff Summary Attached</u> | 110 |
| | LIRR requests MTA Board approval to award a sole source contract to NorFast, Inc in the fixed amount of \$975,000 for the purchase of replacement insulated joints required to support LIRR's 2010 State of Good Repair Track program. | | | |

Schedule A: Non-Competitive Purchases and Public Works

Staff Summary



Item Number: 1

Vendor Name (& Location) NorFast, Inc. (Fernandina Beach, FL)
Description Insulated Joint Kits
Contract Term (including Options, if any) Immediate need
Option(s) Included in Total Amount? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Procurement Type <input type="checkbox"/> Competitive <input checked="" type="checkbox"/> Non-Competitive
Solicitation Type <input type="checkbox"/> RFP <input type="checkbox"/> Bid <input checked="" type="checkbox"/> Other: Sole Source,

Contact Number TBD	Renewal? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Total Amount: \$ 975,000 Fixed Amount	
Funding Source <input type="checkbox"/> Operating <input type="checkbox"/> Capital <input checked="" type="checkbox"/> Federal <input type="checkbox"/> Other:	
Requesting Dept/Div & Dept/Div Head Name: Maintenance of Way/Track/Robert Puciloski, Chief Engineer	
Contract Manager: Richard Barone	

Discussion:

LIRR requests MTA Board approval to award a sole source contract to NorFast, Inc ("NorFast") in the fixed amount of \$975,000 for the purchase of 525 NorFast NIJ720-136RE insulated joints (IJs) and 225 NorFast JIJ720-115RE IJs. The NorFast IJs are required to support LIRR's State of Good Repair 2010 Track program which will replace sections of continuously welded rail on Mainline track 1 and track 2 from Queens to Nassau 1.

The NorFast 700 Series IJs are an innovative and patented design that enhances railroad signal reliability, decreasing the likelihood of outages, which impact on time performance. The modular kit doubles the operational lifetime of the rail joint, reduces stress within the joint, and reduces the cost and time required for its installation. IJs serve an essential role in current railroad circuit-based signal systems by dividing the track into short, electrically isolated segments that detect train presence and activate trackside signals. They also, however, introduce failure points, which can cause increased service disruptions. A major contributing factor for failures of an IJ is the insulated material used for isolating rail sections. Standard IJs on the market use an epoxy resin as an insulating material, which is brittle and responds poorly to the high tensile and flex forces that is exerted on the rails. As a result, the epoxy tends to de-bond, causing the bars or bolts used in the joint to make contact with the rails and short out the signal in each block. The NorFast NIJ- 700 Series IJ design utilizes a flexible and durable grade of thermoplastic polyester polymer and tubular sockets that isolate and strengthen the six fixing bolts, with high resistance to creep, impact and fatigue. This prevents the bars or bolts used in the joint from making contact with the rails and shorting out the signal in each block. The NorFast design incorporates a saddle that increases the overall strength of the joint to equal that of the rail. The structural strength designed in the NorFast IJ eliminates the process of welding an IJ in new Continuous Welded Rail (CWR).

During one five year period, LIRR experienced 164 failures on traditional IJs caused by either an electrical or mechanical failure. These failures have a negative impact on on-time performance as each failure requires immediate repair or replacement necessitating a track outage. To address these failures, LIRR established a review committee to determine cause and effect as well as making recommendations on solutions to positively resolve the issues. As a result, a proof of concept test was designed whereby eleven of the NorFast IJs were installed in specific areas of the system. That test indicated that these engineered insulated joint bar assemblies offer a significant improvement to the strength, reliability and increased service life of conventional insulated joints. Further, they have not suffered the failure rates of the traditional IJs thereby reducing the number of track outages and resultant service disruptions. LIRR will now expand that proof of concept test to a larger segment of the infrastructure by installing up to 750 NorFast IJs and will continue to monitor and assess their performance and share the results of that assessment with both MNR and NYCT. The NorFast IJs have a lower unit cost as well as installation cost as compared to the traditional IJs.

LIRR advertised its intent to award a sole source contract to NorFast in the NYS Contract Reporter and in the NY Post. No other manufacturer expressed an interest in competing for this contract. Pricing submitted by NorFast was reviewed and compared to pricing paid for standard IJs purchased by LIRR. Pricing was found to be 14% less than pricing paid for comparable quantities. In addition, the elimination of the welding process resulting from the NorFast design provides a savings of \$1,900 per installation of an IJ in new CWR. Further, NorFast has certified that the fixed price is equal to or not greater than the price currently quoted to other customers for similar material and quantities. LIRR was able to negotiate a 1% net ten days discount. Based on the above information, pricing submitted by NorFast is determined to be fair and reasonable.

LIST OF COMPETITIVE PROCUREMENTS FOR BOARD APPROVAL
APRIL 2010

MTA LONG ISLAND RAIL ROAD

Procurements Requiring Majority Vote

Page

Schedule F: Personal Service Contracts

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

- | | | | | |
|---|--|--|--------------------------------------|-----|
| 2. | Bureau Veritas North America
Competitive
Contract No. TBD | \$100,000-LIRR
<u>100,000-MNR</u>
\$200,000-Not-to-Exceed | <u>Staff Summary Attached</u> | 112 |
| <p>LIRR, on behalf of itself and Metro North Railroad, requests MTA Board approval to award a two (2) year personal services contract for quality assurance inspections of rail car wheels and axles to Bureau Veritas North America at an aggregate total not-to-exceed \$200,000.</p> | | | | |

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)

- | | | | | |
|--|--|--|--------------------------------------|-----|
| 3. | AB Oil, Coastal Environmental
Fenley & Nicol Environmental
Competitive
Contract No. TBD | \$7,000,000-LIRR
<u>1,200,000-MTA Bus</u>
\$8,200,000-Not-to-Exceed | <u>Staff Summary Attached</u> | 114 |
| <p>LIRR, on behalf of itself and MTA Bus Company, requests MTA Board approval to award contracts to the firms listed above in the not-to-exceed amounts identified therein to provide hazardous and non-hazardous waste removal and disposal services from various locations on an "on-call" basis for a five (5) year period.</p> | | | | |

Procurements Requiring Majority Vote

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.)

- | | | | | |
|--|--|--|--------------------------------------|-----|
| 4. | Staples Marketing, LLC
Competitive RFP
Contract No. POJ0478 | \$133,428
Not-to-Exceed | <u>Staff Summary Attached</u> | 116 |
| <p>LIRR requests MTA Board approval to (i) extend the term of the current Staples Marketing, LLC ("Transit Solutions") two-year, transit marketing contract, which is mainly supported by federal funds, for a period of eight (8) months, from April 30, 2010, through December 31, 2010 and (ii) add funding in the amount of \$133,428, increasing the contract value from \$300,000, to a revised not-to-exceed total of \$433,428. The additional time and funding will allow Staples to continue its efforts associated with a marketing campaign aimed at increasing utilization of public and private mass transit options in Nassau County.</p> | | | | |

Schedule F: Personal Service Contract

Staff Summary



Long Island Rail Road

Page 1 of 2

Item Number: 2					
Dept & Dept Head Name: Procurement & Logistics; Dennis Mahon					
Department Head Signature & Date <i>[Signature]</i>					
Division & Division Head Name: Maintenance of Equipment, Michael Gelormino					
Department Head Signature & Date <i>[Signature]</i>					
Board Reviews <i>4/14/10</i>					
Order	To	Date	Approval	Info	Other
1	LI Committee	4.26.10			
2	MTA Board	4.28.10			
Internal Approvals					
Order	Approval	Order	Approval		
6	President <i>[Signature]</i>	3	VP/CFO <i>[Signature]</i>		
5	Executive VP <i>[Signature]</i>	2	Sr. VP/Operations <i>[Signature]</i>		
4	VP/Gen'l Counsel & Sec'y <i>[Signature]</i>	1	Sr. VP/Administration <i>[Signature]</i>		

SUMMARY INFORMATION	
Vendor Name	Contract Number
Bureau Veritas North America	TBD
Description	
Quality Assurance Inspections of Wheels and Axles	
Total Amount	
\$200,000 Not-to-Exceed (LIRR \$100,000 / MNR \$100,000)	
Contract Term (Including Options, if any)	
2 Years	
Options(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:	

Narrative:

I. PURPOSE/RECOMMENDATION

LIRR and Metro North Railroad (collectively the Railroads) request MTA Board approval to award a two (2) year personal services contract for quality assurance inspections of rail car wheels and axles to Bureau Veritas North America (BVNA) at an aggregate total not-to-exceed \$200,000 (LIRR \$100,000 / MNR \$100,000).

II. DISCUSSION

Car wheels and axles are manufactured at various facilities around the world. Quality assurance inspections ensure that manufacturing standards are in accordance with the latest LIRR, MNR and AAR specifications. Inspections are "as needed" and the number required is based on the quantity of wheels and axles inspected per individual delivery. BVNA proposed accordingly with a per wheel and axle price per inspection on an as-needed basis. The "not to exceed" figure represents the maximum estimated needs by the Railroads and, therefore, the maximum that the supplier will be allowed to bill for these services.

In response to a competitive RFP, six firms received packages of which two submitted proposals; BVNA (current contractor) and Quality Inspection Services, Inc. Quality Inspection Services could only provide inspection services in the United States and not throughout the world and was, therefore, deemed non-responsive. BVNA the current contractor has been satisfactorily providing these services to LIRR and MNR for the last twenty years and has indicated in their proposal that they were maintaining the same technical approach to the scope of work as well as the project team/key personnel that currently service the Railroads. They have significant experience / knowledge related to the inspection of wheels & axles and have had numerous contracts to perform similar work with LIRR, MNR, Chicago Transit Authority and Massachusetts Bay Transit Authority.

The per wheel / axle price proposed is based on BVNA's current contracts with its subcontractor resources in the various countries, the increase in exchange rates and the increase in domestic labor/transportation costs.

A review of proposed per wheel / axle inspection prices indicates a 4.4% per year increase from the previous contract with LIRR & MNR. BVNA advised that this increase is based on their current contracts with its subcontractor resources in the various countries, the increase in exchange rates, domestic/foreign hourly labor cost and transportation costs. The increases in these factors were found to be in line with the annual % increases found in the BLS database and therefore considered fair and reasonable.

Schedule F: Personal Service Contract

Staff Summary



Long Island Rail Road

Page 2 of 2

III. D/M/WBE INFORMATION

There are no M/W/DBE goals for this solicitation.

IV. IMPACT ON FUNDING

This contract will be funded by the LIRR's and MNR's Operating Budget.

V. ALTERNATIVES

The Railroads do not possess the required skills in-house to perform these tasks. There are no other alternatives but to issue the personal services contract at this time.

Schedule G: Miscellaneous Service Contracts

Staff Summary



Long Island Rail Road

Item Number: 3

Vendor Name (& Location) AB Oil Service LTD. - (Bohemia, NY) – LIRR/MTA Bus Coastal Environmental Group Inc. - (Central Islip, NY 11722) – MTA Bus only Fenley & Nicol Environmental Inc. - (Deer Park, NY) – LIRR/MTA Bus	
Description Removal and Disposal of Hazardous and Non- Hazardous Waste from LIRR and MTA Bus facilities	
Contract Term (including Options, if any) 5 Years	
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:	

Contract Number TBD	Renewal? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
LIRR: MTA Bus: Total Amount:	\$7,000,000 <u>\$1,200,000</u> \$8,200,000
Funding Source <input checked="" type="checkbox"/> Operating <input checked="" type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:	
Requesting Dept/Div & Dept/Div Head Name: TBD	
Contract Manager: Maura Kelly, Contract Specialist	

Discussion:

LIRR and MTA Bus Company (MTA Bus), (collectively “the Agencies”), request MTA Board approval to award contracts to the firms listed above in the not-to-exceed (NTE) amounts identified therein to provide hazardous and non-hazardous waste removal and disposal services from various locations on an “on-call” basis for a five (5) year period.

In accordance with joint procurement initiatives, other agencies were contacted for a possible joint procurement but due to significant variations in operational functions, as well as geographic limitations and the existence of other contracts that are currently in place, it was determined that only LIRR and MTA Bus would pursue this procurement jointly.

The awards are made pursuant to a Competitive Request for Proposal (RFP) process. In response to the RFP, six proposals were received from the following firms: AB Oil Service LTD, Allstate Power Vac Inc., Clean Venture, Inc., Coastal Environmental Group Inc., Fenley & Nicol Environmental, Inc., and PAL Environmental. Due to the diverse and complex nature of the work, the Agencies have historically utilized multiple contractors for the different services. This has proven to be both cost efficient and cost effective. The Agencies initially sought to award contracts to up to four technically qualified firms, provided that the proposed prices fell within the “competitive range.” However, after technical reviews and subsequent price analyses, only three firms fell within the competitive range; AB Oil, Fenley & Nicol and Coastal Environmental. They were ranked numbers one through three respectively. Clean Venture while ranked as number four technically, was determined to be outside the “competitive range.” Their price proposal was 93% higher than the lowest proposal and as a result, was not considered for further participation in the RFP process. The remaining two firms, Allstate and PAL, were also eliminated from further consideration. They ranked in the lower 50% of the firms, numbers five and six respectively and a review of both Responsibility Questionnaires revealed significant adverse information.

Based upon the collective results of its review, the technical evaluation committee made a determination that AB Oil, Fenley & Nicol and Coastal were technically qualified and determined that their prices were within the competitive range. They were then short-listed for best and final offers.

Best and Final Offers (BAFO) were requested and received as follows:

Long Island Rail Road		MTA Bus	
Vendor Name	Proposed Price	Vendor Name	Proposed Price
Fenley & Nicol Environmental Inc.	\$4,682,326	AB Oil Service LTD.	\$372,395
AB Oil Service LTD.	\$5,200,528	Coastal Environmental Group Inc	\$518,164
Coastal Environmental Group Inc.	\$9,986,990	Fenley & Nicol Environmental Inc.	\$521,538

Coastal Environmental’s BAFO of \$9,986,990 was determined to be outside the competitive range for LIRR and was, therefore, eliminated from further consideration of an award. Coastal, however, was ranked #2 in price for MTA Bus and is considered for an award by MTA Bus.

Schedule G: Miscellaneous Service Contracts

Staff Summary



Based on above, LIRR requests MTA Board approval to award contracts to AB Oil and Fenley & Nicol and approval, on behalf of MTA Bus, to award three contracts to AB Oil, Coastal Environmental and Fenley & Nicol.

The estimated NTE value of \$8,200,000 (LIRR \$7,000,000 / MTA Bus \$1,200,000) is based on the Agencies estimates of the frequency and nature of specific events requiring waste removal that will be encountered over the five-year life of the contract. Work will be authorized on an "on-call, as required" basis and will be awarded to the firm, which being reasonably determined from the contract prices, can perform the work at the lowest aggregate cost to each Agency. In this regard, if it cannot be reasonably determined by the contracts' unit prices which firm can provide the required service at the overall lowest cost to each Agency, an informal competitive process will be used to insure that the work is awarded to the lowest priced firm. Since the work has not yet been determined, LIRR will award indefinite quantity contracts to AB Oil and Fenley & Nicol, each in the NTE amount of \$3,500,000. MTA Bus will award contracts to AB Oil, Coastal Environmental and Fenley & Nicol, each in a NTE amount of \$400,000. As work is authorized to each firm, the Agencies may be required to reallocate the authorized NTE value of each individual contract among the firms, depending on which firm can adequately and timely perform the work at the lowest cost and therefore receive authorization to perform the work. Under no circumstances during the contract term will either Agency exceed the Board authorized \$8,200,000 (LIRR \$7,000,000 / MTA Bus \$1,200,000) aggregate amount.

Funding for these contracts will be provided through each Agency's Operating and Capital Budgets depending upon the nature of the work.

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

Staff Summary



Long Island Rail Road

Item Number: 4

Vendor Name (& Location) Staples Marketing, LLC Pewaukee, WI 53072	Contract Number POJ0478	AWO/Modification # 2
Description Marketing Campaign to Increase Transit Usage in Nassau County	Original Amount:	\$300,000
Contract Term (Including Options, if any) April 1, 2008 – April 30, 2010	Prior Modifications:	\$ 0
Option(s) included in Total Amount? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Prior Budgetary Increases:	\$ 0
Procurement Type <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Non-competitive	Current Amount:	\$ 0
Solicitation Type <input checked="" type="checkbox"/> RFP <input type="checkbox"/> Bid <input type="checkbox"/> Other:	This Request:	\$133,428
Funding Source <input checked="" type="checkbox"/> Operating <input type="checkbox"/> Capital <input checked="" type="checkbox"/> Federal <input type="checkbox"/> Other:	% of This Request to Current Amount:	44.47%
Requesting Dept/Div & Dept/Div Head Name: Public Affairs Dept./ Joseph Calderone	% of Modifications (including This Request) to Original Amount:	44.47%

Discussion:

LIRR requests MTA Board approval to (i) extend the term of the current Staples Marketing, LLC two-year, transit marketing contract, which is mainly supported by federal funds, for a period of eight (8) months, from April 30, 2010, through December 31, 2010 and (ii) add funding in the amount of \$133,428, increasing the contract value from \$300,000, to a revised not-to-exceed total of \$433,428.

A federal Congestion Mitigation and Air Quality Improvement (CMAQ) grant has been awarded to the Metropolitan Transportation Authority ("MTA") to invest in projects to reduce criteria air pollutants from transportation-related sources. The MTA allocated some of this funding to implement a transit marketing plan for Nassau County, with the goal of increasing the use of public and private transit services, and thereby aiding in the reduction of roadway congestion and vehicle emissions.

In March 2008, pursuant to MTA Board approval, a competitively negotiated two-year personal service contract was issued to Staples, to develop and implement a comprehensive marketing campaign. The objectives of the marketing plan include increasing transit ridership by generating awareness of transit options, pre-tax transit benefits available among employers and residents, discount programs associated with various fare media, and mail and internet options for purchasing fare media. The campaign covers the full range of transit options, and support services, including, but not limited to Long Island Rail Road, Long Island Bus, private bus lines, vanpool services, and pre-tax transit benefit service providers. This marketing plan is consistent with last year's amendment to the Public Authorities Law requiring the MTA "to promote the broad use" of pre-tax transit benefits and to "study and report on ways in which programs may be improved so as to increase public participation."

Federal funding is available in the current CMAQ Grant # NY90-X508 and requires a 20% match by the LIRR (approximately \$26,600) for the extension beginning April 30 through December 31, 2010. The Federal Allocations applicable to this grant have not been appropriated yet for 2010. As a result, a new CMAQ grant will not be available prior to the current contract expiration date of April 30, 2010. Accordingly, LIRR requests the extension, and funding increase to allow sufficient time to complete the CMAQ grant request for 2010, and award the renewal contract. Staples agreed to the eight-month contract extension under the current contract terms and conditions. The prices remain unchanged and the cost therefore is considered to be fair and reasonable. When the new CMAQ grant is issued for the next two-year period, the LIRR will not need to supply the 20% matching funds provided for the last contract. If additional federal funds are not granted, then the program will be canceled.

APRIL 2010

LIST OF COMPETITIVE PROCUREMENTS FOR BOARD APPROVAL

Procurements Requiring Majority Vote

Page

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)

- | | | | | |
|----|--|--------------------|--------------------------------------|------------|
| 5. | Perini Corporation | \$2,420,000 | <u>Staff Summary Attached</u> | 118 |
| | Competitive | | | |
| | Contract No. CH053 | | | |
| | MTA Capital Construction | | | |
| | Construct Harold Structures Part 1 for ESA Project | | | |

Schedule I: Modifications to Purchase and Public Work Contracts

Staff Summary



Item Number: 5

Vendor Name (& Location) Perini Corporation (Peekskill, New York)	
Description Construct Harold Structures Part I for the ESA Project	
Contract Term (Including Options, if any) 42 Months	
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 checked="" type="checkbox"/> Other: Modification
Funding Source <input type="checkbox"/> Operating <input checked="" type="checkbox"/> Capital <input checked="" type="checkbox"/> Federal <input type="checkbox"/> Other:	
Requesting Dept/Div & Dept/Div Head Name: East Side Access, A. Paskoff, P.E.	

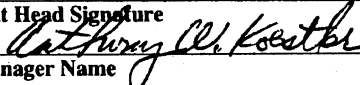
Contract Number	AWO/Modification #
CH053	30
Original Amount:	
	\$ 139,280,000.00
Prior Modifications:	
	\$ 11,221,412.40
Prior Budgetary Increases:	
	\$ 0
Current Amount:	
	\$ 150,501,412.40
This Request	
	\$ \$2,420,000
% of This Request to Current Amount:	
	1.6%
% of Modifications (including This Request) to Original Amount:	
	9.8%

Discussion:

This contract is for the construction of various civil infrastructure elements in Harold Interlocking and to expand the existing LIRR/Amtrak right-of-way to enable mainline track diversions and facilitate the future construction of tunnels for the East Side Access Project. Board approval is requested for the addition of negative rail return ductbanks from Substation 44 in Sunnyside Yard to Tracks #36 and #40 and the relocation of 60 cycle power feeds. Amtrak requested a re-alignment for Track #68 which caused a redesign of the electrical ductbanks. The relocation of the negative return and 60 cycle power feeds in the tri-vent area is critical to the CQ031 Contract performing construction to support the tunnel boring machine operations.

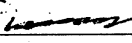
Perini submitted a cost proposal of \$2,941,515. MTACC's estimate is \$2,222,910. Negotiations were held, and the parties agreed to a cost of \$2,420,000, which is considered fair and reasonable as it is within 10% of the in-house estimate.

Staff Summary

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

Date	April 1, 2010
Vendor Name	
Contract Number	
Contract Manager Name	
Table of Contents Ref #	

Board Action					
Order	To	Date	Approval	Info	Other
1	President	4/1/10			
2	MTA B&T Committee	4/26/10			
3	MTA Board	4/28/10			

Internal Approvals			
Order	Approval	Order	Approval
	President 		Chief Procurement Officer
	VP Staff Services/COS		VP & Chief Engineer
	General Counsel		VP Labor Relations
	VP Operations		

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

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	1	\$8.287M
Schedule H	Modifications to Personal/Miscellaneous Service Contracts	1	\$.133M
Schedule J	Modifications to Miscellaneous Procurement Contracts	1	\$0
SUBTOTAL		3	\$8.420M

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

Schedules Requiring Majority Vote		# of Actions	\$ Amount
Schedule K	Ratification of Completed Procurement Actions (Involving Schedule E-J)	1	\$.733M
SUBTOTAL		1	\$.733M
TOTAL		4	\$9.153M

BUDGET IMPACT:

The purchases/contracts will result in obligating MTA B&T and Capital Construction funds in the amount listed. Funds are available in the current MTA B&T operating/capital budgets for this purpose.

RECOMMENDATION:

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

MTA BRIDGES & TUNNELS
TRIBOROUGH BRIDGE AND TUNNEL AUTHORITY

WHEREAS, in accordance with §559 and §2879 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 §2879 of the Public Authorities Law and 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, 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
APRIL 2010

MTA BRIDGES & TUNNELS

Procurements Requiring Majority Vote:

Page

F: Personal Service Contracts

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

1.	WSP Sells Transportation & Infrastructure	\$ 2,737,666.86	<u>Staff Summary Attached</u>	122
	TranSystems	\$ 1,540,513.62		
	HNTB NY Engineering and Architecture, PC	\$ 2,915,647.03		
	B&H Engineering, PC	\$ 1,093,348.61		
	Contract Nos. PSC-09-2860 A - D	\$ 8,287,176.12		
	2 yr. contracts – Competitive RFP – 7 Proposals			
	Provide biennial bridge inspection and miscellaneous design services at the Robert F. Kennedy and Verrazano Narrows Bridges.			

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)

2.	Jacobs Civil Consultants, Inc.	\$ 133,319.04	<u>Staff Summary Attached</u>	125
	Contract No. PSC-06-2783			
	Provide additional design and construction support services for Project BB-45, Supply Fan Replacement, Switchgear Replacement and Manhattan Underground Exhaust Building (MUEB) Fan Upgrade and Repairs at the Brooklyn Battery Tunnel.			

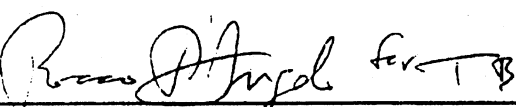
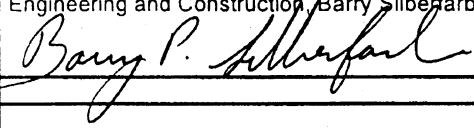



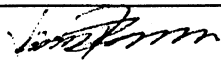
I: Modifications to Miscellaneous Procurement Contracts

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

3.	Mark IV Industries, Inc.	Pricing Agreement	<u>Staff Summary Attached</u>	126
	Contract No. 94-IAG-2336			
	Exercise a one year option to August 16, 2011 under the Mark IV Agreement for E-ZPass tags, readers and antennas to ensure uninterrupted service to customers while the E-ZPass Interagency Group completes selection of a new interoperable technology.			

Staff Summary

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Item Number 1 (Final)					
Dept & Dept Head Name: Engineering and Construction, Thomas Bach, P.E. 					
Division & Division Head Name: Engineering and Construction, Barry Silberfarb 					
Board Reviews					
Order	To	Date	Approval	Info	Other
1	President	4/1/10			
2	MTA B&T Committee	4/26/10			
3	MTA Board	4/28/10			
Internal Approvals					
Order	Approval	Order	Approval		
1	Chief Financial Officer 	4	Chief of Staff 		
2	General Counsel	5	President		
3	Chief Procurement Officer 				

SUMMARY INFORMATION	
Vendor Name	Contract Number
A) WSP Sells Transportation & Infrastructure	PSC-09-2860A
B) TranSystems	PSC-09-2860B
C) HNTB NY Engineering and Architecture, PC	PSC-09-2860C
D) B&H Engineering, PC	PSC-09-2860D
Description 2010 Biennial Bridge Inspections and Design of Miscellaneous Structural Repairs at the Robert F. Kennedy and Verrazano Narrows Bridges	
Total Amount PSC-09-2860A, \$2,737,666.86; PSC-09-2860B, \$1,540,513.62; PSC-09-2860C, \$2,915,647.03; PSC-09-2860D, \$1,093,348.61	
Contract Term (including Options, if any) Two (2) 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

B&T is seeking Board approval under the All-Agency Guidelines for Procurement of Services to award four personal service contracts for the 2010 Biennial Bridge Inspections at the Robert F. Kennedy and Verrazano Narrows Bridges to (A) WSP Sells Transportation and Infrastructure (SELLS), (B) TranSystems (TS), (C) HNTB New York Engineering and Architecture, PC (HNTB) and (D) B&H Engineering, PC (B&H). The negotiated contract amounts are: (A) \$2,737,666.86, (B) \$1,540,513.62, (C) \$2,915,647.03 and (D) \$1,093,348.61. Each contract shall be for a duration of two (2) years.

II. DISCUSSION

B&T requires the services of four consultant firms to provide biennial bridge inspection and miscellaneous design services at the Robert F. Kennedy and Verrazano Narrows Bridges. The inspections are required by the New York State Department of Transportation.

The requirements were publicly advertised. Twelve firms submitted qualification information for review and evaluation by the selection committee. Seven firms (SELLS, TS, Haks, B&H, HNTB, Hardesty & Hanover and URS) were chosen to receive the RFP based on a review of those qualifications and all seven firms 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. Based on the committee's review of all submittals and its consideration of proposed costs, the committee selected SELLS for Group A (RFK Bridge Main Span).

Staff Summary

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HNTB for Group C (Verrazano-Narrows Bridge Upper and Lower Spans) and B&H for Group D (Verrazano-Narrows Bridge Approaches and Ramps). For Group B (RFK Lift Span), the committee recommended that Haks and TS submit best and final offers (BAFOs) following negotiations. After receipt of the BAFOs, the committee selected TS for Group B. The committee's selections were based on the following:

- SELLS exhibited a thorough knowledge of the requirements in Group A. SELLS offered extensive experience related to the inspection requirements and all related field issues for this facility. SELLS has a history of completing projects without field problems and timely submission of deliverables. SELLS also provided highly competitive pricing.

- TS demonstrated a wide range of experience for similar inspection projects for the Port Authority of New York and New Jersey. In addition, TS has performed very well during previous biennial inspections at the Cross Bay, Marine Parkway, Throgs Neck, Verrazano Narrows and Henry Hudson Bridges. TS has a thorough understanding of the required inspection work under Group B and its BAFO was lowest in price.

- HNTB proposed an inspection team which has the necessary experience and qualified personnel for Group C with extensive experience working at various Authority structures. HNTB's demonstrated project understanding as well as its excellent past performance were key factors in its selection for Group C. HNTB's proposed price was also in line with other proposers that were considered technically proficient to perform a biennial inspection of the magnitude of Group C.

- B&H demonstrated a thorough understanding of the scope of work and proposed a management team for Group D with relevant experience in performing biennial inspection work for the Authority and other government entities. B&H also proposed very favorable pricing.

The committee found Haks technically capable to perform; however, its BAFO was significantly higher than TS'. The committee determined that Hardesty & Hanover's technical proposal did not sufficiently meet B&T's needs. URS's proposal reflected a lack of project understanding.

The following represents a summary of the costs proposed, estimated and negotiated for the recommended contracts.

<u>Contract</u>	<u>2008 Contract</u>	<u>Estimated</u>	<u>Proposed</u>	<u>Negotiated</u>	<u>Allowance</u>	<u>Contract</u>
PSC-09-2860A	\$1,526,177.91	\$1,821,000	\$1,999,952.68	\$1,987,666.86	\$750,000	\$2,737,666.86
PSC-09-2860B	\$1,259,182.00	\$1,366,000	\$1,473,730.67	\$1,040,513.62	\$500,000	\$1,540,513.62
PSC-09-2860C	\$1,772,303.53	\$1,864,691	\$2,277,914.33	\$2,015,647.03	\$900,000	\$2,915,647.03
PSC-09-2860D	\$ 796,458.28	\$ 872,000	\$ 723,374.59	\$ 693,348.61	\$400,000	\$1,093,348.61

Negotiations under A resulted in an amount that is 9% above the estimate and 30% higher than the prior (2008) value. The cost variance from the 2008 contract may be attributed to a construction contractor's removal of the temporary shielding used under the prior contract for inspection access. The negotiated cost for B was 24% below the estimate and 17% lower than the 2008 value. The negotiated cost for C was 8% higher than the estimate and 14% higher than the 2008 value, which may primarily be attributed to the user's understated man-hours in its estimate. The negotiated cost for D was 20% under the estimate and 13% lower than the 2008 value. Based on the above, the negotiated amounts are considered fair and reasonable. Each firm is considered to be a responsible consultant.

The total amount for each contract will include the following assigned allowances as shown in the table above. These allowances are to provide support based on the results of the inspection and include: (i) interim or special inspections; (ii) sounding and concrete removal; (iii) sign gantries and light standard inspections; (iv) auxiliary design services for the

Staff Summary

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repair of defective structure conditions; (v) preliminary design investigations toward alternative solutions; and (vi) and auxiliary testing services for elements such as concrete cores, steel coupons, cable wires, etc. These services will be provided via work orders on an as-needed basis. These items are primarily developed as part of the inspection process and the amounts are based on historical costs. The allowances will permit the Authority to quickly respond to the needs of each facility.

III. D/M/WBE INFORMATION

The MTA Office of Civil Rights has established goals of 10% MBE and 0% WBE for each of these contracts. The contracts will not be awarded until the M/WBE requirements are satisfied.

IV. IMPACT ON FUNDING

Funding in the amount of \$8,287,176.12 is available in the Operating Budget under GFM-494, General Ledger #74001.

V. ALTERNATIVES

There are no recommended alternatives. The Authority does not have the resources required to perform these New York State inspection requirements.

**Schedule H: Modifications to Personal Service Contracts and Miscellaneous Service Contracts**Item Number: **2**

(Final)

Vendor Name (& Location) Jacobs Civil Consultants, Inc.		Contract Number PSC-06-2783	AWO/Modification #
Description Design and Construction Support Services for Project BB-45, Supply Fan Replacement, Switchgear Replacement and Manhattan Underground Exhaust Building (MUEB) Fan Upgrade and Repairs at the Brooklyn Battery Tunnel			
Contract Term (including Options, if any) October 13, 2006 – June 12, 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		Original Amount: \$1,897,230.43	
Solicitation Type <input checked="" type="checkbox"/> RFP <input type="checkbox"/> Bid <input type="checkbox"/> Other:		Prior Modifications: \$318,668.76	
Funding Source <input type="checkbox"/> Operating <input checked="" type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:		Prior Budgetary Increases: N/A	
Requesting Dept/Div & Dept/Div Head Name: Engineering & Construction, Thomas Bach, P.E.		Current Amount: \$2,215,899.19	
		This Request: \$133,319.04	
		% of This Request to Current Amount: 6.0%	
		% of Modifications (including This Request) to Original Amount: 23.8%	

Discussion:

B&T is seeking Board approval under the All-Agency Guidelines for Procurement of Services to modify this contract with Jacobs Civil Consultants, Inc. (Jacobs) to increase funding in the amount of \$133,319.04 for: (i) electrical box (E-Box) feeder cable and conduit replacement design and (ii) additional design support services during construction.

The proposed amendment is for design services to replace deteriorated conduit and cable for the E-Box system (36 wall mounted boxes) in order to provide reliable power for the traffic control signal and communication systems in the tunnel during normal and emergency operating conditions. It is recommended they be replaced under Project BB-45. The current construction scope necessitates additional funding for design support services during construction. This request also includes funding for additional designs during construction in the approximate amount of \$20,000. During the design of this project it was determined that concurrent switchgear replacement at each vent building was not feasible due to the potential for electrical service disruptions, therefore the switchgear will have to be replaced sequentially. Since the duration of the prospective construction contract is 3 years, 6 months, Jacobs' contract will be extended an additional 5 years to allow for the completion of all required project construction and closeout activities.

Jacobs provided proposals totaling \$133,319.04. The Engineer's estimates total \$137,741. During negotiations the scope of work and proposals were reviewed, the Authority accepted Jacobs' proposals in the amount of \$133,319.04. The accepted amount is 3.2% below the estimate and is fair and reasonable. Consistent with the Procurement Guidelines this amendment combined with the previous amendments constitutes a substantial change. Funding for this amendment is available in the 2005 – 2009 Capital Program under Project BB-45.

Schedule J: Modifications to Miscellaneous Procurement Contracts

Item Number: **3** (Final)

Vendor Name (& Location) Mark IV Industries, Inc., Amherst, NY		Contract Number 94-IG-2336	AWO/Modification #
Description Acquisition of E-ZPass Equipment		Original Amount:	N/A
Contract Term (including Options, if any) April 22, 1994 - August 16, 2010		Prior Modifications:	N/A
Option(s) included in Total Amount? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		Prior Budgetary Increases:	N/A
Procurement Type <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Non-competitive		Current Amount:	N/A
Solicitation Type <input checked="" type="checkbox"/> RFP <input type="checkbox"/> Bid <input type="checkbox"/> Other:		This Request:	N/A
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:	N/A
Requesting Dept/Div & Dept/Div Head Name: Revenue Management, Chief Financial Officer, Donald Spero		% of Modifications (including This Request) to Original Amount:	N/A

Discussion:

B&T is seeking Board approval under the All-Agency Procurement Guidelines to exercise a one year option to August 16, 2011 under the Mark IV Agreement for E-ZPass tags, readers and antennas to ensure uninterrupted service to customers while the multi-agency E-ZPass Interagency Group (IAG) completes selection of a new interoperable technology. The negotiated price is lower than the current price.

Formed in the early 1990s by New York, New Jersey and Pennsylvania toll agencies, the IAG now has 24 members and reaches as far south as Virginia and as far west as Illinois. All are committed to using the same technology so customers need only one tag. There are currently 19 million E-ZPass tags in circulation; Bridges and Tunnels has about 3.3 million of them. To ensure continued high quality customer service, B&T anticipates that it will need to replace 415,000 tags in 2010 and another 958,000 (822,000 through August) in 2011.

In April 1994 the Board authorized B&T to enter into a five year contract with Mark IV Industries, Inc. (MIV) to furnish electronic toll collection equipment and other ancillary services required to implement the E-ZPass System. Since that time, all 24 IAG members have signed similar contracts with MIV. In September 1998 the Board approved an extension of the agreement with MIV that extended the contract through August 16, 2007. In November 2006 the Board approved a three year extension to the agreement through August 16, 2010. This amendment is to exercise the one year option under the contract thereby extending the agreement through August 16, 2011.

In anticipation of the expiration of the MIV agreement, the IAG has solicited a new competitive contract. B&T is acting as the procurement manager on behalf of the other IAG members. The selection of a vendor is expected to be completed by the end of 2010. All 24 IAG members have elected to participate in the procurement process, serving on various evaluation and selection committees and performing testing of new technologies. Given the complexity of a procurement that requires unanimous agreement by 24 agencies and the time that may be needed to finalize contracts and migrate to the new equipment, B&T has concluded that the only way to ensure an uninterrupted supply of E-ZPass tags and equipment for its customers is to extend the contract with MIV.

The benefits of exercising this option include:

1. B&T has negotiated a lower price for all replacement interior transponders for all vehicles; and
2. In recognition of the significant number of tags to be ordered by the Authority, B&T will receive a total rebate of 85,000 transponders at no cost.

The negotiated price for the transponders and rebate will save over \$7 million over the next one and half years. The negotiated price through August 16, 2011 is fair and reasonable. Funding for this amendment is available in the Operating Budget under General Ledger #57077.

LIST OF RATIFICATIONS FOR BOARD APPROVAL
APRIL 2010

MTA BRIDGES & TUNNELS

Procurements Requiring Majority Vote:

Page

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

(Staff Summaries required for unusually large or complex items which otherwise would require Board approval)

- | | | | | |
|----|--|----------------------|--------------------------------------|------------|
| 1. | Conti of New York, LLC
Contract No. BW-89 | \$ 733,000.00 | <u>Staff Summary Attached</u> | 128 |
| | Additional work under Contract BW-89, Replacement of the Bronx Approach and Miscellaneous Repairs to the Queens Approach at the Bronx-Whitestone Bridge. | | | |

**Schedule K: Ratification of Completed Procurement Actions (Involving Schedules E Through J)**Item Number: **1** (Final)

Vendor Name (& Location) Conti of New York, LLC, South Plainfield, NJ	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: \$11,135,246.74	
Option(s) included in Total Amount? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Prior Budgetary Increases: \$0.00	
Procurement Type <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Non-competitive	Current Amount: \$203,912,537.74	
Solicitation Type <input type="checkbox"/> RFP <input checked="" type="checkbox"/> Bid <input type="checkbox"/> Other:	This Request: \$733,000.00	
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: 0.4%	
Requesting Dept/Div & Dept/Div Head Name: Engineering & Construction/Thomas Bach, P.E.	% of Modifications (including This Request) to Original Amount: 6.2%	

Discussion:

B&T is seeking the Board's ratification under the All Agency Procurement Guidelines for an amendment to the Contract for 4 stringer top flange and 5 stringer bottom flange repairs identified as red flags during the 2009 Biennial Inspection in the total amount of \$733,000. The Engineer directed that immediate action be taken to remedy the flagged conditions. The Contract contains 2 unit price items (Item 101-Type STF, Repair Stringer Top Flange and Item 102-Type SBF, Repair Stringer Bottom Flange) that were used to support similar work performed by the Contractor. The unit price for Item 101-Type STF is \$102,000 for each top flange repair, totaling \$408,000. The unit price for Item 102-Type SBF is \$65,000 for each bottom flange repair, totaling \$325,000. The Engineer has maintained cost records for the Work and considers the unit prices for each repair type to be fair and reasonable. For information, the Board approved three amendments for other flag repairs resulting from the 2009 Biennial Inspection in the last quarter of 2009. The total price for the Work performed is \$733,000. Funding is available in the Operating Budget under Project WBM-342 (GL Code 74001-352).