



Metropolitan Transportation Authority

December 2010

MTA Board Action Items



MEETING AGENDA
METROPOLITAN TRANSPORTATION AUTHORITY BOARD
December 15, 2010 9:30 a.m.

347 Madison Avenue
Fifth Floor Board Room
New York, NY

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Date of next MTA Board meeting: Wednesday January 26, 2010 at 9:30 a.m.

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

**Wednesday, November 17, 2010
9:30 a.m.**

The following members were present:

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

The following members were absent:

**Hon. Norman Seabrook
Hon. Carl V. Wortendyke**

Diana Jones Ritter, MTA Managing Director, Fredericka Cuenca, Chief of Staff, James B. Henly, General Counsel, Board Member Andrew Albert, Board Member Ira Greenberg, Thomas Prendergast, President of NYCTA, Helena E. Williams, President of Long Island Railroad, Howard Permut, President of Metro-North, James Ferrara, President of TBTA, Joseph A. Smith, President, LI Bus, MTA Bus Company, and Sr. V.P. NYCT Department of Buses, Michael Horodniceanu, President of MTA Capital Construction, and Douglas Sussman, Director, Community Affairs, also attended the meeting.

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

Commuter Railroad Company, the MTA Capital Construction Company, the MTA Bus Company, and the First Mutual Transportation Assurance Company.

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

Chairman Walder called the meeting to order.

1. **PUBLIC SPEAKERS.** The following speakers addressed agenda items. Refer to the video recording of the November 17, 2010 meeting for the contents of these speakers' statements.

Grover Howell, TWU 252
Murray Bodin, private citizen
Joseph Garber, private citizen

2. **MINUTES.** Upon motion duly made and seconded, the Board approved the minutes of special Board meeting held on October 7, 2010 and the regular Board meeting held on October 27, 2010.

3. **CHAIRMAN'S REMARKS.**

Chairman Walder recognized Joseph A. Smith, President of LI Bus, MTA Bus and Sr. V.P. NYCT Department of Buses, who announced his retirement earlier this month. The Chairman commended Mr. Smith for helping to create a more efficient, effective and environmentally friendly bus company. The Chairman thanked Mr. Smith for thirty-three years of service to the MTA family. A number of Board members also commended Mr. Smith for his service to the MTA.

4. **MTA 2011 FINAL PROPOSED BUDGET AND NOVEMBER FINANCIAL PLAN 2011-2014.**

Chairman Walder introduced the presentation of the proposed 2011 budget and 2011-2014 financial plan, stating that the November presentation was for purposes of discussion and that the full Board would vote on the Budget materials at its meeting on December 15, 2009.

Chairman Walder noted that the preliminary plan presented in July had provided the Board with an early snapshot of the 2011 budget and four-year financial plan, setting the stage for months of discussion on the budget and financial plan. The Chairman further noted that the updated plan presented today contained relatively few changes from the July plan, and that MTA remains on track with its efforts to overhaul how it conducts business, achieving more than \$500 million in savings in 2010, with \$600 million in savings identified for 2011. Chairman Walder cautioned that MTA's fiscal situation

remains fragile, indicating that the presentation by Robert Foran, MTA's Chief Financial Officer, would provide further update on MTA fiscal status.

Chairman Walder commended the work that has been done to drive costs out of the organization, while emphasizing that there is an enormous amount of work that remains to be done to stabilize the MTA's finances. Stating that the Board has been working toward \$1 billion in annual recurring savings by 2014 through efficiencies, improved productivity and partnership with labor, he concluded that the MTA's goals are achievable with continued hard work and focus.

MTA Chief Financial Officer Robert Foran presented an overview of the MTA 2011 Final Proposed Budget and the November Financial Plan 2011-2014, and copies of the proposed budget and plan were distributed to Board members at the meeting. Chairman Walder thanked Mr. Foran for the presentation and invited Board discussion concerning the proposed budget and financial plan.

Extensive discussion of the MTA 2011 Final Proposed Budget and the November Financial Plan 2011-2014 was undertaken by members of the Board. The details of the presentation by Chief Financial Officer Foran on the proposed budget and financial plan and Board members' comments and questions with respect thereto are included in the video recording of the meeting produced by the MTA and maintained in MTA records.

5. COMMITTEE ON FINANCE.

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

1. **TBTA Swap Termination with AMBAC.** Authorized TBTA to negotiate a termination agreement with AMBAC Financial Services, including negotiating the required termination payment and to make the required payment.

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

1. **U2 Labs International, LLC – Consulting and Managing Services for Technology-Related Research Projects – No. 10101-0100.** Approved a non-competitive procurement contract to provide consulting and supervisory services for the administration of three additional research projects and to extend the period of performance through December 31, 2010, in connection with the new fare payment system.
2. **Troy & Banks, Inc. – All-Agency Independent Audit of MTA's Electric Bills – No. 09317-0100.** Approved a competitive contract (ride NYS Contract No. PS62893) to conduct independent Audit of MTA's electric bills to (i) identify

3. Intergraph Corporation – Multi-Agency Software Maintenance for the Intergraph IESS Software – No. 10185-0100. Approved an agreement to continue software maintenance support for the Intergraph software utilized by the IESS system.

C. **Real Estate Items.** 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.

Metro North Railroad:

1. Lease with Kidding Around NYC, Inc. d/b/a Kidding Around, of Retail Space MC-27, Grand Central Terminal, for the retail sale of children's games, toys, puzzles and puppets.

Long Island Rail Road:

2. License agreement with Flushing Newsstand, Inc. for the operation of a newsstand concession at the Flushing Main Street Station, Queens, N.Y.

Metropolitan Transportation Authority

3. Acquisition of fee interest property located at Railroad Avenue, Ronkonkoma, Town of Islip, Suffolk County, N.Y.

6. **COMMITTEE ON CORPORATE GOVERNANCE.** Upon motion duly made and seconded, the Board approved the following procurement items. The specifics are set forth in the attached staff summaries and documentation.

A. **Governance Guidelines.** Approved proposed revisions to the Governance Guidelines.

B. **Amendments to Committee Charters: NYCTA and CPOC.** Approved amendments to the Charters of NYCTA and CPOC.

C. **All-Agency Responsibility Guidelines.** Approved the resolution adopting revised All-Agency Responsibility Guidelines.

7. **EXECUTIVE SESSION.** Upon motion duly made and seconded, the Board voted to convene an executive session to consider collective bargaining matters. The Board approved ratification of three Memoranda of Understanding covering past periods of employment (between MaBSTOA and the Transit Supervisors Organization, Career and Salary, TWU Local 106 covering the period December 1, 2007 to December 17, 2009;

NYCTA and the Doctors Counsel, SEIU Local 10MD covering the period October 7, 2008 to October 31, 2010; and NYCTA and the Organization of Staff Analysts covering the period October 1, 2008 to September 30, 2010) in a resolution also setting forth the undiminished support of the Board for the New Labor Initiative contained in the July and November 2011-2014 Financial Plans. Board member Patrick Foye voted against the resolution. Board members John Banks, Jeffrey Kay, Mark Lebow, and Mark Page abstained from the vote.

8. ADJOURNMENT.

Upon motion duly made and seconded, the Board voted to resume proceedings in public session and thereupon voted to adjourn the meeting at 11:18 a.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
MTA Bus Company**

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

**Wednesday, November 17, 2010
9:30 a.m.**

The following members were present:

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

The following members were absent:

Hon. Norman Seabrook
Hon. Carl V. Wortendyke

Diana Jones Ritter, MTA Managing Director, Fredericka Cuenca, Chief of Staff, James B. Henly, General Counsel, Board Member Andrew Albert, Board Member Ira Greenberg, Thomas Prendergast, President of NYCTA, Helena E. Williams, President of Long Island Rail Road, Howard Permut, President of Metro-North, James Ferrara, President of TBTA, Joseph A. Smith, President, LI Bus, MTA Bus Company, and Sr. V.P. NYCT Department of Buses, Michael Horodniceanu, President of MTA Capital Construction, and Douglas Sussman, Director, Community Affairs, also attended the meeting.

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

1. CHAIRMAN JAY WALDER CALLED THE MEETING TO ORDER

2. PUBLIC COMMENT PERIOD

1 public speaker addressed NYC Transit/MTA Bus issues:

Joseph Garber discussed his various concerns with MTA NYC Transit service and suggested ways to improve the system.

3. MINUTES

Upon motion duly made and seconded, the Board unanimously approved the minutes of the special and regular board meetings of MTA New York City Transit, the Manhattan and Bronx Surface Transit Operating Authority, the Staten Island Railway Transit Operating Authority, and MTA Bus Company held on October 7, 2010 and October 27, 2010 respectively.

4. CHAIRMAN JAY WALDER'S COMMENTS

Details of Chairman Walder's comments 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 OPERATIONS
NYC Transit**

Procurements

Non-Competitive Procurements: Upon motion duly made and seconded, the Board approved the non-competitive procurements requiring a two-thirds vote (Schedule A in the Agenda). Details of the above item are set forth in staff summaries, copies of which are on file with the records of the meeting of the Board of the NYC Transit/SIR/MTA Bus Company.

Competitive Procurements: Upon motion duly made and seconded, the Board approved the competitive procurements requiring a majority vote (Schedules G and L in the Agenda) and those requiring two-thirds of the vote (Schedules B and C 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.

6. **EXECUTIVE SESSION**

Upon motion duly made and seconded, the Board voted to convene an executive session to consider collective bargaining matters, at which the Board approved a resolution ratifying three Memorandums of Understanding between MaBSTOA and the Transit Supervisors Organization, Career and Salary, TWU Local 106; NYCTA and the Doctors Counsel, SEIU Local 10MD; and NYCTA and the Organization of Staff Analysts. Board member Patrick Foye voted in opposition. Board members John Banks, Jeffrey Kay, Mark Lebow, and Mark Page abstained from the vote.

7. **ADJOURMENT**

Upon motion duly made and seconded, the Board voted to resume public session whereupon, upon motion duly made and second, the meeting was adjourned at 11:18 a.m.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'Mariel Tanne', written over the printed name.

Mariel Tanne
Assistant Secretary

Minutes of the Regular Meeting
Metro-North Commuter Railroad Company
Wednesday, November 17, 2010
9:30 a.m.

The following members were present:

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

The following members were absent:

Hon. Norman Seabrook
Hon. Carl V. Wortendyke

Diana Jones Ritter, MTA Managing Director, Fredericka Cuenca, Chief of Staff, James B. Henly, General Counsel, Board Member Andrew Albert, Board Member Ira Greenberg, Thomas Prendergast, President of NYCTA, Helena E. Williams, President of Long Island Railroad, Howard Permut, President of Metro-North, James Ferrara, President of TBTA, Joseph A. Smith, President, LI Bus, MTA Bus Company, and 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. Public Comment:

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

2. Approval of Minutes – Upon motion duly made and seconded, the minutes of the Special Board Meeting of October 7, 2010 and the Regular Board Meeting of October 27, 2010 meeting were unanimously approved.

3. Chairman's Comments: The details of Chairman Walder's comments are contained in the minutes of the meeting of the Board of the Metropolitan Transportation Authority held this day.
4. MTA 2011 Final Proposed Budget & November Financial Plan 2011-2014: The details regarding a presentation by Robert Foran, Chief Financial Officer, MTA, on the MTA 2011 Final Proposed Budget & November Financial Plan 2011-2014 and of the Board Member comments made regarding same are contained in the minutes of the meeting of the Board of the Metropolitan Transportation Authority held this day and the staff summaries and reports filed with those minutes.
5. Committee on Finance

MTA HQ Procurements

Upon motion duly made and seconded, the Board approved MTA HQ procurements recommended to it by the Committee on Finance. Among the items approved is a multi-agency ratification of a completed procurement action requiring two-thirds vote to enter into an agreement with Intergraph Corporation to continue software maintenance support for the Intergraph software utilized by the IESS system at LIRR, NYCT and MNR locations. The details of this item are contained in the minutes of the meeting of the Board of the Metropolitan Transportation Authority held this day and the staff summaries and reports filed with those minutes.

Real Estate Action Item:

Upon motion duly made and seconded, the Board, among other items, approved the following real estate item recommended to it by the Committee on Finance.

- Lease agreement with Kidding Around NYC, Inc. for the retail sale of children's games, toys and puzzles in Retail Space MC-27 at Grand Central Terminal.

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

6. Committee on Metro-North Railroad and Long Island Rail Road Operations:

Board Member Pally reported that the October 2010 combined on-time performance of Metro-North Railroad and Long Island Rail Road was 95%.

Committee on Metro-North Railroad Operations

Action Item:

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

- NYSDOT CMAQ Grant for Connecting Services – Contract to accept \$300,000 in a Congestion Mitigation/Air Quality (CMAQ) grant from the New York State Department of Transportation (NYSDOT) to support connecting services.

- Westchester County DOT Fare Increase – Approval to (1) increase the per ticket subsidy for the WCDOT UniTicket and (2) increase the customer price and per ticket subsidy for the WCDOT Shuttle UniTicket.

Long Island Rail Road Procurements:

The Board voted on Long Island Rail Road items. Among the items approved is a non-competitive procurement requiring two-thirds vote to award a non-competitive purchase and public work contract to Portec Rail Products, Inc. to provide replacement parts required to repair and maintain the rail lubrication and management systems of the Long Island Rail Road, Metro-North and New York City Transit Authority. The details of this item are contained in the minutes of the Long Island Rail Road held this day and the staff summaries and reports filed with those minutes.

MTA Metro-North Railroad Procurements:

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

Personal Service Contracts

- New York State Industries for the Disabled – Multi-Agency temporary personnel services

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

Personal Service Contracts

- Various Contractors – All agency, as needed, information technology consulting services.

Miscellaneous Procurement Contracts

- Various Contractors – All agency, as needed, information technology training services.

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

7. Committee on Corporate Governance

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

- Revisions to Governance Guidelines.
- All-Agency Responsibility Guidelines.

The details of the above items are contained in the minutes of the meeting of the Board of the Metropolitan Transportation Authority held this day and the staff summaries and reports filed with those minutes.

8. Executive Session: Upon motion duly made and seconded, the Board unanimously voted to convene in Executive Session to discuss collective negotiations. Upon motion duly made and seconded, the Board unanimously voted to re-convene in Public Session.
9. Next Meeting – November 15, 2010 at 9:30 a.m.
10. Upon motion duly made and seconded, the Board unanimously voted to adjourn the meeting at 11:18 a.m.

Respectfully submitted,



Linda Montanino
Assistant Secretary

Nov 2010 Board Minutes
Legal/Corporate

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

**Meeting Held At
347 Madison Avenue
New York, NY 10017**

**Wednesday, November 17, 2010
9:30 a.m.**

The following members were present:

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

The following members were absent:

Hon. Norman Seabrook
Hon. Carl V. Wortendyke

Diana Jones Ritter, Managing Director, Fredericka Cuenca, Chief of Staff, James B. Henly, General Counsel, Board Member Andrew Albert, Board Member Ira Greenberg, Thomas Prendergast, President of NYCTA, Helena E. Williams, President of Long Island Rail Road, Howard Permut, President of Metro-North, James Ferrara, President of TBTA, Joseph A. Smith, President, Long Island Bus, MTA Bus Company and Senior Vice-President NYCT Department of Buses, Michael Horodniceanu, President of MTA Capital Construction, and Douglas Sussman, Director, Community Affairs, also attended the meeting.

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

1. PUBLIC SPEAKERS

There were three public speakers, none of whom addressed issues specific to the Long Island Rail Road.

2. APPROVAL OF MINUTES

Upon motion duly made and seconded, the Board unanimously approved the minutes of the special Board meeting held on October 7, 2010 and the regular Board meeting held on October 27, 2010.

3. CHAIRMAN'S REMARKS

The Chairman acknowledged the extraordinary career and contributions of Joseph Smith, who is retiring from his position as President of Long Island Bus and MTA Bus and Senior Vice-President of the NYCT Department of Buses. Several Board members thanked Mr. Smith for his many contributions. Refer to the minutes of the Metropolitan Transportation Authority for details regarding these remarks.

4. MTA 2011 FINAL PROPOSED BUDGET AND NOVEMBER FINANCIAL PLAN 2011-2014

Chairman Walder made preliminary remarks regarding the proposed 2011 Budget and November Financial Plan, and MTA Chief Financial Officer Robert E. Foran delivered a presentation to the Board. Refer to the minutes of the Metropolitan Transportation Authority for details regarding the Chairman's remarks, Mr. Foran's presentation, and the Board members' questions regarding the presentation.

5. COMMITTEE ON FINANCE

Upon motion duly made and seconded, the Board approved items from the Committee on Finance. Included among these items was the ratification of a multi-agency software maintenance contract with Intergraph Corporation to continue software maintenance support for the software used by the IESS system. 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.

In addition, the Board approved the following LIRR real estate item:

- License Agreement with Flushing Newsstand, Inc., for the operation of a street-level newsstand concession at the LIRR Flushing-Main Street Station in Flushing, New York

6. LONG ISLAND COMMITTEE/METRO-NORTH COMMITTEE

Upon motion duly made and seconded, the Board approved the following procurement items recommended by the Long Island Committee:

Non-Competitive Procurements

- | | |
|--|----------------------------|
| 1. Portec Rail Products, Inc.
Sole Source
Contract No. TBD | \$552,000
Not-to-exceed |
|--|----------------------------|

Sole Source blanket purchase orders, on behalf of LIRR, Metro-North and NYCT, each for a three-year period, to allow the agencies to issue individual orders to Portec on an as-needed basis

to supply replacement parts for the agencies' rail lubrication and friction management systems. LIRR's not-to-exceed amount is \$375,000.

Competitive Procurements

2. **TBD** **STBD**
Competitive RFP
Contract No. 6067

Request to adopt a resolution declaring that competitive bidding is impractical or inappropriate, and that it is therefore in the public interest to use the RFP process to award a contract to a third-party contractor to provide construction services to rehabilitate three bridges on the Montauk Branch, in the Village of Hampton Bays, Town of Southampton, Suffolk County.

3. **UBNY, LLC (d/b/a SuperCash)** **\$49,920**
Three year contract **Fixed firm price**
Contract No. TBD

Three-year miscellaneous services contract for payroll check-cashing services.

In addition, included among the items recommended by the Metro-North Committee and approved by the Board were the following: (1) a multi-agency, personal service contract with the New York State Industries for the Disabled for as-needed and short-term temporary personnel services; (2) an all-agency, competitively-negotiated personal service contract with multiple vendors for as-needed Information Technology consulting services; and (3) an all-agency competitively negotiated miscellaneous service agreement with multiple vendors for as-needed technology training services.

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

7. CORPORATE GOVERNANCE COMMITTEE

Upon motion duly made and seconded, the Board approved the following items recommended to it by the Committee on Corporate Governance: (1) revisions to the MTA's Governance Guidelines; and (2) revisions to the All-Agency Responsibility Guidelines.

Details of the above items are contained in the minutes of the meeting of the Board of the Metropolitan Transportation Authority held this day and the staff summaries and reports filed with those minutes.

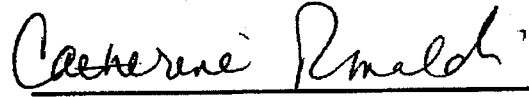
8. EXECUTIVE SESSION

Upon motion duly made and seconded, the Board unanimously voted to convene in Executive Session to discuss an issue related to collective bargaining. Upon motion duly made and seconded, the Board unanimously voted to re-convene in Public Session.

9. ADJOURNMENT

Upon motion duly made and seconded, the Board unanimously voted to adjourn the meeting. The meeting was adjourned at 11:18 AM.

Respectfully submitted,

A handwritten signature in cursive script, reading "Catherine Rinaldi", written in black ink. The signature is positioned above a horizontal line.

Catherine A. Rinaldi
Secretary

**Minutes of the Regular Meeting
Triborough Bridge and Tunnel Authority
November 17, 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. John H. Banks, III
Hon. Robert C. Bickford
Hon. James Blair
Hon. Allen P. Cappelli
Hon. Donald Cecil
Hon. Patrick J. Foye
Hon. Doreen M. Frasca
Hon. Jeffrey A. Kay
Hon. Mark D. LeBow
Hon. Susan Metzger
Hon. Mark Page
Hon. Mitchell H. Pally
Hon. James E. Sedore, Jr.
Hon. Nancy Shevell
Hon. Vincent Tessitore, Jr.

Not Present:

Hon. Norman Seabrook
Hon. Carl V. Wortendyke

Diana Jones Ritter, MTA Managing Director; Frederick Cuenca, Chief of Staff; James B. Henly, General Counsel, MTA; Board Member Andrew Albert; Board Member Ira Greenberg; James Ferrara, President, MTA Bridges and Tunnels; Michael F. Horodniceanu, President MTA Capital Construction Company; Howard R. Permut, President, Metro-North Commuter Railroad;

Thomas Prendergast, President, New York City Transit; 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. **Public Speakers**

There were three public speakers. Mr. Murray Bodin, Concerned Grandparents, addressed the E-ZPass toll lane configuration on the Henry Hudson Bridge. The subject matter of the remaining public comments is contained in the minutes of the meeting of the Board of the Metropolitan Transportation Authority.

2. **Approval of the Minutes of the Special Board Meeting October 7, 2010 and Regular Board Meeting October 27, 2010**

Upon a motion duly made and seconded, the minutes of the Special Board Meeting of October 7, 2010 and the Regular Board Meeting of October 27, 2010 were unanimously approved.

3. **Chairman's Comments**

The details of Chairman Walder's comments are contained in the minutes of the meeting of the Board of the Metropolitan Transportation Authority.

4. **MTA 2011 Final Proposed Budget and November Financial Plan 2011-2014**

The details of the MTA Chief Financial Officer, Robert E. Foran's presentation on the MTA 2011 Final Proposed Budget and November Financial Plan 2011-2014, and Board Member comments with respect to that presentation, 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 authorized and delegated to staff authority to negotiate a termination agreement with AMBAC Financial Services (AFS) a counterparty to an interest rate swap with TBTA in January 2000.

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

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

Action Item-Toll Violation Fee

Upon a motion duly made and seconded, the Board unanimously approved a Resolution which (i) adopted a new regulation imposing an administrative fee, known as the toll violation fee, in the amount of \$50 for each toll collection violation on the Authority's bridges and tunnels; and (ii) authorized the President of the Authority or his designee to take all necessary and desirable steps to permanently adopt, pursuant to law, the new Part 1021.3 of Title 21 of the New York Codes, Rules and Regulations.

The Staff Summary and Resolution setting forth the details of the above item are filed with the minutes of this meeting.

Procurements

Commissioner Lebow stated that there are no non-competitive procurements or ratifications this month. There are two competitive procurements which total \$2.570 million.

Competitive Procurements

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

Ammann & Whitney Consulting Engineers, PC	Contract No. PSC-10-2874 Provide construction management and inspection services for Project TN-85C, Suspended Span Repairs at the Throgs Neck Bridge.	\$2,479,564.76
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**Modifications to Personal Service Contracts and Miscellaneous Service Contracts
Awarded as Contracts for Services**

Dr. Robert J. Nadig, M.D. d/b/a Occupational Health Decisions	Contract No. PSC-04-2730 Increase funding for medical review officer services and to serve as B&T's emergency health care provider for its use of external defibrillators.	\$90,000.00
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Other Items

Upon a motion duly made and seconded, the Board unanimously approved two Metro-North Railroad All-Agency competitive RFPs. The first is a personal service contract for Information Technology consulting services. Contracts will be awarded to 38 firms

covering 65 categories of IT related work. As a need arises B&T will solicit its requirements and pricing from each of the firms listed for a specific category. A purchase order or task order will then be issued to the firm whose consultant has been selected by B&T's Project Manager. B&T's contract will be for a five year period in an amount of \$4,900,000. The second is a miscellaneous service contract for IT training services. Contracts will be awarded to 7 vendors covering 25 categories of IT related training. A purchase order or task order will be issued to the firm that meets curriculum requirements and schedule. The contract will be for a five year period in an amount of \$375,000.

The third item is a NYCT multi-agency competitively bid miscellaneous service contract for cleaning petroleum and heating oil tanks that are above and below ground level at various locations. An award will be rendered to Petroleum Tank Cleaners, Ltd., B&T's current provider. The contract will be for a three year period in the amount of \$43,820.

Copies of the staff summaries and details of the above items are filed with the minutes of the meetings of the Boards of the Metro North Commuter Railroad Company and the New York City Transit Authority.

7. **Committee on Corporate Governance**

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

- Revisions to the MTA Governance Guidelines; and
- All-Agency Contractor Responsibility Guidelines.

Copies of the staff summaries and details of the above items are contained in the minutes of the meeting of the Board of the Metropolitan Transportation Authority.

8. **Executive Session**

Upon a motion duly made and seconded, the Board unanimously voted to convene in Executive Session to discuss collective negotiations.

9. **Public Session**

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

10. **Adjournment**

Upon a motion duly made and seconded, the Board unanimously voted to adjourn the meeting 11:18 a.m.

Respectfully submitted,



Cindy L. Dugan
Assistant Secretary

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

Wednesday, November 17, 2010
9:30 a.m.

The following members were present:

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

The following members were absent:

Hon. Norman Seabrook
Hon. Carl V. Wortendyke,

Diana Jones Ritter, MTA Managing Director, Fredericka Cuenca, Chief of Staff, James B. Henly, General Counsel, Board Member Andrew Albert, Board Member Ira Greenberg, Thomas Prendergast, President of NYCTA, Helena E. Williams, President of Long Island Railroad, Howard Permut, President of Metro-North, James Ferrara, President of TBTA, Joseph A. Smith, President, LI Bus, MTA Bus Company, and Sr. V.P. NYCT Department of Buses, Michael Horodniceanu, President of MTA Capital Construction, and Douglas Sussman, Director, Community Affairs, also attended the meeting.

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

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 October 27, 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 item:

- The award of a contract procured through the competitive request for proposal process to ARINC, Inc., for IESS project work.

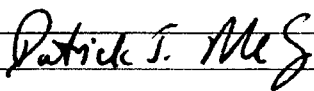


Adjournment

Upon motion duly made and seconded, the MTA Board voted to adjourn the public meeting at 11:18 a.m.

Respectfully submitted,

Patrick Killackey
Secretary

Revised Staff Summary

Subject						Date			
Selection of Bond Underwriters and Swap Counterparties						December 15, 2010			
Department						Vendor Name			
Finance Department									
Department Head Name						Contract Number			
Patrick J. McCoy									
Department Head Signature						Contract Manager Name			
									
Division Head Name						Table of Contents Ref #			
Board Action						Internal Approvals			
Order	To	Date	Approval	Info	Other	Order	Approval	Order	Approval
1	Finance	12/13	X			2	Chief of Staff 	1	Legal 
2	Board	12/15	X						

Purpose:

To obtain Board approval to qualify firms for underwriting assignments on MTA (including affiliate and subsidiary) bond and note issues in connection with the MTA financed portion of approved capital programs as well as for financing of special projects outside of approved capital programs, as set forth below, including: (1) a pool of 10 bond underwriters to serve as senior managers, (2) a pool of 16 bond underwriters to serve as co-managers, (3) a pool of 12 bond underwriters to serve as variable rate dealers and remarketing agents, and (4) a pool of 12 firms to serve as swap counterparties for derivative transactions.

Background:

The Authority released its Request for Proposals ("RFP") for Underwriters and/or Swap Counterparties on June 4, 2010. The RFP was advertised in the *The New York State Contract Reporter*, *Minority Weekly*, *The New York Post*, *El Diario*, and *The Bond Buyer*. The RFP solicited firms to serve as members of the MTA underwriting and swap counterparty teams on negotiated financings.

The MTA selection process sought to eliminate barriers to entry and create opportunities for qualified New York State certified Minority and Women-Owned Business Enterprises. Toward that end, the MTA incorporated "Best Practices" from the Governor's M/WBE Task Force Underwriter Recommendations that are designed to encourage participation of M/WBEs in underwriting.

The selection committee of seven members was comprised of representatives of MTA Finance, Legal, Treasury, Budget, Diversity and Civil Rights, and Bridges & Tunnels. The Authority's Financial Advisor (Lamont Financial) and staff from the MTA Procurement and Finance Departments served in a non-voting advisory capacity to the committee. The committee reviewed the responses with the following selection criteria as guidelines for evaluation and scoring:

Senior Managers:	(1) Experience and knowledge with the MTA, other transportation issuers, other general issuers. (2) Securities distribution capabilities, both institutional and retail. (3) Composition of MTA client team demonstrating knowledge of MTA. (4) Technical capabilities and capital markets expertise. (5) Quality of financing and structuring ideas. (6) Financial strength and capital position. (7) All criteria for Co-Managers
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Staff Summary



	noted below and, (8) Oral interviews.
Co-Managers:	(1) Capital position. (2) Volume of orders generated. (3) Distribution capabilities. (4) On-going service and commitment to the MTA. (5) Specialty or niche (i.e. regional, retail, W/MBE).
Variable Rate Dealers and Re-marketing Agents:	(1) Existing size in par and number of issued serving as remarketing agent or dealer on variable rate issues.
Swap Counterparty:	(1) Existing Ratings (Moody's/S&P/Fitch). (2) Experience with municipal issuers and with the MTA. (3) Fuel Hedging expertise and ideas.

Discussion:

As a frequent and large issuer of taxable and tax-exempt municipal debt, it is important for the MTA to select a highly capable group of underwriting firms that will consistently provide money-saving ideas and assist MTA in the effective placement of both variable-rate and fixed-rate bonds and the on-going management of variable rate programs. In addition, any future changes to MTA's derivative portfolio will require a diverse group of highly rated counterparties. In furtherance of these objectives, it is requested that the Board qualify pools of firms to serve as senior managers, co-managers, variable-rate dealers or remarketing agents, and swap counterparties.

The firms selected as "Senior Managers" will rotate in the role of book-running senior manager. To assist in the placement of fixed-rate bonds, a large and diverse pool of co-managers is recommended for all fixed-rate financings. A selling group to be designated by the Director of Finance may be used on fixed-rate transactions to ensure the widest distribution possible of MTA bonds to retail investors. Appointments of senior managers will be based on a rotation in the order listed. However, upon the recommendation of the Director of Finance, the Chairman and Chief Executive Officer may approve assignments of senior managers outside of the rotational process to those firms that propose unique and cost-saving ideas and/or have demonstrated a commitment to the MTA through strong performance on its financings. In addition, qualified firms from the co-manager bracket, including M/WBE firms, may be rotated from the co-manager bracket to the role of co-senior manager. Upon the recommendation of the Director of Finance, the Chairman and Chief Executive Officer may also authorize issuance of bonds competitively from time to time

The performance of all firms will be evaluated on an on-going basis. Those firms that have been selected to participate in MTA financings as selling group members shall undergo a responsibility review to ensure qualification to do business with the MTA.

Results of Request for Proposals (RFP):

A total of 46 proposals were received by the stated RFP deadline on July 2, 2010; 27 seeking to be qualified as senior manager, 18 seeking to be qualified as co-manager, and 13 seeking to be qualified as swap counterparty. Respondents were allowed to seek both underwriting and swap counterparty assignments. Twelve firms seeking to be qualified as senior manager were invited to appear before the selection committee for oral interviews. Interviews were held on October 4-6, 2010 at MTA Headquarters.

The recommendations of the Selection Committee are set forth below. Members of the Finance Committee at the

Revised Staff Summary

November 15, 2010 Committee meeting discussed the size of the senior manager pool and the desirability of selecting a more expansive group of senior managers than was identified in the staff summary previously distributed. These comments were fully considered by the Selection Committee and the recommendations in this Revised Staff Summary reflect changes to the senior manager pool based upon its expansion to ten underwriting firms.

Adoption of the underwriting recommendations will significantly expand MTA's utilization of M/WBE underwriting firms. For the first time, M/WBE firms are among the recommended senior managing underwriters. Two out of the ten underwriting firms proposed for selection for the senior manager pool are M/WBE firms, achieving a 20% participation rate. Moreover, the co-manager pool listed below includes four M/WBE firms, amounting to 25% of the recommended co-manager firms. Two out of the twelve recommended Variable Rate Remarketing Agents and Dealers (17%) are M/WBE firms as are four of the twelve (25%) of the recommended Swap Counterparties.

1. Senior Managers: The selection committee unanimously voted to recommend the 10 firms listed below as senior managers. These firms demonstrated strengths in the structuring, marketing, sale and distribution of MTA bonds, as judged from their written proposals and oral interviews. This group of firms is substantially larger than the existing group of three senior managers and double the size of the senior manager group approved by the Board in February 2006. As a result of the 2008 market dislocation, the group of 5 senior managers approved by the Board in February 2006 was reduced by two firms that ceased municipal underwriting activity. A larger group of senior managers, which includes several firms not previously part of the senior manager pool, assures MTA of access to a highly capable group of underwriting firms that will assist MTA in the effective placement of both variable-rate and fixed-rate bonds

Senior Managers (listed in order of Transaction Rotation)

1. Bank of America/Merrill Lynch (new)
2. Goldman, Sachs & Co. (new)
3. Morgan Stanley (new)
4. Ramirez & Co., Inc. (new)
5. Wells Fargo (new)
6. Jefferies & Company (new)
7. Siebert Brandford Shank & Co., LLC (new)
8. Citigroup Global Markets, Inc.
9. Barclays Capital Inc.
10. J.P. Morgan Securities Inc.

Staff Summary

In addition, all firms interviewed were requested to provide recommendations on the creation of a new bond credit backed with the Payroll Mobility Tax (PMT). The selection committee recommends that the book-running assignment for the inaugural issuance of such a credit be awarded to Goldman, Sachs & Co.

2. Co-Managers: The selection committee unanimously voted to recommend the 16 firms listed below as Co-Managers (listed alphabetically). This group is 45% larger than the MTA's existing group of 11 co-managers. Seven of the 18 firms that proposed for a co-manager assignment were selected for this group. The remaining 9 firms recommended as co-managers originally proposed to serve as senior manager. 11 of the firms recommended are new firms in the co-manager pool.

1. BB&T Capital Markets (new)
2. Duncan-Williams, Inc. and Oppenheimer & Co., Inc., Joint Venture (new)
3. Edward Jones (new)
4. Fidelity Capital Market Services (new)
5. First Southwest Company (new)
6. Jackson Securities (new)
7. Loop Capital Markets, LLC
8. M.R. Beal & Company
9. Morgan Keegan & Co., Inc. (new)
10. Piper Jaffray & Co. (new)
11. Raymond James & Associates
12. RBC Capital Markets
13. Rice Financial Products Co. (new)
14. Roosevelt & Cross, Inc.
15. Stifel, Nicolaus & Co. (new)
16. TD Securities (new)

3. Variable Rate Remarketing Agents and Dealers: The selection committee unanimously voted to recommend the firms listed below as Variable Rate Remarketing Agents and Dealers:

1. Bank of America/Merrill Lynch
2. Barclays Capital Inc.
3. Citigroup Global Markets, Inc.
4. Goldman, Sachs & Co.
5. J.P. Morgan Securities Inc.
6. Jefferies & Company
7. Loop Capital Markets, LLC
8. Morgan Stanley
9. Piper Jaffray & Company
10. Ramirez & Co., Inc.

Revised Staff Summary

11. RBC Capital Markets
12. Wells Fargo

In the event that any of the foregoing firms is acquired or merges with another firm, the successor firm may serve in the place of the chosen firm at the discretion of the Chairman and Chief Executive Officer upon the recommendation of the Director of Finance. The MTA Finance Department will conduct periodic reviews of all firms engaged in the sale and distribution of its bonds. Upon the recommendation of the Director of Finance, the Chairman and Chief Executive Officer is further authorized to remove any firm that is not providing a level of service that is satisfactory to the MTA. In the event of such removal, upon the recommendation of the Director of Finance, the Chairman and Chief Executive Officer may appoint a replacement.

4. Swap Counterparties: In addition to the above referenced underwriting teams, the selection committee voted unanimously to recommend the establishment of a pool of firms that will be eligible to serve as swap counterparty to MTA. Consistent with the Board-approved swap policy, swaps with term limitations of 10 years or less require a counterparty that must be rated within the top three investment grades without regard to sub-categories by at least one rating agency (Moody's/Standard & Poor's/Fitch). For term limitations of 10 years or more, the swap counterparty must be rated within the top two investment grades without regard to sub-categories by at least one rating agency (Moody's/Standard & Poor's/Fitch). Due to the potential for rating changes in the swap counterparty pool and in the interest of diversifying counterparty risk, it is recommended that the Board further authorize the Chairman and Chief Executive Officer to include additional firms as eligible swap counterparties from time to time upon the recommendation of the Director of Finance, provided that such firms have published ratings that meet MTA's swap policy guidelines. The execution of new swaps, and changes to existing swaps, including any amendment, novation and/or termination requires the prior approval of the Board.

Swap Counterparty:

<u>Firm</u>	<u>Ratings (Moody's/S&P/Fitch)</u>
1. Barclays Bank, PLC.	Aa3/AA-/AA-
2. Bank of America, N.A.	Aa3/A/A+
• Merrill Lynch Commodities, Inc (commodity swaps)	A2/A/A+
3. Citibank, N.A.	A1/A+/A+
4. Deutsche Bank AG (DB)	Aa3/A+/AA-
• DB Energy Trading LLC (commodity swaps)	Aa3/A+/AA-
5. Goldman Sachs Bank USA	A1/A/A+
• GS Mitsui Marine Derivative Products L.P.	Aa1/AAA/NAF
6. Jefferies & Company	DB Backing
7. Loop Capital Markets, LLC	DB Backing

Staff Summary

8. Morgan Stanley Capital Services Inc.
9. Ramirez & Co., Inc
10. RBC Capital Markets
11. Siebert Brandford Shank & Co., LLC
12. Wells Fargo Bank, N.A.

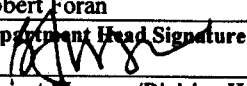

A1/A+/A
DB Backing
Aaa/AA-/AA
DB Backing
Aa2/AA/AA-

Recommendation:

The MTA Board is requested to approve the selection of the above-referenced firms, to approve the establishment of the above referenced pools of senior managers, co-managers, variable rate remarketing agents and dealers, and qualified swap counterparties, and to approve the utilization of the firms and pools in accordance with the above-stated procedures, for underwriting assignments on MTA (including affiliate and subsidiary) bond and note issues in connection with the bond financed portion of approved capital programs as well as for financing of special projects outside of approved capital programs. It is recommended that these pools of firms remain in place for 3 years or until such time that a new RFP is concluded.



The recommendation will allow the MTA to implement its financing program as efficiently and effectively as possible and will also significantly increase M/WBE participation across-the-board in all of its bond issuances.

Staff Summary

Subject Authorization to Enter into Fuel Hedges
Department Finance
Department Head Name Robert Foran
Department Head Signature 
Project Manager/Division Head Patrick McCoy 

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

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance	12/13	x		
1	Board	12/15	x		

Internal Approvals			
Order	Approval	Order	Approval
2	Chief of Staff 	1	Legal 

Purpose:

To obtain Board approval for the execution of up to \$100 million of future fuel price agreements (as defined below) to establish stability in budgeting for the future price of revenue fleet fuels for MTA and its agencies and affiliates (collectively "MTA"). Such future fuel price agreements shall be executed when favorable market conditions prevail.

Discussion:

In anticipation of the preparation of the November Financial Plan for 2010-2014 (the "Financial Plan"), MTA instructed the agencies to develop fuel cost projections based on prices during the third quarter of 2010. The 2011 Final Proposed Budget includes fuel costs of \$200 million for trains and buses; approximately \$176 million for ultra low sulfur diesel (ULSD) and \$24 million for compressed natural gas (CNG).

In an effort to establish more certainty over one of the most volatile portions of the budget MTA should have the flexibility to access established financial markets to hedge the risk of fuel price increases through the use of financial products including; hedges, caps, floors or collars, asset- index-, price- or market-linked transactions or agreements, future price protection agreements, forward agreements, and similar agreements or transactions (collectively, "future fuel price agreements"). Due to the established and liquid nature of this market, it is expected that such agreements can be bid and/or negotiated on relatively short notice.

Recommendation:

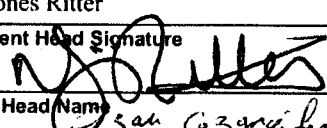
It is recommended that the Board authorize the Chairman and Chief Executive Officer, the Chief Financial Officer, the Director of Finance, or their designee(s) to competitively bid or negotiate future fuel price agreements with creditworthy counterparties to hedge up to \$100 million notional value of the future price of fuel. Such future fuel price agreements shall be entered into with the expectation of managing this volatile expense consistent with prudent budgetary and financial practices; and consistent with MTA Guidelines applicable to interest rate hedges and related products, such agreements shall not be entered into for speculative purposes.

In carrying out the recommended authorization, the Chairman and Chief Executive Officer, the Chief Financial Officer, the Director of Finance, or their designee(s) shall, to the extent practicable, follow, with such changes

Staff Summary

as are necessary to reflect the fact that the subject matter of any hedges will be fuel and standard industry practices in the fuel hedging area, the MTA Guidelines applicable to interest rate hedges and related products, including standards for the determination of the creditworthiness of acceptable counterparties and requirements as to collateralization of counterparty obligations. To the extent any future fuel price agreements is generally evidenced by standard ISDA documentation, the Chairman and Chief Executive Officer, the Chief Financial Officer, the Director of Finance, or their designee(s) shall employ such documentation incorporating provisions, to the extent appropriate, similar to those contained in current MTA ISDA documents relating to interest rate hedges. The Chairman and Chief Executive Officer, the Chief Financial Officer, the Director of Finance, or their designee(s) are further authorized to take all other actions from time to time deemed necessary or desirable by such officers in connection with such future fuel price agreements.

Staff Summary

Subject
Request for Authorization to Award Various Procurements
Department
Managing Director
Department Head Name
Diana Jones Ritter
Department Head Signature

Division Head Name
Clifford Shockley <i>San Cozang for C. Shockley</i>

Date
November 22, 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	12/13/10			
2	Board	12/15/10			

Internal Approvals			
Order	Approval	Order	Approval
			Office of Civil Rights
	Executive Director		Legal
3	CFO		EITG
1	Procurement <i>for CS</i>	2	Managing Director

PURPOSE:

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

DISCUSSION:

of Actions \$ Amount

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

Schedules Requiring Majority Vote

Schedule H: Modifications to Personal Service Contract

None

MTAHQ proposes to award Competitive procurements in the following categories:

Schedules Requiring Majority Vote

Schedule F: Personal Services Contracts

3

\$1,092,310

Schedule G: Miscellaneous Service Contract

1

\$2,400,000

SUBTOTAL

4

\$3,492,310

MTAHQ presents the following procurement actions for Ratification:

Schedules Requiring Two-Thirds Vote

Schedule K: Ratifications (Involving Schedules E-J)

2

\$ 159,775

SUBTOTAL

2

\$ 159,775

TOTAL

6

\$3,652,085

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, DECEMBER 2010
COMPETITIVE PROCUREMENTS

METROPOLITAN TRANSPORTATION AUTHORITY

Procurements Requiring Majority Vote:

F. Personal Service Contracts

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

1. **Multi-Agency Environmental Consulting Services** **\$700,000**
Day Engineering P.C. (not-to-exceed)
Contract No. 10096-0100

Competitively negotiated – 16 proposals – 36 months

Perform as-needed environmental consulting services including, but not limited to: site assessments; exposure assessments; compliance inspections; review of environmental regulations; and research and preparation of environmental position papers. The services to be performed for MTAHQ will be to address environmental issues that are either global in nature – cutting across individual MTA agency interests – or are outside the capabilities of a particular MTA operating agency to address in an expeditious manner. In the past, such services have included compliance assessments of hazardous waste disposal facilities receiving MTA waste, preparation of storm water management plans and annual reports, and the rapid evaluation of lead contaminated MTA property. MTANYCT and MTA Bus will utilize environmental consulting services to support in-house environmental staff and provide subject matter expertise when needed. The proposed hourly rates ranging from \$41.30 to \$139.08 were negotiated down to a range of \$40 to \$129.38. These are the same hourly rate range under the current contract. Based on the above, the negotiated hourly rates are deemed fair and reasonable

2. **Royal Properties, Inc.** **\$308,500**
Real Estate Brokerage Services (not to exceed)
Contract No. 10083-0100

Competitively negotiated – 5 Proposals – 36 months

The vendor, Royal Properties, Inc., will provide Real Estate Brokerage Services for twelve (12) MNR station buildings which are no longer needed for passenger services due to recent station rehabilitations. Royal Properties will analyze the station building to determine their best use and market these properties to retail tenants. Sale or lease of these properties will decrease operating costs while generating revenue for the MTA. As a result of negotiations, Royal Properties' proposed commission rates for leasing a property of 5% (years 1-10), 2% (years 11-20) and 1% (year 21 and beyond) were negotiated as follows: 4% (years 1-5), 3% (years 6-10) and 2% (years 11-20). The negotiated rates for years 1 thru 10 are lower than the previous brokerage services contract issued in 2004 and the same for years 11 and beyond. The negotiated commission rate if Royal Properties sells a property is 4%. Based on the above negotiated savings, the total negotiated commission percentages are considered fair and reasonable.

METROPOLITAN TRANSPORTATION AUTHORITY
COMPETITIVE PROCUREMENTS

3. **Ryerson, Master and Associates, Inc.** **\$83,810**
Greenhouse Gas Audit Services **(Fixed)**
Contract No. 10169-0100

Competitively negotiated – 6 proposals – 48 months

Consultant to provide third party verification of MTA's Greenhouse Gas ("GHG") inventory for 2009 through 2012 reporting years. Annual third-party verification service is required of membership to The Climate Registry ("The Registry"), of which MTA is a founding member. Third-party verification is a way for The Registry to confirm the accuracy of MTA's GHG report. As part of verification process, the vendor will verify MTA's emissions sources and evaluate whether MTA's GHG emissions report for every year through reporting year 2013 is consistent with the most recent version of The Registry's General Reporting Protocol, by reviewing electricity and vehicle fuel consumption records and invoices and comparing this data to the information MTA reports to The Registry.

Ryerson, Master Associates' initial proposal for a fixed fee of \$88,536 was negotiated down to a fixed fee of \$83,810, for a savings of \$4,726 or 5.34%. The negotiated hourly rates ranging from \$74 to \$180 are lower than the prior rates which range from \$75 to \$200 per hour and are thus deemed reasonable.

METROPOLITAN TRANSPORTATION AUTHORITY
COMPETITIVE PROCUREMENTS

G. Miscellaneous Service Contracts

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

- | | | |
|--|--------------------------|--------------------------------------|
| 4. Routine Preventative Maintenance Services for MTAPD Vehicles | \$2,400,000* | <u>Staff Summary Attached</u> |
| Contract Nos.: 10051-0100 thru 1500 | (*combined for 15 firms) | |

- a. 54th Street Auto Center, Inc.
- b. 440 Jericho Turnpike Auto Sales, LLC
- c. 1811 Auto Repair Corporation
- d. Country Lincoln Mercury West, LLC
- e. JR Finish Line Corporation
- f. K&M Truck Repair, Inc
- g. Meyer Chevrolet, Inc.
- h. NST Repair, LLC
- i. Port Motors Lincoln Mercury, Inc.
- j. Putnam Tire Company, Inc
- k. Robert Service Center, Inc.
- l. South Shore Motors Corporation
- m. The Goodyear Tire & Rubber Company
- n. Tony's Long Wharf Transport, LLC
- o. Whitestone Auto Center, Inc.

Competitively negotiated – 19 proposals – 36 months

Contractors to provide preventative maintenance and repair services on an as-needed basis for the MTA Police Department (MTAPD) fleet of vehicles. These fifteen (15) contracts will replace the current Board-approved contracts that were competitively awarded to provide preventative maintenance services for the MTAPD and will expire on December 31, 2010. The negotiated hourly rates under these fifteen (15) proposed contracts range from \$45 to \$80 (except for Goodyear, whose rate increased by \$6/hr. to \$86), which are the same rates under the existing three-year contracts. Based on the above, the hourly rates of \$45 to \$86 are deemed fair and reasonable

Staff Summary

Schedule G: Miscellaneous Service Contracts

Page 1 of 1

Item Number:

Vendor Name (& Location): Various
Description: Routine Preventative Maintenance Services for MTAPD Vehicles
Contract Term (including Options, if any): January 1, 2011 through December 31, 2013
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: 10051-0100 thru 1500	Renewal? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Total Amount: \$2,400,000	
Funding Source: <input checked="" type="checkbox"/> Operating <input type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:	
Requesting Dept/Div & Dept/Div Head Name: Security/MTA Police; William Morange/Michael Coan	
Contract Manager: Caron Christian	

DISCUSSION:

To recommend that the Board approve the award of the following fifteen (15) competitively negotiated, miscellaneous services contracts to provide preventative maintenance services for the MTA Police Department fleet of vehicles on an as-needed basis for a period of three (3) years from January 1, 2011 through December 31, 2013 for a combined not-to-exceed amount of \$2,400,000.

- | | | |
|--|--|--------------------------------------|
| 1. 54 th Street Auto Center, Inc. | 2. 440 Jericho Turnpike Auto Sales, LLC. | 3. 1811 Auto Repair Corporation |
| 4. Country Lincoln Mercury West, LLC | 5. JR Finish Line Corporation. | 6. K&M Truck Repair, Inc. |
| 7. Meyer Chevrolet, Inc. | 8. NST Repair, LLC | 9. Port Motors Lincoln Mercury, Inc. |
| 10. Putnam Tire Company, Inc | 11. Robert Service Center, Inc. | 12. South Shore Motors Corporation |
| 13. The Goodyear Tire & Rubber Company | 14. Tony's Long Wharf Transport, LLC | 15. Whitestone Auto Center, Inc. |

The current Board-approved contracts that were competitively awarded for providing preventative maintenance services for the MTA Police Department (MTAPD) vehicles will expire on December 31, 2010. In order to continue these required services, a Request for Proposals (RFP) was publicly advertised and copies of the RFP were mailed to a total of sixty-seven (67) vendors. Nineteen (19) proposals were received. The firms were evaluated based on: i) responsiveness and demonstration of a clear understanding of the MTA's requirements; ii) ability to provide the required services including but not limited to turn-around time and days and hours of operation; iii) comparable experience on similar projects in nature and size; iv) reasonableness of manpower estimates; and v) cost. The Selection Committee consisting of representatives from MTAPD Fleet, Budget Management and Technology Divisions evaluated the proposals, including site visits to some of the proposers' facilities, and determined that the fifteen (15) firms listed above were most technically qualified and best suited to perform the services identified by the RFP.

The negotiated hourly rates under these fifteen (15) proposed contracts range from \$45 to \$80 (except for Goodyear, whose rate increased by \$6/hr. to \$86), which are the same rates under the existing three-year contracts. Based on the above, the hourly rates of \$45 to \$86 are deemed fair and reasonable.

LIST OF PROCUREMENTS FOR BOARD APPROVAL, DECEMBER 2010
PROCUREMENTS FOR RATIFICATION

METROPOLITAN TRANSPORTATION AUTHORITY

Procurements Requiring Two-Thirds Vote:

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

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

- | | |
|---------------------------------------|-----------------|
| 1. John W. Bernet | \$60,000 |
| Costing Services for | (Total) |
| MTA Labor Relations Department | |
| Contract No. 10238-0100 | |

Non competitive – 24 months

Board ratification is requested for an award made on October 29, 2010, because time was of the essence, for Contractor to provide as needed consulting services to cost labor contract proposals for the Labor Relations Department. John Bernet is familiar with MTA and Rail Road costings since he has provided similar services for the MTA in the past, as a former employee of the MTA, and has great creditability with Rail Road executives. These services were required immediately since all of the labor contracts for the commuter railroads expired and four (4) unions at the Long Island Rail Road filed for federal mediation, which advanced the process. John Bernet's hourly rate of \$250 was negotiated down to \$200 for savings of \$50 or 20%. This negotiated rate of \$200 is his most favored customer pricing and is lower than the rate paid by other private and a local government agency and is thus deemed to be fair and reasonable.

- | | |
|---|-----------------|
| 2. Public Financial Management | \$99,775 |
| Research Analysis and Presentation | (Total) |
| Services for the MTA Labor | |
| Relations Department | |
| Contract No. 10239-0100 | |

Non competitive – 12 months

Board ratification is requested for an award made on October 29, 2010, because time was of the essence, for the Contractor to provide the following as needed consulting services for the Labor Relations Department: i) compensation overview which shows components of compensation (such as hourly rates, total cash compensation, paid leave, health and retirement benefits in comparison with compensation within U.S. Industry and similarly situated employees at other commuter railroads; ii) analysis of total compensation of railroad employees with that of others in the Regional Labor Market; iii) analysis of national information comparable to the regional analysis; and iv) changes in consumer prices in comparison with wage increases. Public Financial Management (PFM) has extensive experience with public sector bargaining and is familiar with the MTA's operations since they have provided similar services for the MTA/LIRR bargaining agreements. These services were required immediately since all of the labor contracts for the commuter railroads expired and four (4) unions at the Long Island Rail Road filed for federal mediation, which advanced the process. The negotiated hourly rates of \$190, \$225 and \$250 are lower than the prior rates of \$205, \$225 and \$275 paid by the MTA. These negotiated rates are the same rates that are paid by the City of New York. Therefore, these negotiated rates are thus deemed fair and reasonable.

DECEMBER 2010
MTA REAL ESTATE
FINANCE COMMITTEE AGENDA ITEMS

1. ACTION ITEMS

MTA NEW YORK CITY TRANSIT

- a. Acquisition of temporary and permanent easements in Manhattan block 1744 lot 1, adjacent to MTA New York City Transit's 148th Street Yard, Manhattan, New York

MTA CAPITAL CONSTRUCTION

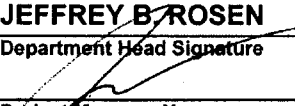
- b. Lease with ELK 1614 Second, LLC for commercial space at 1614 2nd Ave, to accommodate activities required by Second Avenue Subway project

MTA METRO-NORTH RAILROAD

- c. Lease with ELC Beauty, LLC d/b/a Origins, for retail sale of tenant-branded cosmetics, health, skin and body care products in Retail Space MC-62 at Grand Central Terminal
- d. Lease with Jo Malone Inc d/b/a Joe Malone, for retail sale of tenant-branded fragrances and skin care products in Retail Space MC-67 at Grand Central Terminal
- e. Lease with Camuto Group d/b/a Vince Camuto, for retail sale of tenant-branded women's fashion footwear, handbags, and accessories in Retail Space MC-26 at Grand Central Terminal
- f. Lease with Azor Bake Shop Inc. d/b/a Zaro's, for retail sale of tenant-produced fresh artisan bread, fine pastries, and other bakery products in Retail Space MKT-20 at Grand Central Terminal

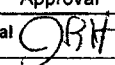
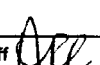
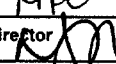
MTA LONG ISLAND RAIL ROAD

- g. Sale of LIRR property to Nalex International Development Corporation located at District 903, Section 2, Block 2, west of and adjacent to State Road 114, in Sag Harbor, New York

Subject ACQUISITION OF EASEMENTS
Department REAL ESTATE
Department Head Name JEFFREY B. ROSEN
Department Head Signature 
Project Manager Name IAN SALSBERG

Date DECEMBER 13, 2010
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref #

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance Committee	12/13/10	X		
2	Board	12/15/10	X		

Internal Approvals			
Order	Approval	Order	Approval
		1	Legal 
3	Chief of Staff 		
2	Managing Director 		
	Civil Rights		

Narrative																
AGENCY:	MTA New York City Transit ("NYCT")															
GRANTOR	Esplanade Gardens, Inc.															
LOCATION:	148 th Street and Lenox Boulevard, New York, NY															
ACTIVITY:	Acquisition of required permanent and temporary easements to facilitate construction of a flood mitigation wall (the "Easements")															
PARCELS	<table border="1"> <thead> <tr> <th>Block / Lot</th> <th>Size (sq. ft.)</th> <th>Interest</th> <th>Term</th> <th>Compensation</th> </tr> </thead> <tbody> <tr> <td>1744 / 1</td> <td>920</td> <td>Permanent Easement</td> <td>n/a</td> <td>\$166,516</td> </tr> <tr> <td>1744 / 1</td> <td>1,300</td> <td>Temporary Easement</td> <td>9 months</td> <td>\$18,204</td> </tr> </tbody> </table>	Block / Lot	Size (sq. ft.)	Interest	Term	Compensation	1744 / 1	920	Permanent Easement	n/a	\$166,516	1744 / 1	1,300	Temporary Easement	9 months	\$18,204
Block / Lot	Size (sq. ft.)	Interest	Term	Compensation												
1744 / 1	920	Permanent Easement	n/a	\$166,516												
1744 / 1	1,300	Temporary Easement	9 months	\$18,204												
ACTION REQUESTED:	Approval of terms															
COMMENTS:	<p>As described in the attached staff summary approved by the Board at its September 2010 meeting, NYCT is planning a flood mitigation project at its 148th Street Yard in Manhattan that will require construction of a flood wall on adjacent private property (part of Manhattan Block 1744, Lot 1) (the "Property"). The Property is owned by Esplanade Gardens, Inc., a cooperative housing corporation.</p> <p>The September 2010 staff summary authorized MTA Real Estate to acquire the Easements through negotiated purchase or condemnation. Independent appraisals were completed, and a letter offering to acquire the Easements for their appraised values was delivered to the owner of the Property. Such offer was accepted, and accordingly MTA Real Estate now proposes to enter into agreements with such owner providing for such compensation, as specified above. The temporary easement may be extended on a month-to-month basis if necessary with compensation to be pro-rated accordingly. In addition, as part of the offered compensation, the property owner will grant NYCT and its contractors access across a driveway perpendicular to 147th Street.</p> <p>Based on the foregoing, MTA Real Estate requests authorization to acquire the Easements on the above-described terms and conditions.</p>															

Staff Summary



Subject ACQUISITION OF EASEMENTS
Department REAL ESTATE
Department Head Name JEFFREY ROSEN
Department Head Signature
Project Manager Name ARTURO ESPINOZA

Date SEPTEMBER 27, 2010
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref #

Board Action				
Order	To	Date	Approval	Initials
1	Finance Committee	09/27/10	X	
2	Board	09/29/10	X	

Internal Approvals			
Order	Approval	Order	Approval
1	Executive Director	1	Legal
2	Chief of Staff		
3	Planning Director		
	Civil Rights		

ACTION REQUESTED: Board resolution, as follows:

WHEREAS, MTA New York City Transit ("NYCT") is proposing a flood mitigation project at NYCT's 148th Street Yard in Manhattan that will require construction of a flood wall on adjacent private property (part of Manhattan Block 1744, Lot 1) (the "Subject Property");

WHEREAS, NYCT will require a temporary easement parcel of approximately 1,300 square feet during construction of the flood wall and a permanent easement parcel of approximately 900 square feet to accommodate the portion of the flood wall that will be located on the Subject Property; and

WHEREAS, MTA Real Estate will procure independent appraisals of the temporary and permanent interests in the Subject Property and endeavor to negotiate a voluntary purchase of the easements from the Subject Property's owner, but if negotiations are not successful, Board approval is hereby sought to initiate preliminary actions to acquire the necessary easements by eminent domain.

NOW THEREFORE, BE IT

RESOLVED, that pursuant to Section 1267 of the Public Authorities Law, the chief executive officer of the MTA or such staff of the MTA as are designated by the chief executive officer, are authorized to proceed with the acquisition of temporary and permanent easements in the Subject Property, as described above, and to schedule and undertake such preliminary actions as may be required in accordance with the New York Eminent Domain Procedure Law in connection with the acquisition.

Memorandum



Metropolitan Transportation Authority

State of New York

Date September 27, 2010

To Members of the Finance Committee

From Jeffrey Rosen, Director, Real Estate

Re Approval to proceed with the acquisition by negotiated purchase or condemnation, of temporary and permanent easement interests in the property known as 700 Esplanade Gardens Plaza (Manhattan block 1744, lot 1) in support of the 148th Street Yard flood mitigation project (C36-11)

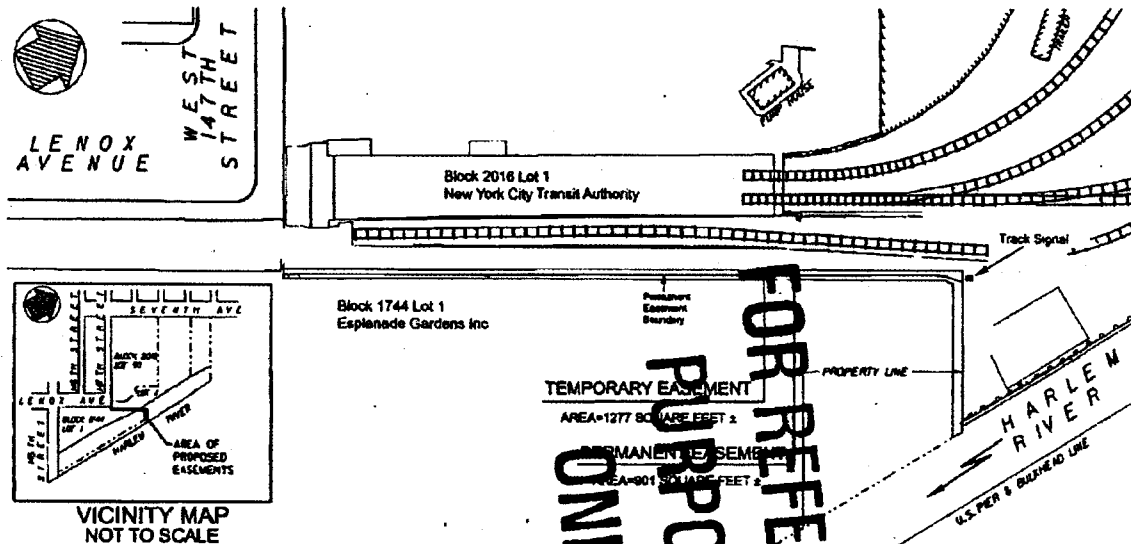
**FOR REFERENCE
PURPOSES
ONLY**

As part of a New York City Transit ("NYCT") flood mitigation project at NYCT's 148th Street Yard, a portion of a new floodwall needs to be constructed on adjacent private property belonging to Esplanade Gardens, Inc. ("Esplanade"). The new wall will be constructed approximately 2.5 feet east of the existing wall that it replaces, on a portion of Esplanade's parking lot. (See attached map).

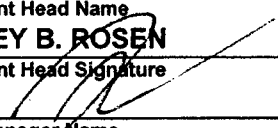
A temporary easement parcel of approximately 1,300 SF will be needed during construction and a permanent easement parcel of approximately 900 SF will be needed to accommodate the new wall. The total impact on private property will be approximately 2,200 SF. Construction is expected to take nine months.

To ensure the timely acquisition of the necessary property rights, Board authorization is requested to proceed with acquisition of the above-described temporary and permanent easement interests, by negotiated agreement or condemnation. A Board Resolution authorizing the initiation of preliminary steps in the eminent domain process, if necessary, is attached for approval.

The acquisition will be subject to satisfactory completion of any necessary environmental reviews.

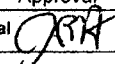

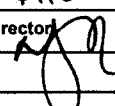


FOR REFERENCE
 PROPOSES
 ONLY

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

Date DECEMBER 13, 2010
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref #

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance Committee	12/13/10	X		
2	Board	12/15/10	X		

Internal Approvals			
Order	Approval	Order	Approval
		1	Legal 
3	Chief of Staff 		
2	Managing Director 		
	Civil Rights		

Narrative

AGENCY/TENANT: Metropolitan Transportation Authority ("MTA")

LANDLORD: ELK 1614 Second, LLC ("ELK")

LOCATION: 1614 Second Avenue, New York, New York (the "Building")

ACTIVITY: Lease of space (the "Lease Premises") required for relocation of Building utilities to allow underpinning associated with new entrance for Second Avenue Subway's 86th Street Station and other project-related activities.

ACTION REQUESTED: Approval of terms

LEASED PREMISES: Retail space comprising approximately 1,500 sq.ft. on ground floor and 2,500 sq. ft. in basement, plus rear yard.

POSSESSION: January 1, 2011

RENT COMMENCEMENT: January 1, 2011

TERM: Six years: January 1, 2011 - December 31, 2016

BASE RENT:			
	<u>Year</u>	<u>Annual Compensation</u>	<u>Monthly Compensation</u>
	1	\$231,854.88	\$19,321.24
	2	\$238,810.44	\$19,900.87
	3	\$245,974.80	\$20,497.90
	4	\$253,354.08	\$21,112.84
	5	\$260,954.64	\$21,746.22
	6	\$268,783.32	\$22,398.61

ADDITIONAL PAYMENT FOR PERIOD PRECEDING LEASE COMMENCEMENT: \$331,354.

REAL PROPERTY TAXES: MTA will be responsible for 60% of annual taxes in excess of taxes for 2004/2005 base year. (Currently approximately \$2,250 per month).

Staff Summary

FINANCE COMMITTEE MEETING

ELK 1614 Second LLC (Cont'd)

RENEWAL OPTION:	None
UTILITIES:	MTA will be responsible for the cost of all utilities consumed.
SERVICES:	None
MAINTENANCE & REPAIR:	MTA will be responsible for maintenance of Leased Premises, sidewalk in front of Leased Premises and garbage removal.
LANDLORD'S WORK:	MTA will take Lease Premises "as-is". All work to be done at MTA's expense.
SECURITY DEPOSIT:	None

COMMENTS:

In connection with the construction of the Second Avenue Subway ("SAS"), MTA Capital Construction Company ("MTACC") is constructing a subway entrance at 303 East 83rd Street that will connect by a subsurface passageway to the mezzanine level of a new 86th Street Station. The subsurface passageway will pass under the basement level of the Building utilizing permanent easements that have been acquired by eminent domain. However, construction of the subsurface passageway will also require temporary access to the basement and ground floor levels of the Building to relocate utilities as required to accommodate structural underpinning work.

In order to facilitate such utility relocation and structural underpinning work, MTA Real Estate proposes to lease the Leased Premises from ELK. The alternative would be to acquire temporary easements by eminent domain.

The retail area was occupied by ELK's former tenant, Josie's Kitchen, which vacated the Leased Premises at the end of July 2009. In order to minimize acquisition costs associated with the Property, MTA Real Estate approached ELK and requested that ELK forgo leasing the vacant space until MTACC needed it for the project. If ELK had relet the vacant space to a new tenant, MTA likely would have been compelled to terminate the new lease by eminent domain. In that event, in addition to compensating the owner for the value of the easements and defending the owner's lost rent claim, MTA would have been obligated by applicable law to pay for the new tenant's relocation expenses and trade fixtures. Instead, ELK agreed to leave the store vacant and to enter into a lease agreement with the MTA for the Leased Premises, while waiving claims for additional compensation.

In recognition of ELK's agreement to keep the space vacant, MTA will make a payment covering the period between the end date of the Josie's lease and the commencement date of the proposed lease (i.e. August 2009 to January 1, 2011). This payment of \$331,354.18 equals the base rent plus taxes that would have been payable under the proposed lease if such lease had been in effect during such period, and will be made pursuant to the attached March 26, 2007 Board Policy for Protective Acquisitions. This amount is considerably less than MTA's potential exposure for the landlord's lost rent claim and what a new tenant could have claimed for relocation expenses and trade fixtures in the condemnation proceeding.

The proposed lease will give MTACC access to all of the space within the Building needed for the required utility relocation and underpinning work, as well as the ability to use the Leased Premises for other SAS-project-related activities.

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

Memorandum



Metropolitan Transportation Authority

State of New York

Date March 26, 2007

To Members of the MTA Planning/Real Estate Committee

From Roco Krsulic

Re Proposed policy on protective leasing of properties to be acquired for Second Avenue Subway

This is a request for Board authorization to negotiate and enter into "Protective Rent" lease agreements on behalf of the Capital Construction Company for purposes of securing vacant residential and commercial units for the Second Avenue Subway Project ("SAS").

FOR REFERENCE PURPOSES ONLY

MTA Real Estate will be acquiring financial property interests to support the construction of Phase I of SAS. Included in these acquisitions are some residential buildings as full fee takings and a variety of commercial takings, both fee and permanent easements. Both residential and commercial occupants must be vacated from these properties prior to the start of project construction. In accordance with the Uniform Relocation Assistance and Real Property Acquisition Policies Act and related federal regulations, MTA must provide all eligible occupants who are displaced by SAS with relocation assistance, including compensation for moving and related expenses and assistance in locating and securing comparable replacement space. Especially due to the challenge of relocating the affected residential tenants, most of whom occupy rent-stabilized apartments, it is prudent for MTA to take over the lease for any required apartment that is voluntarily vacated by the tenant before the actual date of acquisition. It may also be prudent to do the same with commercial spaces depending on the specific economic analysis of the situation. For both residential and commercial spaces, MTA would enter into lease agreements with landlords, paying them monthly rent until such time as we acquire the property through condemnation or negotiated purchase. This arrangement of Protective Rent, when implemented, will ensure that residential and commercial spaces required for SAS and secured by Protective Rent agreements will be vacant at the start of construction and thus eliminate the need to relocate occupants from such spaces in advance.

Similarly, by the end of 2008, MTA anticipates needing to relocate a number of residents, most from rent stabilized apartments. Given the paucity of affordable housing in Manhattan, and especially on the Upper East Side, the Real Estate Department and our relocation consultants will be seeking potential replacement dwellings. If we are successful, we expect that the owners of rental apartments we find will not be willing to hold these apartments off the market. Therefore, MTA will seek to enter into lease agreements for these apartments as soon as possible. If we are successful, this would at least provide a small initial supply of available apartments for us to offer our displaced residents.

Any agreements entered into pursuant to this policy will be reported to the Committee in chart form the following month.

Staff Summary



Metropolitan Transportation Authority

Page 1 of 1

Subject	BOARD POLICY ON PROTECTIVE ACQUISITION
Department	REAL ESTATE
Department Head Name	ROCO KRSULIC
Department Head Signature	
Project Manager Name	HELENE CINQUE

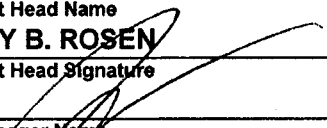
Date	MARCH 26, 2007
Vendor Name	
Contract Number	
Contract Manager Name	
Table of Contents Ref #	

Board Action					
Order	To	Date	Approval	Info	Other
1	CCFWE Committee	03/26/07	X		
2	Board	03/26/07	X		

Internal Approvals			
Order	Approval	Order	Approval
	Executive Director	2	Civil Rights
	Chief of Staff	1	Legal
	Director of B&FM		
	Director of Real Estate		

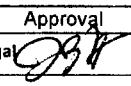
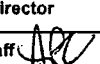
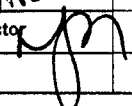
FOR REFERENCE PURPOSES ONLY

<p>Narrative</p> <p>BE IT RESOLVED that the Board hereby authorizes the MTA Director of Real Estate to negotiate and enter into Agreements on behalf of Capital Construction Company, Second Avenue Subway ("SAS") for the purpose of securing residential apartments and commercial spaces which have been vacated prior to our acquisition of the required space.</p> <p>Each Agreement shall:</p> <ol style="list-style-type: none"> 1) be in a form approved by the Legal Department; 2) provide market rate compensation which will be determined on a case by case basis; 3) be for space designated for acquisition for SAS construction or to provide replacement space for tenants to be dislocated by SAS construction <p>The Director of Real Estate will report each transaction entered into pursuant to this resolution to the RE Committee, after the fact, including location, term, rent, and the nature of leased space (residential/stabilized/controlled; residential/market rate; office; retail).</p> <p>This resolution shall take effect immediately upon its adoption.</p>

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

Date DECEMBER 13, 2010
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref #

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance Committee	12/13/10	X		
2	Board	12/15/10	X		

Internal Approvals			
Order	Approval	Order	Approval
	Executive Director	1	Legal 
3	Chief of Staff 		
2	Managing Director 		
	Civil Rights		

Narrative

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

LESSEE: ELC Beauty LLC d/b/a Origins ("Origins")

LOCATION: Retail Space MC-62 and storage space MC-9C

ACTIVITY: The retail sale of tenant-branded cosmetics, health, skin and body care products

ACTION REQUESTED: Approval of terms

TERM: Ten years

SPACE: Approximately 442 sq. ft.

COMPENSATION: Annual Base Rent plus 10% of gross sales over Breakpoint, as follows:

<u>Year</u>	<u>Annual Base Rent</u>	<u>PSF</u>	<u>Breakpoint</u>
1	\$170,170.00	\$385.00	\$1,701,700.00
2	\$175,275.10	\$396.55	\$1,752,751.00
3	\$180,533.36	\$408.44	\$1,805,333.60
4	\$185,949.36	\$420.69	\$1,859,493.60
5	\$191,527.84	\$433.32	\$1,915,278.40
6	\$197,273.66	\$446.32	\$1,972,736.60
7	\$203,191.88	\$459.71	\$2,031,918.80
8	\$209,287.64	\$473.50	\$2,092,876.40
9	\$215,566.26	\$487.70	\$2,155,662.60
10	\$222,033.25	\$502.33	\$2,220,332.50

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

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

SECURITY: Three months minimum rent plus a guaranty from The Estee Lauder Companies Inc. (limited to 60 days rent after vacating of premises)

INSURANCE: Standard

CONSTRUCTION PERIOD: Sixty days

Staff Summary

FINANCE COMMITTEE MEETING **ELC BEAUTY LLC d/b/a ORIGINS (cont)**

COMMENTS:

In response to a recent MTA request for proposals ("RFP") for Retail Space MC-62 at Grand Central Terminal, eight proposals were received. The proposals were received from Origins, Kiehl's since 1851 LLC (Designer Fragrances and Cosmetic Co) dba Kiehl's since 1851; Toto GCT, Inc. dba TOTO; Toto GCT, Inc. dba Mihee Coe; Toto GCT, Inc. dba Silk Road Cashmere; Miss Matched, Inc. dba Little Miss Matched; Sopia, Inc. dba Sabon; and 7 Grand Central Corp. dba Tea and Honey.

Per the Guidelines for Selection of Tenants for Grand Central Terminal approved by the MTA Board in November 2009, the proposals 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, measures the direct economic value of a proposal. Selection Criterion B, which accounts for 30% of the score, is the evaluator's determination of a proposal's potential indirect benefit to the MTA.

As indicated in the attached chart, both the Unadjusted Guaranteed Rent Amount (i.e. the proposed guaranteed minimum rent, on a present value basis determined using a discount rate of 6%) and the Total Selection Criteria Score as determined by the Director of GCT Development were higher for Origins than for each of the remaining proposals, and consequently a selection committee was not convened. The rent proposed by Origins exceeds the estimated fair market rental value of the subject space as determined by Williams Jackson Ewing prior to the issuance of the RFP.

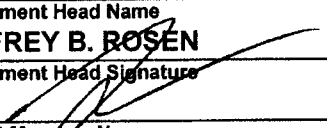
Origins has been located in the Lexington Passage since the Grand Central Terminal renovation was completed in 1998, and maintains a strong brand recognition in the cosmetics and skin care industry.

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




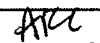

Metropolitan Transportation Authority

Scoring	A	B	C	D	E	F	G	H	I	J
	<u>Unadjusted Guaranteed Rent Amount</u>	<u>Guaranteed Rent Adjustment Factor</u>	<u>Adjusted Guaranteed Rent Amount (A x B)</u>	<u>Unadjusted Percentage Rent Amount</u>	<u>Percentage Rent Adjustment Factor**</u>	<u>Adjusted Percentage Rent Amount (D x E)</u>	<u>Adjusted Total Rent Amount (C + F)</u>	<u>Selection Criterion A Score *** (0-70)</u>	<u>Selection Criterion B Score (0-30)</u>	<u>Total Selection Criterion Score (H + I)</u>
ELC Beauty, LLC dba Origins	\$1,415,611	1	\$1,415,611	\$241,800	0	0	\$1,415,611	70	20	90
TOTO Mihee Coe Silk Road Cashmere	\$1,256,141	1	\$1,256,141	\$88,377	0	0	\$1,256,141	62	5	67
Sopia dba Sabon	\$1,247,819	1	\$1,247,819	0	0	0	\$1,247,819	62	10	72
Little Miss Matched	\$1,236,940	1	\$1,236,940	0	0	0	\$1,236,940	61.2	10	71.2
Kiehl's since 1851	\$1,103,073	1	\$1,103,073	0	0	0	\$1,103,073	54.5	30	84.5
Tea & Honey	\$1,011,147	1	\$1,011,147	0	0	0	\$1,011,147	50	5	55

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

Date DECEMBER 13, 2010
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref #

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance Committee	12/13/10	X		
2	Board	12/15/10	X		

Internal Approvals			
Order	Approval	Order	Approval
	Executive Director	1	Legal 
3	Chief of Staff 		
2	Managing Director 		
	Civil Rights		

Narrative																									
AGENCY:	MTA Metro-North Railroad ("Metro-North")																								
LESSEE:	Jo Malone Inc. dba Jo Malone ("Jo Malone")																								
LOCATION:	Retail Space MC-67 and storage space MCS-9																								
ACTIVITY:	The retail sale of Jo Malone branded fragrances and skin care products																								
ACTION REQUESTED:	Approval of terms																								
TERM:	Five years																								
SPACE:	Approximately 264 sq. ft.																								
COMPENSATION:	Annual Base Rent plus 8% of gross sales over Breakpoint, as follows:																								
	<table border="1"> <thead> <tr> <th>Year</th> <th>Annual Base Rent</th> <th>PSF</th> <th>Breakpoint</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>\$84,150.00</td> <td>\$318.75</td> <td>\$1,051,875.00</td> </tr> <tr> <td>2</td> <td>\$86,674.50</td> <td>\$328.31</td> <td>\$1,083,431.25</td> </tr> <tr> <td>3</td> <td>\$89,274.74</td> <td>\$338.16</td> <td>\$1,115,934.25</td> </tr> <tr> <td>4</td> <td>\$91,952.98</td> <td>\$348.30</td> <td>\$1,149,412.25</td> </tr> <tr> <td>5</td> <td>\$96,711.56</td> <td>\$366.33</td> <td>\$1,183,894.50</td> </tr> </tbody> </table>	Year	Annual Base Rent	PSF	Breakpoint	1	\$84,150.00	\$318.75	\$1,051,875.00	2	\$86,674.50	\$328.31	\$1,083,431.25	3	\$89,274.74	\$338.16	\$1,115,934.25	4	\$91,952.98	\$348.30	\$1,149,412.25	5	\$96,711.56	\$366.33	\$1,183,894.50
Year	Annual Base Rent	PSF	Breakpoint																						
1	\$84,150.00	\$318.75	\$1,051,875.00																						
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TRASH:	\$6.00 per sq. ft. per year, increasing annually by 5%																								
SECURITY:	Three months minimum rent plus a guaranty from The Estee Lauder Companies Inc. (limited to 60 days rent after vacating of premises)																								
INSURANCE:	Standard																								
CONSTRUCTION PERIOD:	Sixty days																								

Staff Summary

FINANCE COMMITTEE MEETING

Jo Malone Inc. dba Jo Malone (cont.)

COMMENTS:

In response to a recent MTA request for proposals ("RFP") for Retail Space MC-67 at Grand Central Terminal, ten proposals were received. The proposals were received from Jo Malone (a subsidiary of The Estee Lauder Companies, Inc.); Toto GCT, Inc. ("Toto") dba TOTO; Toto dba Mihee Coe; Toto dba Silk Road Cashmere; Miss Matched, Inc. dba Little Miss Matched; Sopia, Inc. dba Sabon ("Sabon"); ELC Beauty, LLC dba Origins; 7 Grand Central Corp. dba Tea and Honey; Tanjore Inc. dba Tanjore; and Josh Bach Limited dba Josh Bach.

Per the Guidelines for Selection of Tenants for Grand Central Terminal approved by the MTA Board in November 2009, the proposals 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, measures the direct economic value of a proposal. Selection Criterion B, which accounts for 30% of the score, is the evaluator's determination of a proposal's potential indirect benefit to the MTA.

The proposer to which the Director of Grand Central Development assigned the highest Total Selection Criteria Score, Jo Malone, offered rent in excess of the fair market value of the subject space as estimated prior to the issuance of the RFP by Williams Jackson Ewing; but Jo Malone did not offer the highest Unadjusted Guaranteed Rent Amount and consequently a selection committee was convened.

The selection committee reviewed and scored all of the proposals. Each member of the selection committee awarded both a higher Selection Criterion B score and a higher Total Selection Criteria Score to Jo Malone than to any of the other proposers. In the attached chart, the scores shown in columns B, E and I represent the sums of the scores from the three selection committee members divided by 3.

As noted in the attached chart, two proposers, Sabon and Toto, scored higher on Selection Criterion A than Joe Malone did. However, the selection committee felt that Sabon's product line is not sufficiently different from products already carried by other Lexington Passage tenants, and that such duplication might hurt sales of existing tenants and limit MTA's potential receipts of percentage rent. Further, the selection committee felt that Toto's proposals for the subject space should be disfavored, as contemplated by the RFP, because pursuant to the RFP Toto GCT has been awarded the lease for another space in the Lexington Passage, Retail Space MC-81, where Toto will be selling merchandise similar to the merchandise that Toto proposed to sell in the subject space.

GCT currently lacks a strong fragrance retailer, and Jo Malone's brand recognition and unique high quality product line can be expected to draw customers to the Lexington Passage, thereby indirectly benefiting the MTA by creating enhanced business opportunities for other GCT retailers. The Jo Malone product line is currently sold in Manhattan only at a single Jo Malone store on the Upper East Side, and at Saks Fifth Avenue, Bergdorf Goodman, and Bloomingdale's Soho.

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

Scoring	A	B	C	D	E	F	G	H	I	J
	<u>Unadjusted Guaranteed Rent Amount</u>	<u>Guaranteed Rent Adjustment Factor*</u>	<u>Adjusted Guaranteed Rent Amount (A x B)</u>	<u>Unadjusted Percentage Rent Amount</u>	<u>Percentage Rent Adjustment Factor**</u>	<u>Adjusted Percentage Rent Amount (D x E)</u>	<u>Adjusted Total Rent Amount (C + F)</u>	<u>Selection Criterion A Score *** (0-70)</u>	<u>Selection Criterion B Score (0-30)</u>	<u>Total Selection Criterion Score (H + I)</u>
Jo Malone	\$375,092	1	\$375,092	0			\$375,092	63.9	28.3	92.2
Josh Bach	\$341,261	1	\$341,261	0			\$341,261	58.1	12.3	70.4
LittleMissMatched	\$305,958	1	\$305,958	0			\$305,958	52.1	20	72.1
Mihee Coe										
Silk Road Cashmere	\$411,102	1	\$411,102	0			\$411,102	70	5.3	75.3
Toto										
Origins	\$300,074	1	\$300,074	\$920	.50	\$460	\$300,534	51.2	12.3	63.5
Sabon	\$401,170	1	\$401,170	0			\$401,170	66.3	16.3	84.6
Tea & Honey	\$300,073	1	\$300,073	0			\$300,073	51.1	11.3	62.4
Tanjore	\$320,935	1	\$320,935	0			\$320,935	54.6	6.3	60.9

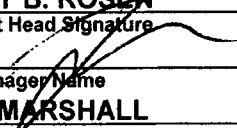
*Calculated using 6% discount rate

**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 Adjustment 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)

Staff Summary

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

Date DECEMBER 13, 2010
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Order	Approval	Order	Approval
	Executive Director	1	Legal 
3	Chief of Staff 		
2	Manager Director 		
	Civil Rights		

Narrative

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

LESSEE: Camuto Group ("Camuto") dba Vince Camuto

LOCATION: Retail Space MC-26

ACTIVITY: The retail sale of tenant-branded women's fashion footwear, handbags, and accessories

ACTION REQUESTED: Approval of terms

TERM: Ten years

SPACE: Approximately 1,321 sq. ft. plus 625 sf of mezzanine storage space

COMPENSATION: Annual Base Rent plus 8% of gross sales over Breakpoint, as follows:

Year	Annual Base Rent	PSF	Breakpoint	Storage Space
1	\$198,150	\$150.00	\$2,500,000	\$46,875
2	\$203,104	\$153.75	\$2,500,000	\$48,047
3	\$208,181	\$157.59	\$2,500,000	\$49,248
4	\$213,386	\$161.53	\$2,500,000	\$50,479
5	\$218,721	\$165.57	\$2,500,000	\$51,741
6	\$224,189	\$169.71	\$2,500,000	\$53,035
7	\$229,793	\$173.95	\$2,500,000	\$54,361
8	\$235,538	\$178.30	\$2,500,000	\$55,720
9	\$241,427	\$182.76	\$2,500,000	\$57,113
10	\$247,462	\$187.32	\$2,500,000	\$58,540

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

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

SECURITY: Three months minimum rent

INSURANCE: Standard

CONSTRUCTION PERIOD: Sixty days

Staff Summary

FINANCE COMMITTEE MEETING

Camuto Group dba Vince Camuto (cont.)

COMMENTS:

In response to a recent MTA request for proposals ("RFP") for Retail Space MC-26 at Grand Central Terminal, four proposals were received. The proposals were received from Camuto; Moskatel Group, Inc. ("Moskatel"), dba Planet Kids; Super Runner's Shop Grand Central, Inc. dba Super Runner's Shop; and Delancey Leather dba Delancey Leather.

Per the Guidelines for Selection of Tenants for Grand Central Terminal approved by the MTA Board in November 2009, the proposals 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, measures the direct economic value of a proposal. Selection Criterion B, which accounts for 30% of the score, is the evaluator's determination of a proposal's potential indirect benefit to the MTA. The Total Selection Criteria Score as determined by the Director of GCT Development was higher for Camuto than for the remaining proposers, and the rent proposed by Camuto coincides with the estimated fair market rental value of the subject space, as determined by Williams Jackson Ewing prior to the issuance of the RFP. However, Camuto did not offer the highest Unadjusted Guaranteed Rent Amount (i.e. the proposed guaranteed minimum rent, on a present value basis determined using a discount rate of 6%), and consequently a selection committee was convened.

The selection committee reviewed and scored all four proposals. Each member of the selection committee awarded a higher Selection Criterion B Score and higher Total Selection Criteria Score to Camuto than to each of the other proposers. In the attached chart, the scores shown in columns B, E and I represent the sums of the scores from the three selection committee members divided by 3. The proposal with the highest Unadjusted Guaranteed Rent Amount was received from Moskatel dba Planet Kids. However, Planet Kids is a toy store use that would compete directly with Kidding Around, a new toy store tenant that submitted the successful proposal for Retail Space MC-27 pursuant to the RFP, and Moskatel was therefore disfavored in accordance with the RFP, which stated that *"a proposal will be disfavored if the proposed use is in direct competition with an existing or new use near the subject retail location within Grand Central Terminal"*. In addition, Moskatel proposed to form a single purpose corporation for this venture and was unwilling to furnish a guaranty in the form contemplated by the RFP.

Camuto is a privately-owned multi-branded shoe and fashion design and retail company founded by Vince Camuto in 2001. Vince Camuto was a co-founder and the creative director and visionary force of the Nine West Group. In 2005, Camuto launched its signature footwear and fashion line, and has subsequently begun to open retail locations under the Vince Camuto name. Camuto's other lines include BCBG Max Azria, Jessica Simpson and Lucky Brand, among others. The Vince Camuto store at GCT will carry merchandise from all of the lines that Camuto creates, and will complement the other ready-to wear shops currently at the Terminal, while introducing a completely new category of women's fashion to GCT's retail mix.

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

Staff Summary



Scoring	A	B	C	D	E	F	G	H	I	J
	<u>Unadjusted Guaranteed Rent Amount</u>	<u>Guaranteed Rent Adjustment Factor*</u>	<u>Adjusted Guaranteed Rent Amount (A x B)</u>	<u>Unadjusted Percentage Rent Amount</u>	<u>Percentage Rent Adjustment Factor**</u>	<u>Adjusted Percentage Rent Amount (D x E)</u>	<u>Adjusted Total Rent Amount (C + F)</u>	<u>Selection Criterion A Score *** (0-70)</u>	<u>Selection Criterion B Score (0-30)</u>	<u>Total Selection Criterion Score (H + I)</u>
Camuto Group dba Vince Camuto	\$1,996,657	1	\$1,996,657	\$68,683	.50	\$34,342	\$2,030,999	69.7	26.33	96.03
New Corp tba dba Planet Kids	\$2,038,315	1	\$2,038,315	0	0	0	\$2,038,315	70	7.33	77.33
Super Runner's Shop Grand Central, Inc. dba Super Runners Shop (1)	\$1,692,294	1	\$1,692,294	0	0	0	\$1,692,294	58.1	17.33	75.43
Delancey Leather	\$1,324,816	1	\$1,324,816	0	0	0	\$1,324,816	45.5	1.66	47.16

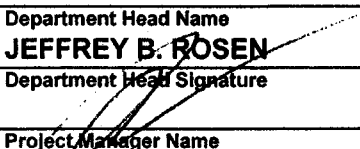
* Present value, calculated using 6% discount rate

** 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 0.00 per guidelines

*** Percentage Rent Adjustment 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)

(1) Super Runner's Shop disputed our measurement and stated that the mezzanine storage space was 528 sf in their proposal. Other proposals are calculated using 625 SF, as measured by an architect, and as stated in the RFP.

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

Date DECEMBER 13, 2010
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref #

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance Committee	12/13/10	X		
2	Board	12/15/10	X		

Internal Approvals			
Order	Approval	Order	Approval
	Executive Director	1	Legal 
3	Chief of Staff 		
2	Manager Director 		
	Civil Rights		

Narrative																									
AGENCY:	MTA Metro-North Railroad ("Metro-North")																								
LESSEE:	Azor Bake Shop Inc. dba Zaro's Bread Basket ("Zaro's")																								
LOCATION:	Retail Space MKT-20 and storage space LPS-1E																								
ACTIVITY:	For the retail sale of high-quality tenant-produced fresh artisan bread, fine pastries, and other bakery products																								
ACTION REQUESTED:	Approval of Terms																								
TERM:	Five years																								
SPACE:	Approximately 197 sq. ft.																								
COMPENSATION:	Annual Base Rent plus 10% of gross sales over Breakpoint, as follows:																								
	<table border="1"> <thead> <tr> <th>Year</th> <th>Annual Base Rent</th> <th>PSF</th> <th>Breakpoint</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>\$135,000.00</td> <td>\$685.28</td> <td>\$1,350,000.00</td> </tr> <tr> <td>2</td> <td>\$139,050.00</td> <td>\$705.84</td> <td>\$1,390,500.00</td> </tr> <tr> <td>3</td> <td>\$143,200.00</td> <td>\$726.90</td> <td>\$1,432,000.00</td> </tr> <tr> <td>4</td> <td>\$147,500.00</td> <td>\$748.73</td> <td>\$1,475,000.00</td> </tr> <tr> <td>5</td> <td>\$151,900.00</td> <td>\$771.07</td> <td>\$1,519,000.00</td> </tr> </tbody> </table>	Year	Annual Base Rent	PSF	Breakpoint	1	\$135,000.00	\$685.28	\$1,350,000.00	2	\$139,050.00	\$705.84	\$1,390,500.00	3	\$143,200.00	\$726.90	\$1,432,000.00	4	\$147,500.00	\$748.73	\$1,475,000.00	5	\$151,900.00	\$771.07	\$1,519,000.00
Year	Annual Base Rent	PSF	Breakpoint																						
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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 plus personal guaranty of Zaro Bake Shop, Inc. and affiliates (limited to six months rent after vacating of premises)																								
INSURANCE:	Standard																								
CONSTRUCTION PERIOD:	Sixty days																								

Staff Summary

FINANCE COMMITTEE MEETING

Azor Bake Shop Inc. dba Zaro's Bread Basket (cont.)

COMMENTS:

In response to a recent MTA request for proposals ("RFP") for Retail Space MKT-20, Grand Central Terminal, proposals were received from Zaro's and Bread Alone Inc. dba Bread Alone.

Per the Guidelines for Selection of Tenants for Grand Central Terminal approved by the MTA Board in November 2009, the proposals 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, measures the direct economic value of a proposal. Selection Criterion B, which accounts for 30% of the score, is the evaluator's determination of a proposal's potential indirect benefit to the MTA.

As indicated in the attached chart, both the Unadjusted Guaranteed Rent Amount (i.e. the proposed guaranteed minimum rent, on a present value basis determined using a discount rate of 6%) and the Total Selection Criteria Score as determined by the Director of GCT Development were higher for Zaro's than for Bread Alone, Inc, and consequently a selection committee was not convened. The rent proposed by Zaro's exceeds the estimated fair market rental value of the subject space as determined by Williams Jackson Ewing as determined by the Director of GCT Development were higher.

Zaro's has been a successful tenant in the Terminal since 1977 and in Grand Central Market since it opened in 1998. The Zaro's location in the Market has repeatedly ranked #1 in sales per square foot as compared with the other market tenants. Zaro's' strength lies in its quality products, reasonable prices and excellent level of customer service.

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

Scoring	A	B	C	D	E	F	G	H	I	J
	<u>Unadjusted Guaranteed Rent Amount*</u>	<u>Guaranteed Rent Adjustment Factor**</u>	<u>Adjusted Guaranteed Rent Amount (A x B)</u>	<u>Unadjusted Percentage Rent Amount</u>	<u>Percentage Rent Adjustment Factor***</u>	<u>Adjusted Percentage Rent Amount (D x E)</u>	<u>Adjusted Total Rent Amount (C + F)</u>	<u>Selection Criterion A Score **** (0-70)</u>	<u>Selection Criterion B Score (0-30)</u>	<u>Total Selection Criterion Score (H + I)</u>
Azor Bake Shop Inc. dba Zaro's Bread Basket	\$601,688	1	\$ 601,688	\$23,200	.50	\$11,600	\$613,288	70	18	88
Bread Alone, Inc. dba Bread Alone	\$460,012	1	\$460,012	0	0	0	\$460,012	52.50	25	77.50


* 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 0.00 per guidelines

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

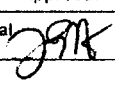
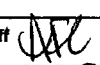
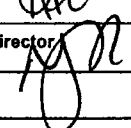
**** Selection Criterion A Score: 70 multiplied by the ratio of the Adjusted Total Rent Amount for the proposer to the highest Adjusted Total Rent Amount (from column G)

Staff Summary

Subject SALE OF PROPERTY
Department REAL ESTATE
Department Head Name JEFFREY B. ROSEN
Department Head Signature 
Project Manager Name JOHN COYNE

Date DECEMBER 13, 2010
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref #

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance Committee	12/13/10	X		
2	Board	12/15/10	X		

Internal Approvals			
Order	Approval	Order	Approval
		1	Legal 
3	Chief of Staff 		
2	Managing Director 		
	Civil Rights		

Narrative	
AGENCY:	MTA Long Island Rail Road ("LIRR")
PURCHASER:	Nalex International Development Corporation ("Nalex")
LOCATION:	District 903, Section 2, Block 2, Sag Harbor, New York (the "Subject Parcel")
ACTIVITY:	Sale of fee title to Subject Parcel
ACTION REQUESTED:	Approval of terms
SPACE:	Former portion of State Road 114 (approximately 16,405 square feet)
COMPENSATION:	\$201,000.00
COMMENTS:	
<p>In 1869, the LIRR acquired property in the Village of Sag Harbor ("Village") in connection with the construction of a new rail line. In 1915, the LIRR granted an easement over the property to the Village for use as a public highway. The terms of the easement provided that the property would revert to the LIRR in the event that the property was no longer used as a highway. When State Route 114 was re-routed in the 1930s, the property reverted to LIRR. LIRR discontinued service to Sag Harbor in 1939 and had no further use for the property. Consequently, in 1945, LIRR sold almost all of its interest in the property to a private landowner, retaining an interest in the Subject Parcel, which is a small strip of land adjacent to Sag Harbor Cove. The Subject Parcel is approximately 40-45 feet wide and 350 feet long.</p> <p>In April 2008, East End Ventures LLC ("East End Ventures"), a real estate developer, commenced an adverse possession action in Supreme Court, Suffolk County against the MTA and LIRR, claiming that it was the owner of the Subject Parcel by virtue of the open and notorious use of the parcel by a predecessor-in-title, including the construction of a building over a portion of the Subject Parcel. As a result of such adverse possession action, the MTA had an independent appraisal of the Subject Parcel performed, which appraisal indicated that the Subject Parcel had a fair market value of \$82,025. To settle the litigation, MTA Real Estate and the LIRR proposed to enter into a settlement agreement pursuant to which the Subject Parcel would have been conveyed to East End Ventures for such appraised value of \$82,025. The Board authorized such transfer at its July 2009 meeting.</p>	

Staff Summary

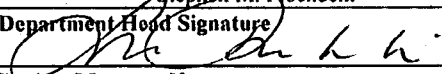
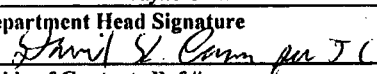
FINANCE COMMITTEE MEETING

Nalex International Development Corporation (Cont'd)

Thereafter, however, the Village indicated that it would be interested in purchasing the Subject Parcel in order to expand an existing Village park. Accordingly, it was determined that MTA Real Estate would offer the Subject Parcel for sale via a request for proposals ("RFP"). The RFP required the successful proposer to agree to be substituted as defendant in the adverse possession action, to assume primary responsibility for defending such action, and to indemnify the MTA and LIRR in any prospective action challenging their actions in disposing of the Subject Parcel. MTA Real Estate received two proposals in response to the RFP – a proposal from Nalex (which is controlled by the same principals as East End Ventures) for \$201,000 and a proposal from the Village for \$90,101.

MTA Real Estate has determined that Nalex has the financial resources to consummate this transaction. It is willing to settle the adverse possession lawsuit as well as pay more than the appraised value of the Subject Parcel, more than the Village offered for the Subject Parcel and more than East End Ventures initially offered for the Subject Parcel in July 2009. The sale of the Subject Parcel to Nalex will be in accordance with an order of discontinuance of the adverse possession action and the signing of a General Release.

Based on the foregoing, MTA Real Estate requests authorization to consummate a sale of the Subject Parcel to Nalex, in settlement of the above-described adverse possession action, on the above-described terms and conditions.

Subject Request for Authorization to Award Various Procurements						December 6, 2010					
Department Materiel Division – NYCT						Department Law and Procurement - MTACC					
Department Head Name Stephen M. Blochochi						Department Head Name Jayne Czik					
Department Head Signature 						Department Head Signature 					
Project Manager Name Rose Davis						Table of Contents Ref #					
Board Action											
Order	To	Date	Approval	Info	Other						
1	Committee	12/13/10									
2	Board	12/15/10									
Internal Approvals (cont.)											
Order	Approval		Order	Approval		Order	Approval		Order	Approval	

PURPOSE:

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

DISCUSSION:

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

Procurements Requiring Two Thirds Vote:	# of Actions	\$ Amount
Schedule A: Non-Competitive Purchases and Public Work Contracts	1	\$ 8.0 M
• Vapor Stone Rail Systems, A Division of Wabtec Corp.		\$ 8.0 M
 <u>Schedules Requiring Majority Vote</u>		
Schedule G: Miscellaneous Service Contracts	1	\$ 1.4 M
• International Business Machines Corp. (IBM)		\$ 1.4 M
Schedule H: Modifications to Personal/Miscellaneous Service Contracts	1	\$.2 M
• Intergraph Corporation		\$.2 M
SUBTOTAL	3	\$ 9.6 M

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

<u>Schedules Requiring Majority Vote</u>		
Schedule H: Modifications to Personal/Miscellaneous Service Contracts	1	\$.1 M
• Access Control Technologies		\$.1 M
SUBTOTAL	1	\$.1 M

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

Schedules Requiring Majority Vote

Schedule G: Miscellaneous Service Contracts	2	\$.4 M
Schedule I: Modifications to Purchase and Public Works Contracts	8	\$	15.7 M
	<u>10</u>	\$	<u>16.1 M</u>

MTA Capital Construction proposes to award Competitive procurements in the following categories: NONE

NYC Transit proposes to award Ratifications in the following categories:

Schedules Requiring Majority Vote:

Schedule K: Ratification of Completed Procurement Actions:	2	\$	1.4 M
	<u>2</u>	\$	<u>1.4 M</u>

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

Schedules Requiring Majority Vote:

Schedule K: Ratification of Completed Procurement Actions	3	\$	20.9 M
	<u>3</u>	\$	<u>20.9 M</u>
	<u>19</u>	\$	<u>48.1 M</u>

BUDGET IMPACT: The purchases/contracts will result in obligating NYC Transit and MTA Capital Construction Co. 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.



DECEMBER 2010

LIST OF NON-COMPETITIVE PROCUREMENTS FOR BOARD APPROVAL

Procurements Requiring Two-Thirds Vote:

A. Non-Competitive Purchases and Public Work Contracts

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

1. Vapor Stone Rail Systems, \$8,000,000.00 (Est.) Staff Summary Attached
A Division of Wabtec Corp.
Sole Source – Three-year omnibus
Omnibus approval request for the purchase of replacement door operator, HVAC and monitoring and diagnostic parts for NYC Transit subway cars.

Procurements Requiring Majority Vote:

G. Miscellaneous Service Contracts

(Staff Summaries required for all items greater than: \$100K Sole Source; \$250K Other Non-Competitive; SIM RFP; No Staff Summary required if sealed bid procurement.)

2. International Business Machines \$1,375,488.00 (Est.) Staff Summary Attached
Corporation (IBM)
Non-Competitive – Five-year contract
Contract # 10B0233
IBM hardware and software maintenance for NYC Transit and MTA Bridges and Tunnels.

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. Intergraph Corporation \$210,000.00 (Est.) Staff Summary Attached
Contract # CMM-1517.2
Modification to the contract for the support of NYC Transit's Geographic Information System (T-MAP) in order to extend the contract term and increase funding.



DECEMBER 2010

LIST OF NON-COMPETITIVE PROCUREMENTS FOR BOARD APPROVAL

Procurements Requiring Majority Vote:

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. Access Control Technologies
Contract #09-0446

\$116,500.00

Staff Summary Attached

Modification to the contract for the support and maintenance of Lenel Enterprise software, in order to extend the contract term and increase funding.

DECEMBER 2010

LIST OF COMPETITIVE PROCUREMENTS FOR BOARD APPROVAL

Procurements Requiring Majority Vote:

G. Miscellaneous Service Contracts

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

1. CFM Service Corporation \$71,169.00
Twelve Bids/Low Bidder – Three-year contract
Contract #F-174

This contract is for general janitorial cleaning services at multiple Staten Island Railway (SIR) locations. New York State Industries for the Disabled (NYSID) is a preferred source for this work. However, NYSID's proposed price for this work exceeded the market price by more than the 15% premium allowable by statute. Therefore, this procurement was solicited via sealed bids. CFM submitted the lowest bid, which was 33.3% lower than the incumbent and next low bidder, American Industrial Cleaning Co. Based upon effective price competition, CFM's bid was found to be fair and reasonable. This contract's requirements differ slightly from the current contract, decreasing the number of cleaning days from 3,900 to 3,162. Using the same number of days by location for the proposed contract, and comparing it to the same number of days for the current contract, the proposed contract is approximately 45.3% less than the current contract.

DECEMBER 2010

LIST OF COMPETITIVE PROCUREMENTS FOR BOARD APPROVAL

G. Miscellaneous Service Contracts cont'd

(Staff Summaries required for all items greater than: \$100K Sole Source; \$250K Other Non-Competitive; SIM RFP; No Staff Summary required if sealed bid procurement.)

2. **SGS U.S. Testing Company Inc.** **\$275,867.00 (Est., includes option)**
Two Bids/Low Bidder – Five-year contract, with a one-year option
Contract #09K0207

This multi-agency contract provides for garment and footwear testing services, garment consulting and social compliance auditing.

The contractor is required to assist NYC Transit in testing and evaluating garments and footwear received through its uniform and footwear supply and distribution contracts to ensure that products meet NYC Transit's specifications; and conduct on site audits to identify social compliance performance of suppliers. The contractor is also required to test garments and fabrics utilized in the manufacturing of the uniform garments; and test footwear composition and performance. The incumbent, ITS, was no longer interested in doing this work and did not submit a bid. As part of a joint procurement initiative, the requirements of Long Island Rail Road (LIRR), MTA Bridges and Tunnels (B&T) and Metro-North Railroad (MNR) were included in the solicitation.

SGS' bid for the five year base term was \$259,805, which was 10% less than the combined estimate of \$289,100. A comparison of current rates to the proposed contract revealed several line items for various tests and social compliance that showed large increases. SGS was requested to review these rates, and unilaterally agreed to reduce their bid amount by \$29,916, or 11.5%, resulting in a revised bid amount of \$229,889. An overall comparison of pricing of the current and proposed contracts shows that prices have increased by 2.7% annually. Based on a comparison to the estimate, savings achieved as a result of reduced rates and the competitive nature of the bid, SGS's revised bid amount of \$229,889 was deemed fair and reasonable. The projected annual cost of \$46K is less than 1% of the annual spend by the agencies on garments and footwear.

Each agency's allotted portion of the contract amount, including the one year option, results in the following distribution: NYC Transit at \$142,900; B&T at \$63,964 LIRR at \$42,502 and MNR at \$26,501.



DECEMBER 2010

LIST OF COMPETITIVE PROCUREMENTS FOR BOARD APPROVAL

I. Modifications to Purchase and Public Work Contracts

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

- | | | | |
|-------|---|-----------------------|-------------------------------|
| 3. | Franklin Co. Contractors, Inc.
Contract #05F9222.5 | \$512,352.00 (Est.) | <u>Staff Summary Attached</u> |
| | Modification to the contract for the testing and repair of petroleum tank systems and related piping at various NYC Transit locations, in order to extend the contract term and increase funding. | | |
| 4. | Ozone Park Lumber Industries
Contract #03E8674.4 | \$7,249,710.00 (Est.) | <u>Staff Summary Attached</u> |
| | Modification to the contract for the purchase and delivery of building materials, electrical, plumbing supplies and related items, in order to extend the contract term and increase funding. | | |
| 5-10. | Six Firms
Call Agreement # C-31662.2 | \$8,000,000.00 | <u>Staff Summary Attached</u> |
| | Modification to the call agreement for general construction work, in order to extend the contract term and increase funding. | | |

DECEMBER 2010

LIST OF RATIFICATIONS FOR BOARD APPROVAL

Procurements Requiring Majority Vote:

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

(Staff Summaries required for items requiring Board approval.)

1. **Jacobs Civil Consultants, Inc.** **\$1,081,904.00** *Staff Summary Attached*
 Contract # CM-1317.2
 Modification to the consultant contract for construction management services for the Design and Construction of the Charleston Bus Annex Facility, in order extend the term of the contract and increase funding.

2. **Judlau Contracting, Inc.** **\$337,340.00** *Staff Summary Attached*
 Contract #C-34763.30
 Modification to the contract for the rehabilitation of the Culver Line Viaduct, in order to install a drainage system in the special track work portion of the viaduct.

DECEMBER 2010

LIST OF RATIFICATIONS FOR BOARD APPROVAL

Procurements Requiring Majority Vote:

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

(Staff Summaries required for items requiring Board approval.)

1. Alstom Signaling, Inc. \$781,695.00 Staff Summary Attached
Contract #A-36052.13
Modification to the contract for the design and furnishing of signal equipment for the signal system north of Rector Street to the New South Ferry Terminal Station, in order to settle a claim for impact costs.

2. E.E. Cruz and Tully Construction \$1,400,000.00 Staff Summary Attached
Company, JV, LLC
Contract #C-26005.37
Modification to the contract for civil, structural, and utility relocation for the Second Avenue Subway, 96th Street Station, in order to perform ground treatment for the stabilization of four buildings on Second Avenue.

3. S3 Tunnel Constructors, JV \$18,685,000.00 Staff Summaries Attached
Contract #C-26002.92
Modification to the contract for the construction of the Second Avenue Subway Tunnel from 92nd to 63rd Streets in order to extend the TBM mining of the West Tunnel.

Schedule A: Non-Competitive Purchases and Public Work Contracts



Item Number: 1

Vendor Name (& Location) Vapor Stone Rail Systems (Plattsburgh, NY)		Contract Number NONE	Renewal? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Description Purchase of replacement door operator, HVAC, monitoring and diagnostic parts		Total Amount: \$8,000,000 (Est.)	
Contract Term (Including Options, If any) Three years		Funding Source <input checked="" type="checkbox"/> Operating <input type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:	
Option(s) Included in Total Amount? <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> n/a		Requesting Dept/Div & Dept/Div Head Name: Division of Materiel, Stephen M. Plochochi	
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: Omnibus Sole Source Approval			

Discussion:

This omnibus approval will cover items identified as obtainable only from Vapor Stone Rail Systems (Vapor Stone) and will eliminate the need to advertise and prepare individual procurement staff summaries for Board approval for each procurement over the \$15,000 small purchase threshold. NYC Transit is not obligated to generate any purchase orders pursuant to an omnibus approval. Approximately 12,000 items will be covered by this approval, which include replacement door operator parts, HVAC parts and monitoring and diagnostic parts used on NYC Transit subway cars. These items are identified as obtainable only from Vapor Stone for the following reasons: sole pre-qualified source on the QPL, and not available from any distributors or other sources; publicly advertised within a twelve month period without an acceptable alternate supplier; or proprietary to Vapor Stone. Each item released from the omnibus approval will be subject to a price analysis and Procurement will determine whether the price offered is fair and reasonable. These items are advertised a minimum of once every twelve months to seek competition. These sole source parts will be purchased on an as-required basis for a three year period. NYC Transit's Division of Car Equipment will utilize these sole-source parts on approximately 5,714 subway cars (door operator parts for all subway cars, except 660 Kawasaki-built R160 cars (which have Fuji door systems); HVAC parts for all pre-R142A cars; and monitoring and diagnostic system parts for all R142 subway cars) for normal maintenance and Scheduled Maintenance System (SMS) requirements.

In December 2007, the Board granted the current omnibus approval for \$8,000,000 that is scheduled to expire on December 27, 2010. The estimated amount for the requested omnibus approval is based on forecasts and projections for SMS requirements for 2011-2014, as well as usage from the past three years. It is expected that the amount requested under this omnibus approval will be sufficient to cover material requirements for the next three years.

Procurement performed a price analysis on previously purchased sole-source items that exceeded the \$15,000 threshold. The prices for these items show an overall weighted average annual price decrease of 16.65%. The overall decrease is in part due to items for which recent purchases were at significantly higher quantities than older purchases. If these items are excluded and only the items with comparable quantities are examined, the result is a weighted average annual price increase of 2.19%. This increase compares favorably to the PPI for Railroad car parts and accessories, which shows an average increase of 1.9% per year over the last three years.

In January 2009, Long Island Rail Road (LIRR) and Metro North Railroad (MNR) received Board approval for a long term parts agreement with Vapor Stone to furnish all replacement parts for the maintenance of their various fleets. After reviewing the list of LIRR and MNR items shown in the agreement, it was found that none of the items are used by NYC Transit. NYC Transit is currently working with Vapor Stone to establish a three year pricing agreement for sole source items and will coordinate with LIRR and MNR to obtain the best pricing structure for the MTA.

Schedule G: Miscellaneous Service Contracts



Item Number: 2

Vendor Name (& Location) International Business Machines Corp. (New York, NY)
Description IBM hardware and software maintenance support
Contract Term (including Options, if any) Five years
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

Contract Number 10B0233	Renewal? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Total Amount: NYC Transit: \$1,200,600 B&T: \$174,888	
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	

Discussion:

This contract is to provide hardware and software maintenance of IBM mid-range computer systems, including MQ-Series software. The IBM mid-range systems support the Department of Buses' (DOB) and the Department of Subways' (DOS) maintenance applications, MIDAS and RSMIS.

NYC Transit conducted a survey of the other MTA agencies and obtained requirements from MTA Bridges and Tunnels (B&T) that are included in this procurement. IBM hardware maintenance is proprietary to IBM. IBM's services include: around the clock hardware maintenance, with a 4-hour response time; around the clock software maintenance; telephone access/support for all calls; unlimited number of calls for the duration of the contract; and free subscription upgrades to operating systems.

MQ-Series software is a middleware management product that allows for the real time transfer of data between different computer systems, and is used to support mission critical functions in NYC Transit. The software is used to communicate data between NYC Transit's maintenance management and inventory management systems. For DOS, the software is also used to communicate data between its maintenance management system and the DOS timekeeping system for establishing work schedules for maintenance personnel.

The prices for hardware and software items that are common to both the current and proposed contracts for NYC Transit have increased by 1.3% annually. For B&T items that are common to both the current and proposed contracts, the cost has been reduced an average of approximately 24.7% from the current contract rates, and reflects the leveraging of NYC Transit's volume discount.

The total combined price of \$1,375,488 includes an average discount of 18.4% off of the 2010 NYS OGS contract rates. An additional \$75,000 has been included with NYC Transit's portion to cover any unforeseen maintenance costs for additional hardware and software items that may be acquired over the life of the contract. B&T's portion is \$174,888. The final price was found to be fair and reasonable.

Schedule H: Modifications to Personal Service & Miscellaneous Contracts



Item Number: 3

Vendor Name (& Location) Intergraph Corporation (West Bloomfield, MI)	
Description Support for the T-MAP spatial database system	
Contract Term (including Options, if any) May 29, 2007 – June 3, 2011	
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: Technology & Information Services, Sidney Gellineau	

Contract Number CMM-1517	AWO/Modification # 2
Original Amount:	200,000
Prior Modifications:	\$ 200,000
Prior Budgetary Increases:	\$ 370,000
Current Amount:	\$ 770,000
Total Request:	\$ 210,000 (Est.)
% of This Request to Current Amount:	27.2%
% of Modifications (including This Request) to Original Amount:	390.0%

Discussion:

This modification will extend the contract for one additional year and add funding for technical support to maintain the state of good repair and perform system enhancements to the T-MAP application.

Commencing in February 2002, NYC Transit has utilized Intergraph Corporation's (Intergraph) consulting services under various contracts in the development of a track mapping system that displays the position of various features along the right of way, including emergency exits, fan plants and pump rooms. This system, originally called the Comprehensive Automated NYC Transit Emergency Response System (CANERS) was developed as part of a joint exercise with the NYC Mayor's Office of Emergency Management (OEM). Under this exercise, Intergraph provided consulting services to convert the Department of Subways' track and subway station asset data in the immediate area of the World Trade Center (WTC). This was done to develop a complete picture of the subsurface around the WTC to be used to facilitate the rebuilding efforts on that site and to develop a Geographic Information System (GIS) for use by emergency responders to improve public safety and employee safety during emergencies.

In May 2007, the Board approved the award of Contract CMM-1517 to Intergraph to provide continued technical support and assistance in the use of the CANERS database that included system enhancements, onsite technical training for NYC Transit personnel, and further support in the use of GIS software and technology. This mapping system is now known as T-MAP.

The initial contract was \$200,000 and was increased to \$480,000 by two budget adjustments to pay for additional enhancements required beyond the original scope for the Oracle migration and to add a security layer to control which data users have access and for maintenance of the T-MAP application. In June 2009, an option was exercised to extend the contract by 2 years to June 2, 2011, which included an increase of \$200,000. In the third quarter of 2009, initiatives for train and bus arrival information were undertaken for proof of concepts and pilots to be demonstrated for customer information initiatives. These initiatives, along with the routine system support depleted the contract, and in June 2010 a budget adjustment for \$90,000 was approved.

This modification will extend the contract to June 2, 2012 and add funding for continued support of the T-MAP system and its underlying spatial GIS database. Additional enhancements will include the ability to annotate maps to show current locations of NYC Transit assets; the ability to display schematic and corresponding geographical maps simultaneously; and the expansion of the basemap to include the surrounding counties. This contract was awarded pursuant to the NY State Office of General Services (OGS) Contract with Intergraph, which expires on December 31, 2011. Intergraph's fully loaded labor rate reflects a 40% discount off the OGS contract that was fixed for the two-year option period and will be held for the duration of this one year extension and is considered fair and reasonable.

Schedule H: Modifications to Personal Service & Miscellaneous Service Contracts



Item 1		Contract Number 09-0446		AWO/Modification 2	
Vendor Name (& Location) Access Control Technologies					
Description Lenel Enterprise Software Maintenance		Original Amount: \$139,650			
Contract Term (including Options, if any) December 19, 2009 – December 18, 2010		Prior Modifications: \$34,200			
Option(s) included in Total Amount? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		Prior Budgetary Increases: \$0			
Procurement Type <input type="checkbox"/> Competitive <input checked="" type="checkbox"/> Non-competitive		Current Amount: \$173,850			
Solicitation Type <input type="checkbox"/> RFP <input type="checkbox"/> Bid <input checked="" type="checkbox"/> Other: Modification		This Request: \$116,500			
Funding Source <input type="checkbox"/> Operating <input checked="" type="checkbox"/> Capital <input checked="" type="checkbox"/> Federal <input type="checkbox"/> Other:		% of This Request to Current Amount: 67.0%			
Requesting Dept/Div & Dept/Div Head Name: Security Program/R. Miras		% of Modifications (including This Request) to Original Amount: 107.9%			

Discussion:

This modification will extend the contract for six months and allow for continued software maintenance and support as well as the purchase of hardware to fulfill the recommendations of the original assessment to make the Lenel system operational under the Integrated Electronic Security System (IESS).

MTACC received Board approval to award a contract to Access Control Technologies (ACT) to provide technical support and maintenance of the Lenel Enterprise software for the IESS control subsystem, following the default of the original contractor.

An assessment of the control subsystem has uncovered that additional hardware and support is required in order to efficiently meet the operational needs of the Agencies utilizing this system. This includes encoders, an additional Regional Server, along with professional services support and onsite Lenel Training. In order to continue the necessary technical support and maintenance of the software without disruption, the contract needs to be extended. By the end of the extension period, a new maintenance contract being handled by MTAHQ will be in place.

ACT submitted a cost proposal in the amount of \$119,080.00. MTACC's estimate was \$108,425.00. Negotiations were held and the lump sum of \$116,500 was agreed upon and found to be fair and reasonable.

Schedule I: Modifications to Purchase and Public Work Contracts



Item Number: 3

Vendor Name (& Location) Franklin Co. Contractors, Inc. (College Point, NY)	
Description On-site tank testing and repair services of petroleum fuel tank systems and related piping	
Contract Term (Including Options, if any) September 17, 2007 - December 15, 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: Department of Buses, Darryl C. Irick	

Contract Number	AWO/Modification #	
05F9222	5	
Original Amount:	\$	2,918,079
DOB:	\$	937,422
MOW:		
Prior Modifications:	\$	249,000
DOB:	\$	37,000
MOW:		
Prior Budgetary Increases:	\$	942,301
DOB:	\$	674,999
MOW:		
Current Amount for DOB & MOW:	\$	\$5,758,801
This Request:	\$	512,352
DOB only:		(Est.)
% of This Request to Current Amount:		8.9%
% of Modifications (including This Request) to Original Amount:		62.7%

Discussion:

This modification is to extend the contract term for an additional six month period and add funding.

This estimated-quantity public work contract requires the contractor to provide on-site tank systems testing and repair services for petroleum fuel tank systems and related piping at various NYC Transit Department of Buses (DOB) and Department of Subways Maintenance of Way (MOW) locations. The contractor is also responsible for performing all necessary modifications, installations, removals, repairs and testing to NYC Transit's petroleum and bulk fluid tanks, components and piping; provide all labor, equipment, tools, and materials for the repair or replacement of concrete pads and paving, including removal and disposal of, or transfer of, existing fuel from tank(s); and provide piping and accessories for backfill excavations.

For this modification, Franklin has agreed to extend the contract term for up to six months from December 15, 2010 to June 15, 2011, or until the replacement contract is awarded, at the same pricing as submitted in 2007. Franklin was asked for a price concession, but indicated that it could not provide a price concession and can only hold its initial pricing for the duration of this extension. This extension will allow time for the solicitation and award of the replacement Contract #10D0273. The new solicitation is currently in the process of being finalized for advertisement. Additional funding in the amount of \$512,352 is needed for DOB's portion. No additional funding is needed for MOW. The price for this extension is deemed fair and reasonable.

Schedule I: Modifications to Purchase and Public Work Contracts



Item Number: 4

Vendor Name (& Location) Ozone Park Lumber Industries (South Ozone Park, NY)	
Description Furnish and deliver building materials, electrical and plumbing supplies; tailgate delivery to various locations	
Contract Term (including Options, if any) June 1, 2004 – February 28, 2011	
Option(s) included in Total Amount? <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> n/a	
Procurement Type <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Non-competitive	
Solicitation Type <input type="checkbox"/> RFP <input type="checkbox"/> Bid <input checked="" type="checkbox"/> Other: Modification	
Funding Source <input 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 Materiel, Stephen M. Plochochi	

Contract Number	AWO/Modification #
03E8674	4
Original Amount:	\$ 16,420,587
Prior Modifications:	\$ 27,047,330
Prior Budgetary Increases:	\$ 20,221,358
Current Amount:	\$ 63,689,275
This Request:	\$ 7,249,710 (Est.)
% of This Request to Current Amount:	11.4%
% of Modifications (including This Request) to Original Amount:	332.0%

Discussion:

This modification is for an extension of the contract term by up to six months to August 31, 2011 or until completion of the three to four month start-up period after award of a new contract, whichever happens first.

This contract is to furnish and deliver building materials, electrical and plumbing supplies and provides for tailgate delivery to any and all NYC Transit work sites and other locations throughout the five boroughs of New York City. The contract is utilized by various departments that perform in-house maintenance, repair, rehabilitation and construction projects. Materials are purchased utilizing the contract's pre-priced items list, contractor-supplied or construction-industry catalog, or electronically-supported materials catalog, and items not pre-priced or available through commodity catalogs for which the contractor charges a competitively established markup to the substantiated cost. The goal of this program was to more efficiently provide general building materials, electrical and plumbing supplies to NYC Transit's user departments by reducing the lead-time necessary to obtain material and by providing delivery directly to work locations. Additional savings are realized by NYC Transit by eliminating costs associated with storing and handling of associated materials as commodity items.

Prior to this modification request, two Board approved budget adjustments were necessary to add funding for various NYC Transit-wide projects that were not originally envisioned at contract inception. Board approved Modifications #1 and #2 also added funds and extended the contract term to February 28, 2011. Modification #3, resulting from the Rapid Procurement Initiative, granted a reduction in the competitively established markup from 23% to 21%.

Proposals are under review resulting from a new request for proposals (RFP) for contract #08E9880 as a replacement for the current contract. It is expected that this term extension will allow sufficient time to complete the proposal evaluation process (including an analysis of the complex multi-agency price schedule), negotiations, and award of the new contract(s) and completion of a start-up period after award of a new contract(s). The contractor has agreed to extend the contract term under the same contractual terms, conditions and provisions of the contract. An additional price concession of 3% was negotiated; further reducing the mark-up from 21% to 18%.

It is expected that the amount requested will be sufficient to support upcoming needs. The final price is considered fair and reasonable. MTA Bus piggybacked this Contract 03E8674 and anticipates an estimated expenditure of \$350,000 during this extension.

Schedule I: Modifications to Purchase and Public Work Contracts



Item Number: 5-10

Vendor Name (& Location)	
Six Firms	
Description	
Call Agreement for General Construction	
Contract Term (including Options, if any)	
December 30, 2005 – December 30, 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 checked="" type="checkbox"/> RFP <input type="checkbox"/> Bid <input type="checkbox"/> Other:	
Funding Source	
<input type="checkbox"/> Operating <input checked="" type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:	
Requesting Dept/Div & Dept/Div Head Name:	
Capital Program Management, Frederick E. Smith	

Contract Number	AWO/Modification #
C-31662	2
Original Amount:	\$ 25,000,000
Prior Modifications:	\$ 10,000,000
Prior Budgetary Increases:	\$ 0
Current Amount:	\$ 35,000,000
This Request:	\$ 8,000,000
% of This Request to Current Amount:	22.9%
% of Modifications (including This Request) to Original Amount:	72.0%

Discussion:

This modification will extend the Call Agreement by six months to allow solicitation and award of work orders valued at an additional \$8M estimated total.

A Call Agreement is not a contract. It is an agreement under which work orders are solicited from pre-qualified firms. A work order is typically not more than \$1M in value and is separately funded at the time the need for the work order is identified. The firms on the panel were selected by RFP to be signatories to the agreement. The selected firms then compete for each work order. The low bidder receives the work order.

In October 2005, the Board approved the subject "Call Agreement for General Construction" allowing the competitive solicitation and award of work orders from six signatory firms for a three-year term and an estimated amount of \$25,000,000 in separately funded competitive awards. The Board was advised that the Call Agreement contained an option for an additional two-year term, an estimated \$10,000,000 and that its approval would be sought before exercising the option. In December 2008, the Board approved the exercise of the two-year option, extending the Call Agreement to December 31, 2010.

In July 2010, the Board adopted a resolution authorizing a joint solicitation of new Call Agreements by the leading agency, MTA Bridges & Tunnels. The joint solicitation will enable B&T, NYC Transit, Long Island Railroad, MTA Capital Construction and Metro North to enter into agency-specific Call Agreements. NYC Transit solicits Call Agreements on behalf of MTA Bus, and will continue to do so.

It is anticipated that this joint solicitation will permit the Agencies to award Call Agreements by mid 2011. Accordingly, the subject Call Agreement must be extended. At this time, work orders estimated at approximately \$8,000,000 for NYC Transit/MTA Bus are forecast for solicitation through the first half of 2011. B&T is also seeking Board approval to increase their current call agreement authorization during this interim period. A six month extension of the subject Call Agreement will permit solicitations from the six firms eligible to submit bids: D&K Construction, Inc., Judlau Contracting, Inc., Prude Construction Corp., Arena Construction Co., Inc., F&S Contracting LLC, and Lighton Industries, Inc.

The above six firms are not eligible to enter the new MTA Small Business Mentoring Program (SBMP). Similarly, the firms entering the SBMP are not yet qualified to be signatories to a Call Agreement. The SBMP provides small firms an opportunity to perform limited-risk scopes with training and guidance from a mentor. After successful participation, an SBMP graduate will be ready and able to compete for work in the Capital program.

Schedule K: Ratification of Completed Procurement Actions



Item Number: 1

Vendor Name (& Location) Jacobs Civil Consultants, Inc. (New York, NY)	
Description Consultant Construction Management Services – Charleston Bus Annex Facility	
Contract Term (including Options, if any) June 13, 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 type="checkbox"/> Operating <input checked="" type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:	
Requesting Dept/Div & Dept/Div Head Name: Capital Program Management, Frederick E. Smith	

Contract Number CM-1317	AWO/Modification # 2
Original Amount:	\$ 3,275,879
Prior Modifications:	\$ 0
Prior Budgetary Increases:	\$ 0
Current Amount:	\$ 3,275,879
This Request:	\$ 1,081,904
% of This Request to Current Amount:	33.0%
% of Modifications (Including This Request) to Original Amount:	33.0%

Discussion:

This retroactive modification will extend the contract by nine months to February 12, 2011 and add funding for the performance of additional Consultant Construction Management (CCM) services.

This contract is for CCM services performed on design/build contract C-40419, Design and Construction of the Charleston Bus Annex Facility in Staten Island. The CCM consultant, Jacobs Civil Consultants, provides various construction support services, including pre-construction, construction and closeout services. Pre-construction services included the review of design/build documents, constructability reviews and coordination with utility contractors. Construction related activities include monitoring the project schedule and budget, obtaining shop drawings and submittals, reviewing and processing change orders, processing payments, claims reviewing, performing inspections for quality and safety requirements, providing construction oversight and inspections, etc. Closeout services include maintaining records of all testing and inspections as well as scheduling and conducting final inspections jointly with NYC Transit for all completed work.

The Charleston Bus Annex Facility consists of fifteen bus workstations and one chassis work area, with exterior parking for approximately 220 buses and 200 employee vehicles. Due to delays in completing the project, the construction contractor was unable to meet the December 29, 2009 substantial completion date. The facility will commence operation in December 2010. The construction delay necessitated the extension to the CCM contract and the need for additional CCM services. Extending the contract will enable the CCM to continue to perform the services required through substantial completion as well as the early stages of contract closeout.

The Senior Vice President and Chief Engineer, CPM approved a retroactive waiver so that services could continue. The additional nine months of CCM services consists of 6 ½ months for construction management and 2 ½ months for closeout services.

Schedule K: Ratification of Completed Procurement Actions



Item Number: 2

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 5, 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 C-34763	AWO/Modification # 30
Original Amount:	\$ 178,800,000
Prior Modifications:	\$ 2,626,130
Prior Budgetary Increases:	\$ 0
Current Amount:	\$ 181,426,130
This Request:	\$ 337,340
% of This Request to Current Amount:	0.2%
% of Modifications (including This Request) to Original Amount:	1.7%

Discussion:

This retroactive modification is for the installation of a drainage system in the Special Work Portion (SWP) of the Culver Line Viaduct.

The contract is for the partial rehabilitation of the Culver Line Viaduct, including rehabilitation of the concrete viaduct deck; installation of new track; 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 SWP is a 10,000 square foot area of the Culver Line Viaduct, located at the north end of the 4th Avenue Station, that will consist of rail switches, turnouts and crossovers for specific tracks. Rail switches and turnouts are mechanical installations that enable trains to be guided from one track to another track. A rail crossover system consists of a pair of rail switches that connect two parallel tracks allowing a train on either track to crossover to the other track.

After the deck was renovated, but before the crossover system was installed, it was determined that the track concrete design did not allow sufficient drainage of water from the SWP. Standing water may cause rail switch malfunctions. Therefore, it was determined that, before the crossover system could be installed, a drainage system must be installed to route water from the SWP to the storm water system below.

This modification covers the cost of furnishing and installing the drainage system. The cost includes the construction of a drainage trough for each of the four tracks, a total of 2,400 LF, to facilitate water runoff and the furnishing and installation of a total of 1,500 LF of 4" diameter drainage piping at 12 switch locations. The contractor's proposal was \$455,613. NYC Transit's revised estimate was \$331,300. Following negotiations, the lump sum of \$337,340 was agreed upon and found to be fair and reasonable. Savings of \$118,273 were achieved.

The Construction Manager directed the contractor to perform the work during the May 8, 2010 weekend GO, in order to avoid delay. A request for proposals was initiated in June, negotiations were conducted in October, and the Senior Vice President and Chief Engineer, CPM approved a confirming retroactive waiver in November 2010.

The contract is designed in-house. An error and omissions analysis will be performed.

Schedule K: Ratification of Completed Procurement Actions



Item Number: 1

Vendor Name (& Location) Alstom Signaling, Inc. (West Henrietta, NY)	
Description Design and Furnish of Signal Equipment for Signal System – South Ferry Terminal Station	
Contract Term (including Options, if any) June 29, 2005 – February 29, 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 checked="" type="checkbox"/> RFP <input type="checkbox"/> Bid <input type="checkbox"/> Other:	
Funding Source <input type="checkbox"/> Operating <input checked="" type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:	
Requesting Dept/Div & Dept/Div Head Name: MTA Capital Construction, Michael Horodniceanu, President	

Contract Number	AWO/Modification #
A-36052	13
Original Amount: \$ 7,859,727	
Prior Modifications: \$ 303,586	
Prior Budgetary Increases: \$ 0	
Current Amount: \$ 8,163,313	
This Request: \$ 781,695	
% of This Request to Current Amount: 9.6%	
% of Modifications (Including This Request) to Original Amount: 13.8%	

Discussion:

This modification is for the settlement of the contractor's claim for time extension and impact costs.

This contract is for the designing, furnishing and testing of signal equipment associated with the South Ferry Terminal.

This is one of three contracts that were required for the new South Ferry Terminal project. In February 2005, a contract was awarded to Schiavone/Granite-Halmar for the construction of the terminal's structural box. In June 2005, the subject contract was awarded to Alstom for the long-lead signal equipment. In August 2006, a contract was awarded to Judlau for the construction of the terminal's finishes and systems. The project plan called for Alstom to design, manufacture and deliver the signal equipment to Judlau, for Judlau to install it, and after installation, for Alstom to test the signal system.

The contract required Alstom to achieve final completion by February 29, 2008. Final completion was actually achieved on January 29, 2010; a delay of 482 work days. MTACC's schedule analysis determined that the delay was primarily due to late completion of the structural box contract, which in turn delayed Judlau's ability to receive and install Alstom's equipment in the terminal relay room. The schedule analysis determined that 482 work days are excusable, of which only 340 are impactable.

The contractor submitted an impact cost claim for 340 work days in the amount of \$1,322,131. The contractor's supporting documentation was reviewed by MTA Audit, which recommended that only \$781,695 of the claimed costs should be paid. The contractor agreed to accept that amount, which is fair and reasonable.

Schedule K: Ratification of Completed Procurement Actions



Item Number: 2

Vendor Name (& Location) E. E. Cruz/ Tully Construction Company, JV, LLC (Holmdel, NJ)	
Description Civil, structural, and utility relocation of the Second Avenue Subway route – 96 th Street Station	
Contract Term (including Options, if any) May 28, 2009 – April 29, 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 checked="" type="checkbox"/> Federal <input type="checkbox"/> Other:	
Requesting Dept/Div & Dept/Div Head Name: MTA Capital Construction, Michael Horodniceanu	

Contract Number C-26005	AWO/Modification # 37
Original Amount:	\$ 325,000,000
Prior Modifications:	\$ 3,848,711
Prior Budgetary Increases:	\$ 0
Current Amount:	\$ 328,848,711
This Request:	\$ 1,400,000
% of This Request to Current Amount:	0.4%
% of Modifications (including This Request) to Original Amount:	1.6%

Discussion:

This retroactive modification is for ground treatment to stabilize four buildings (1867, 1869, 1871 and 1873) on the West side of Second Avenue between 96th Street and 97th Street.

This contract is for civil, structural, and utility relocation work for the new 96th Street Station in the Second Avenue Subway program. The work includes open cut excavation for the Station, from 95th to 99th Streets. This contract includes the relocation and the restoration of utilities, demolition of the existing Century Lumber Building and interior demolition at Astor Terrace Condominium; construction of temporary and permanent Support of Excavation retaining structures including the construction of slurry walls, secant pile walls and micro pile walls; connection to the existing tunnel north of 99th Street; installation of temporary roadway decking; construction of the 96th Street Station invert slab; and construction of certain station entrance structural elements.

In September 2010, the Board approved a modification in the amount of \$905K for ground treatment to stabilize three buildings on the East side of Second Avenue, in response to building movements that occurred during excavation for utility construction between 95th Street and 96th Street.

The subject modification was initiated by MTACC proactively. Construction activities in this location will include the excavation of a 15-foot deep trench, the installation of piles and slurry walls, and excavation for the station. These construction activities will likely result in unacceptable building movements. Accordingly, to reduce cost and avoid impact on schedule, MTACC decided to perform the ground treatment program in advance of these construction activities and while there was still access at street level.

This modification covers pre-trenching to a depth of 4 feet along each building to expose utility connections and potential obstructions, soil testing, compaction grouting, building monitoring, sandbagging of basement areas to contain drilling fluid and grout, and removal and disposal of any such fluid or grout that may enter the basements. The contractor submitted an initial proposal of \$1,636,332. MTACC's estimate was \$1,399,290. Following negotiations, the lump sum of \$1,400,000 was agreed upon and was found to be fair and reasonable. Savings of \$236,332 were achieved.

On August 5, 2010, the President, MTACC approved a retroactive waiver and on August 6, 2010 the contractor was directed to proceed. Due to timely commencement of work, there is no schedule delay associated with this modification. The contractual Substantial Completion Date remains April 29, 2013.

Schedule K: Ratification of Completed Procurement Actions



Item Number: 3

Vendor Name (& Location)	
S3 Tunnel Constructors, JV (Queens, NY)	
Description	
Second Avenue Subway: Tunnels from 92 nd Street to 63 rd Street	
Contract Term (including Options, if any)	
March 20, 2007- July 20, 2011	
Option(s) Included in Total Amount? <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> n/a	
Procurement Type <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Non-competitive	
Solicitation Type <input type="checkbox"/> RFP <input type="checkbox"/> Bid <input checked="" type="checkbox"/> Other: Modification	
Funding Source	
<input type="checkbox"/> Operating <input checked="" type="checkbox"/> Capital <input checked="" type="checkbox"/> Federal <input type="checkbox"/> Other:	
Requesting Dept/Div & Dept/Div Head Name:	
MTA Capital Construction, Michael Horodniceanu	

Contract Number	AWO/Modification #
C-26002	92
Original Amount:	\$ 337,025,000
Prior Modifications:	\$ 13,257,214
Prior Budgetary Increases:	\$ 0
Current Amount:	\$ 350,282,214
This Request:	\$ 18,685,000
% of This Request to Current Amount:	5.3%
% of Modifications (Including This Request) to Original Amount:	9.4%

Discussion:


This modification is for boring of an additional 2,209 linear feet (LF) of tunnel. The contract is for the construction of two tunnels using a tunnel boring machine (TBM), including construction of a TBM launch box structure from 95th Street to 91st Street and construction of access shafts at 69th Street and 72nd Street. The tunnels are different lengths: the longer, eastern tunnel will run from 92nd to 63rd Streets; the shorter, western tunnel will run from 92nd to 72nd Streets. The overall program requires other contracts for completion of the shorter tunnel using drilling and blasting from 72nd to 63rd Streets, reconstruction of the existing station at 63rd Street and construction of new stations at 96th, 86th and 72nd Streets.

In March 2010, the Board approved a modification which changed the tunnel alignments, to accommodate changes to the 72nd Street station cavern, which were recommended by an industry peer review. The modification also changed the sequence of work, requiring the shorter, western tunnel to be bored first, allowing time to obtain easements on the east side of Second Avenue. In October 2010, MTACC awarded the contract for the construction of the 72nd Street Station for \$447M. The original program plan called for the 72nd Street Station contractor to complete the remaining 2,209 LF of the western tunnel using drilling and blasting. However, MTACC identified an opportunity to mitigate some of the delays encountered in the program by reassigning construction of that tunnel length from the 72nd Street Station contract to the subject tunneling contract. The savings are based on differing production rates; drilling and blasting is expected to proceed at only 15 LF per day, while actual TBM production has been proceeding at rates averaging approximately 35 LF per day. Therefore, MTACC issued an addendum to the 72nd Street Station contract prior to bid opening which deleted the 2,209 LF from the 72nd Street contract. Based on MTACC estimates, that addendum reduced the bid cost by approximately \$39M.

This modification will provide for the TBM operations, dewatering and building monitoring required to bore an additional 2,209 LF through estimated rock conditions in 60 work days. The contractor's initial proposal was approximately \$28 million. MTACC believes this proposal included significant contingencies for risks associated with unknown ground conditions and variation in production rates. MTACC requested the contractor resubmit its proposal and base its costs on 60 days of work, a duration that MTACC believes to be aggressive, but achievable. The contractor's revised proposal was \$24,018,344; MTACC's revised estimate was \$17,105,181. After negotiations, the lump sum of \$18,685,000 was accepted based on a comparison to the in house estimate and in consideration of the cost savings associated with the alternate method of construction. Savings of \$9,315,000 from the initial proposal and \$5,333,344 from the revised proposal were obtained. Due to the uncertainty of rock conditions and production rates, the lump sum consists of a fixed cost and a variable cost. The fixed cost of \$5,196,167 covers costs which are determined by the tunnel length, regardless of the time required to bore that length; for example, the support rings which are installed in the tunnel. The variable cost of \$13,488,833 covers the costs of tunnel construction which are determined by the amount of time required to bore the tunnel; for example, the labor cost. The variable cost is \$224,814 per day with profit included or \$204,673 per day with no profit. The variable cost is based on completing the tunnel in 60 work days, or a production rate of approximately 37 LF per day. In the event higher production is achieved and the work is completed sooner, the variable cost of \$13,488,833 will be reduced by \$112,407 per day, reflecting a 50:50 sharing in savings. In the event lower production is achieved and the work is completed later, the additional cost to MTACC will be \$204,673 per day, which amount covers the contractor's costs, but provides no profit. If the Contractor completes the work in 60 work days, the program will save approximately \$20M (\$39M - \$18.7M). In order not to interrupt the work, the contractor was authorized to continue tunneling when it reached the section covered by this AWO in mid-December.

The current contractual substantial completion date is July 20, 2011 (based on approval of pending AWO #107). The contractor is currently 119 days behind schedule. The impact on schedule, if any, of this modification will be addressed in a separate future modification. MTACC forecasts that the overall program will save approximately 50 work days, through this reassignment of work from the 72nd Street contract.

Staff Summary

Subject Expedited Change Order Procedure for R188 Train Procurement
Department Materiel
Department Head Name Stephen M. Plochochi
Department Head Signature 

Date November 29, 2010
Vendor name N/A
Contract Number R34188
Contract Manager Name Andrew J. Layman <i>ASL</i>
Table of Contents Ref #

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

Internal Approvals			
Order	Approval	Order	Approval
1 X	Law		Labor Relations
2 X	DDCR	4 <i>ASL</i>	Executive VP
	Buses	5 <i>ASL</i>	President
3 X	Subways		

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

Purpose

To obtain authorization from the Board to use the expedited change order procedure developed pursuant to Articles VIII and IX of the All-Agency Procurement Guidelines for the R188 Train Procurement with Kawasaki Rail Car, Inc. (Kawasaki) including base and option cars. The change order procedure will be the same as previously authorized for the R142 Train Procurement with Bombardier, the R142A and R143 Train Procurements with Kawasaki, and the R160 Train Procurement with ALSKAW.

Discussion

The R188 Train Procurement is for 33 cars (23 new cars and 10 R142A converted cars) under the base Contract with an option, once exercised, for 473 cars (123 new cars and 350 R142A converted cars.) As work progresses on the Contract, changes may be required by reason of legal, safety, design or maintenance concerns or requirements. The need for these changes can be raised by either NYC Transit or the Contractor. Once the need for the change is recognized, it is critical that an additional work order (AWO) be finalized and issued as quickly as possible. Due to the rapid rate of production, any delay in the issuance of AWOs will result in additional costs associated with redesign efforts, retrofit of already manufactured equipment, or impact costs for delay. The greater the delay in issuance of AWOs, the greater likelihood of increased costs. For example, based on a random sampling of change orders from various prior car contracts, retrofit work typically costs two to five times higher than work done during the manufacturing process.

A specific expedited change order procedure has been developed and was utilized for the R142, R142A, R143 and R160 Train Procurements. In July 1997, the Board first authorized the use of the expedited change order procedure as developed pursuant to Articles VIII and IX of the All-Agency Procurement Guidelines for all AWOs for the R142 and R142A Train Procurements. Then in June 1999, the Board granted a similar authorization to utilize this procedure for the R143 Train Procurement and then again in September 2002 for the R160 Train Procurement. The same rationale that applied to the R142, R142A, R143 and R160 Train Procurements also applies to the R188 Train Procurement.

Under normal AWO procedures, all change orders exceeding \$250,000.00 which do not meet the Article VIII expedited approval standard must be submitted to the Board through its regular processing cycle while change orders of \$250,000.00 or less require the approval of no higher than the Assistant Chief Procurement Officer. As the R188 base order quantity is 33 cars (23 new cars and 10 R142A converted cars), each R188 change order for as little as \$7,576 per car would require Board action, and once the option is exercised, change orders for as little as \$494 per car would require Board action, potentially causing a more lengthy approval process. Any delay in issuance of an R188 change order could result in additional costs and delay delivery of the cars. However, Article VIII, Paragraph B, of the All-Agency Procurement Guidelines permits the President or his designee to enter into AWOs without Board action if there exists the risk of substantial increase of cost or delay if prompt action is not taken. The expedited change order procedure establishes specific, consistent approval thresholds depending on the dollar value of the change order. For all change orders with a total value of \$50,000.00 or more (or credits of \$50,000.00 or more), approval is required from the Vice President, Materiel before the change order can be executed. Change orders of less than \$50,000.00 (or credits of less than \$50,000.00) can be approved by the Assistant Chief Procurement Officer. This staff summary is consistent with the requirements set forth in Article IX regarding staff summary content.

Staff Summary



Discussion: (continued)

Proper fiscal controls over the issuance of AWOs exist in the form of the already-established 1.5% R188 budgetary contingency for AWOs. Capital Budget approval would be necessary to exceed this contingency amount. Maximum hourly personnel rates for AWO work performed by the Contractor are set forth in the R188 Contract and each AWO will comply with the rules for conducting cost/price analyses. Cost estimates related to each proposed AWO will be provided by NYC Transit's independent engineering consultant, who has extensive experience in rail car manufacturing and NYC Transit Train procurements.

Whenever possible, a lump sum price will be negotiated for an AWO prior to its issuance. When advance negotiations cannot be concluded, NYC Transit will issue a Change Order Directive which obligates the Contractor to commence the work. Negotiations would continue to be conducted with a goal of reaching an agreed-upon price prior to completion of the AWO work.

Use of this same expedited change order procedure will also standardize the AWO process by keeping the existing administrative process and will avoid confusion of having separate administrative AWO programs for the R160 and R188 Train Procurements. The Board will be apprised of the status of the R188 Train Procurement in regular presentations to the Capital Project Oversight Committee (CPOC) by the MTA, NYC Transit and the MTA oversight consultant as was the case for the R142, R142A and R143 Train Procurements and is currently performed for the R160 Train Procurement.

Impact on Funding

None

Recommendation

It is recommended that the Board adopt the attached resolution to authorize the use of the expedited change order procedure developed pursuant to Articles VIII and IX of the All-Agency Procurement Guidelines for all change orders under the R188 Train Procurement with Kawasaki including base and option cars.

RESOLUTION

WHEREAS, in a Staff Summary dated November 24, 2010, the Vice President, Materiel, has recommended that the Authority be authorized to use the expedited change order process developed pursuant to Articles VIII and IX of the All-Agency Procurement Guidelines for the R188 Train Procurement; and

WHEREAS, the expedited process is the same as that authorized for the R142 and R142A Train Procurements at the Board meeting of July 30, 2007, for the R143 Train Procurement at the Board meeting of June 30, 1999, and for the R160 Train Procurement at the Board meeting of September 26, 2002; and

WHEREAS, the Authority has determined that, in order to avoid the submission of an excessive number of change orders to the Board, it is in the public interest to authorize the expedited process for the R188 Train Procurement as recommended in the said Staff Summary;

NOW, THEREFORE, BE IT RESOLVED, effective immediately, that the Authority is authorized to use the expedited change order process developed pursuant to Articles VIII and IX of the All-Agency Procurement Guidelines for all change orders under the R188 Train Procurement.

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	<i>Thomas Del Sorbo</i>
Project Manager Name	James P. Curry

December 2, 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	Committee	12/13/10	X		
2	Board	12/15/10	X		

Internal Approvals			
Order	Approval	Order	Approval
3	President <i>[Signature]</i>		
2	Executive VP <i>[Signature]</i>		
1	General Counsel <i>[Signature]</i>		

PURPOSE:

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

DISCUSSION:

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

None

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

None

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

Procurements Requiring Two-Thirds Vote

Schedule A: Non-Competitive Purchases and Public Work Contracts

of Actions

2

\$ Amount

\$58.96M

Procurements Requiring Majority Vote

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

of Actions

1

\$ Amount

\$6.18M

of Actions

3

\$ Amount

\$65.14M

Total Non-Competitive Procurements

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

None

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

None

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

None

MTA Bus Company proposes seeks Ratifications in the following categories:

None

Long Island Bus proposes to award Ratifications in the following categories:

<u>Procurements Requiring Two-Thirds Vote</u>	<u># of Actions</u>	<u>\$ Amount</u>
Schedule D: Ratification of Completed Procurement Actions (Involving Schedules A-C)	1	\$0.02M

NYC Transit Department of Buses seeks Ratifications the following categories:

None

	<u># of Actions</u>	<u>\$ Amount</u>
Total Ratifications	1	\$0.02M
	<u># of Actions</u>	<u>\$ Amount</u>
Total Procurements	4	\$65.16M

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.

DECEMBER 2010

LIST OF NON-COMPETITIVE PROCUREMENTS FOR BOARD APPROVAL

Procurements Requiring Two-Thirds Vote:

A. Non-Competitive Purchases and Public Work Contracts

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

1. **Corporate Transportation Group, Ltd.** **\$49,208,816.00 (Est.)** **Staff Summary Attached**
Sole Source
Contract # To Be Determined
Test and evaluation of a broker car/livery service program for Paratransit.
2. **UTC Fire and Security** **\$9,751,518.02** **Staff Summary Attached**
Contract #C-52097
Bus Camera Security System.

Procurements Requiring Majority Vote:

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. **Clever Devices** **\$6,182,032.00 (Est.)** **Staff Summary Attached**
Contract # B-40642.3
Modification to the contract for an Intelligent Vehicle Network (IVN) for the provision and installation of new depot equipment at six depots and to add software maintenance for IVN equipped buses and depots.

DECEMBER 2010

LIST OF RATIFICATIONS FOR BOARD APPROVAL

Procurements Requiring Two-Thirds Vote:

D. Ratifications of Completed Procurement Actions (Involving Schedules A-C)

(Ratifications are to be briefly summarized with staff summaries attached only for unusually large or especially significant items)

1. K Uniforms, Inc.

Purchase Order S36339

\$17,612.15

Apparel for Bus Dispatchers

LIB seeks MTA Board approval to ratify the award of a one-time purchase contract for apparel to K Uniforms, Inc. (K-Uniform), in an exact amount of \$17,612.15, without benefit of competitive bidding. A purchase document was issued after-the-fact to effect payment to K-Uniform months after it furnished thirty-nine (39) customized winter jackets and rain gear to thirty-nine (39) LIB Bus Dispatchers and Road Operations staff for their use during inclement winter weather. The General Manager, MTA Road Operations and Assistant General Manager, LIB Depot Operations sought to standardize LIB garments to the very same high quality Blauer® apparel used by Bus Dispatcher and Road Operation crews at MTA Bus Company (MTABC) and New York City Transit's Department of Buses for a unified presentation and appearance amongst bus agencies. Previously, LIB offered lesser quality garments to these employees. However, a lack of communication with the LIB Procurement Department, and an immediate need for garment availability in winter 2009, did not permit this purchase to be competitively solicited. Instead, K-Uniform erroneously fitted up and furnished garments to LIB staff under an established voucher payment program approved for use at MTABC, but not approved for use at LIB. When LIB learned its employees had been wearing these garments for several months, it compensated the vendor by issuing a purchase document and made payment in August 2010. Operations management has been instructed to follow established procurement procedures to prevent future reoccurrences of this situation. K-Uniform is the incumbent vendor at MTABC for these customized, MTA-emblem and reflectorized striped garments. And although LI Bus did not have an opportunity to solicit this procurement, K-Uniform did extend its MTABC prices to LIB. In addition, LIB conducted a verbal survey of another Blauer® distributor, and determined its prices for similar quantity and quality (without MTA customization) to be in the competitive range. Thus, prices are deemed fair and reasonable. The LI Bus operating budget funded this procurement.

Schedule A: Non-Competitive Purchases and Public Work Contracts

Item Number: **A-1**

Vendor Name (& Location) Corporate Transportation Group, Ltd. (Brooklyn, NY)	Contract Number U-A221864	Renewal? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Description Test and evaluation of a Broker Car Service program for Paratransit.	Total Amount: \$49,208,816.00 (Est.)	
Contract Term (including Options, if any) 24 Months	Funding Source <input checked="" type="checkbox"/> Operating <input type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:	
Option(s) included in Total Amount? <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> n/a	Requesting Dept/Div & Dept/Div Head Name: Department of Buses, Darryl C. Irick	
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		

Discussion:

NYC Transit is interested in learning whether the use of a Broker car service, providing trips through a network of black car service and livery car service companies, would provide a lower cost alternative means of scheduling, dispatching and providing Paratransit Access-A-Ride (AAR) trips to ambulatory passengers. NYC Transit is requesting approval to award an estimated quantity contract to Corporate Transportation Group, Ltd. (CTG), an NYC based black car service company, to conduct a two year test and evaluation program and to take immediate advantage of substantial savings. NYC Transit's current model to provide Paratransit service relies on various contract types including Paratransit primary carriers, voucher car service (black car and livery) companies, and taxis for the provision of ambulatory and non-ambulatory trips. This test and evaluation program with CTG as the Broker is intended to validate the lower cost concept of Broker car service at sustained high trip volumes while maintaining service quality levels. It will also test vehicle location systems, electronic dispatching, centralized billing and administration, and the utilization of on-board vehicle electronic transaction processing. The program will start immediately upon award and be rolled out on an incremental basis starting with 250 trips per day and will be expanded to approximately 5,000 trips per week day and 2,500 trips on Saturdays and Sundays. Scheduling and dispatching of trips (on a 24/7, 365 days per year basis) will be handled through CTG's network of black car and livery car service base stations, all equipped and connected to its reservation and wireless dispatch system that will accept from Paratransit, a daily manifest of trips to be performed. If successful a future competitive procurement will be conducted for a long term program.

To identify brokers who could potentially provide this work, Procurement published a Request for Information (RFI) ad in several industry and local papers. Of 12 submissions, Paratransit and Procurement identified CTG and Livery For All (LiFA) as the best candidates for conducting test and evaluation programs. Both were deemed the most capable as both had a complete understanding of the broker concept, are ready to provide capacity based on a network of providers and are able to provide the needed technology and systems to administer the program. Additionally both are capable of providing technology for transaction processing. CTG provided the lowest overall intra and inter borough pricing. Negotiations continue with LiFA on pricing as well as terms and conditions and if completed will be the subject of a future Board approval request. Staten Island will not be included in this test program as Paratransit believes it already has sufficient voucher car service capacity and further, travel to Staten Island with deadheading and tolls would negatively impact the cost of the program.

The Department of Diversity and Civil Rights (DDCR) has assigned goals of 10% for MBE and 5% for WBE for this contract. CTG will be taking appropriate action to meet the goals through its network of providers.

The final pricing is considered fair and reasonable based on a comparison of CTG's weighted average pricing per borough for intra borough service, ranging from \$18.70 to \$34.87 per trip, and for citywide inter borough service averaging \$30.51 per trip to the average primary carrier cost per trip of \$48.00. CTG's pricing is 36.4% less per trip than primary carrier service. Additionally, CTG's proposed pricing is within the competitive range of pricing NYC Transit is currently paying under voucher car service contracts.

Schedule A: Non-Competitive Purchases and Public Work Contracts

Item Number: **A-2**

Vendor Name (& Location)	
UTC Fire & Security, A United Technologies Co. (Bradenton, FL)	
Description	
Bus Camera Security System	
Contract Term (including Options, if any)	
6 years	
Option(s) included in Total Amount? <input type="checkbox"/> Yes <input checked="" 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: Non-Competitive	

Contract Number	Renewal?
C-52097	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Total Amount: \$9,751,518.02	
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:	
Department of Buses, Darryl C. Irick	

Discussion:

This procurement will provide a Bus Camera Security System (BCSS) that will encompass the provision and installation of cameras and digital video recorders on 426 buses, software and hardware at 9 depots. Such a system is essential to providing improvements to the safety and security of the environment for employees and the riding public. This program, initially slated for the central business district of Manhattan and ultimately expanded to include high-crime routes, was delayed due to the prior contractor unexpectedly ceasing operations. As a result an Immediate Operating Need (ION) was issued to award a suitable replacement contract which is the subject of this request. Video images and a system health report will be wirelessly uploaded from buses to depot servers for use in managing data and ensuring proper operation of onboard equipment. The contract also includes an estimated quantity of parts & labor to repair equipment damaged as a result of vandalism which is not covered by the warranty, and an option for the provision and installation of cameras on an additional 1,150 buses, which if exercised will be the subject of a subsequent Board request.

In an effort to obtain competition from qualified suppliers, as permitted in the ION procedures, an informal procurement was conducted. Eight companies were invited to present their systems for evaluation, of which 3 ultimately provided their equipment for a 5-bus test to determine performance acceptability - NICE Systems, Inc. (NICE), GE Security, Inc. (now UTC Fire & Security [UTC]) and March Networks (March). Negotiations commenced with each while the tests were underway. Best and Final Offers (BAFO) results including a 5 year warranty were as follows: UTC \$9,751,518, NICE \$20,358,008, March \$7,117,848.

Technical ratings on the performance of the respective systems showed that UTC's performance far exceeded that of March and NICE. March's performance was considered unacceptable. In addition to March's performance issues, its BAFO submission was non-responsive as it was incomplete, non-compliant and contained numerous and substantive exceptions to both the Technical Specifications and Contract terms. DOB visited and communicated with other transit properties using the systems under evaluation which confirmed the superior performance of the UTC system.

The average price per bus depending on bus type is \$17,874. The average price for depot equipment, depending on pre-existing equipment is \$200,346 per depot. Through negotiations and the presence of competition, UTC's initial proposal of \$14,447,262.60 was reduced by approximately \$4.7M or 32.5%. DOB will continue to evaluate the equipment from other manufacturers to qualify companies for future procurements.

The installation on buses will begin in the first quarter of 2011 and be completed on all 426 buses by the beginning of 2012. Efforts are underway to accelerate this schedule.

There was significant adverse information concerning UTC and its affiliated companies within the meaning of the All-Agency Responsibility Guidelines. However, senior management approval is being obtained to continue to do business with UTC and its affiliates barring any new significant adverse information.

Schedule H: Modifications to Personal Service & Miscellaneous Contracts

Item Number: **H-1**

Vendor Name (& Location) Clever Devices (Plainview, NY)	
Description Purchase and installation of an Intelligent Vehicle Network	
Contract Term (including Options, if any) March 19, 2009 – December 31, 2011	
Option(s) included in Total Amount? <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> n/a	
Procurement Type <input type="checkbox"/> Competitive <input checked="" type="checkbox"/> Non-competitive	
Solicitation Type <input type="checkbox"/> RFP <input type="checkbox"/> Bid <input checked="" type="checkbox"/> Other: Modification	
Funding Source <input checked="" type="checkbox"/> Operating <input checked="" type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:	
Requesting Dept/Div & Dept/Div Head Name: Department of Buses, Darryl C. Irick	

Contract Number	AWO/Modification #
B-40642	3
Original Amount:	\$ 1,021,180
Prior Modifications:	\$ 1,406,132
Prior Budgetary Increases:	\$ 0
Current Amount:	\$ 2,427,312
This Request:	\$ 6,182,032 (Est.)
% of This Request to Current Amount:	254.6%
% of Modifications (including This Request) to Original Amount:	743.1%

Discussion:

This modification is for the provision and installation of Clever Devices' Intelligent Vehicle Network (IVN) depot equipment at six depots (Jackie Gleason, West Farms, College Point, Ulmer Park, Fresh Pond and Queens Village); the addition of both software maintenance and Automatic Vehicle Monitoring (AVM) optimization programs; and the extension of the term for three additional years through December 31, 2014. Clever Devices is the manufacturer of the hardware and software and does not have any authorized agents that can provide the required items or services.

IVN was originally purchased by NYC Transit and MTA Bus Company in 2008, in order to address concerns associated with the active, high temperature regeneration exhaust process being used on buses purchased from both Motor Coach Industries (MCI) and Daimler Buses North America (DBNA). EPA 2007 and later model diesel engines generate high exhaust temperatures and as such NYC Transit and MTABC have opted to use IVN to automatically disable and enable the regeneration process. IVN will also be used to collect and upload diagnostic status data from key subsystems when the buses return to the depot. The additional depot equipment for six depots is required to monitor IVN equipped CNG and Clean Diesel buses scheduled for delivery in 2011 and 2012. The four year Software Maintenance and AVM optimization programs are required to extend the provision of these expiring services which were part of the initial purchase price of the 981 IVN systems currently in service.

Negotiations for this modification began in August 2010. Clever Devices' initial proposal for the software maintenance, AVM optimization programs and IVN equipment for six depots was reduced from \$6,674,593.50 to \$6,182,032.00, a savings of \$492,561.50, which represents a reduction of 7.38%. The software maintenance has been broken into three (3) categories: on-board equipment software maintenance at \$99.75 per bus per year, depot software maintenance at \$17,000 per depot per year and enterprise software maintenance at \$7,565 per year. The price for the AVM optimization is \$268,355 per year. Procurement was able to obtain the same price negotiated in Modification #2 to furnish and install the depot equipment at \$528,931 per depot. The final price was found to be fair and reasonable.

Staff Summary

Item Number					
Dept & Dept Head Name: East Side Access, A. Paskoff <i>A. Paskoff</i>					
Division and Division Head Name: Program Operations, S. Jurman <i>S. Jurman</i>					
Board Reviews					
Order	To	Date	Approval	Info	Other
1	MNR/LIRR Committee	12/13/10	X		
2	Finance	12/13/10	X		
3	Board	12/15/10	X		
Internal Approvals					
Order	Approval	Order	Approval		
2	Acting General Counsel Chief <i>[Signature]</i>	4	President <i>[Signature]</i>		
1	Financial Officer <i>[Signature]</i>	3	Executive Vice President <i>[Signature]</i>		

SUMMARY INFORMATION	
Vendor Name N/A	Contract Number
Description Addition of an Elevator for the East Side Access Concourse to the Regional Investment Portion of the 2010 -2014 Capital Program	
Total Amount	
Contract Term	
Option(s) included in Total Amount? <input type="checkbox"/> Yes <input type="checkbox"/> No	
Renewal? <input type="checkbox"/> Yes <input type="checkbox"/> No	
Procurement Type <input type="checkbox"/> Competitive <input type="checkbox"/> Non-competitive	
Solicitation Type <input type="checkbox"/> RFP <input type="checkbox"/> Bid <input type="checkbox"/> Other:	
Funding Source <input type="checkbox"/> Operating <input checked="" type="checkbox"/> Capital <input checked="" type="checkbox"/> Federal <input type="checkbox"/> Other:	

I. PURPOSE/RECOMMENDATION:

To obtain Board approval to add a project titled "Additional Elevator for East Side Access Concourse" and the \$2.24 million in federal funding for this project to the Regional Investment portion of the MTA's 2010-2014 Capital Program.

II. DISCUSSION:

The MTA's East Side Access Project is currently under construction and will soon bring Long Island Rail Road (LIRR) trains into a new concourse beneath Grand Central Terminal (GCT). This new concourse is over 350,000 square feet and will occupy space within a portion of GCT's lower level. The project proposed to be added to the Capital Plan is for the construction of an elevator between the LIRR Concourse that will be built as part of MTA's East Side Access project and GCT's 45th Street cross passage, where existing elevators connect to both the Upper and Lower Levels of GCT. The addition of an ADA elevator would serve as an accessibility improvement and would supplement ADA Access Guidelines (ADAAG) requirements for the new LIRR concourse, which is designed and funded as an ADA-compliant facility.

The East Side Access project scope meets the requirements of ADAAG, however the addition of an elevator at the 45th Street cross-passageway will enhance the experience of ADA passengers and elderly persons by providing a new intermodal connection. The additional elevator will significantly reduce the travel distance for rail and transit customers traveling between the new LIRR Concourse and the 45th Street area, Metro-North Railroad, and connecting to other locations via the NYCT's 4,5,6,7 and Shuttle Lines. In addition, the elevator will provide a more robust ADA-compliant facility by adding redundancy to the planned LIRR Concourse.

In early 2010 the Federal Transit Administration announced the New Freedom grant program that provides funding "to reduce barriers to transportation services and expand the transportation mobility options available to people with disabilities beyond the requirements of the Americans with Disabilities Act (ADA) of 1990." From January 6 through March 12, 2010, the New York Metropolitan Transportation Council (NYMTC), in coordination with NYS Department of Transportation, held a solicitation for \$9.17 million in New Freedom funds allocated to the NYMTC region in FFY 2008 and FFY 2009. The MTA solicited the agencies for projects and ESA submitted a request for this additional elevator. NYMTC members ranked and approved the projects submitted by the agencies. Funds were distributed according to the ranked list, and those projects that were to receive funds applied directly to the FTA.

Staff Summary

In September the Federal Transit Administration approved \$2.24 million in Section 5317 New Freedom funds for the construction of an elevator at 45th Street. The project will be matched with \$560K in local funds from the MTA's 2010-14 Regional Investment Capital Program.

III. DBE/MBE/WBE INFORMATION:

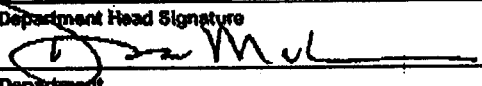
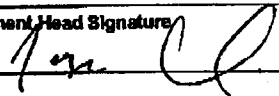
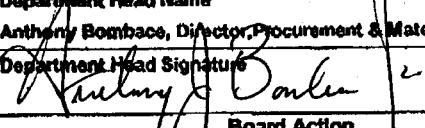
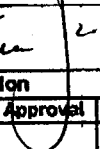
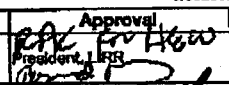


This work will be included in the GCT Concourse and Facilities construction contract which is scheduled for award in 2011. Goals will be set at that time.

IV. IMPACT ON FUNDING:

Approval will increase the funding for the Regional Investment portion of the 2010-2014 Capital Program by \$2.24M. The \$560K in local match will be funded from the Regional Investment program.

V. ALTERNATIVES:

The Alternative is to not construct this elevator and not accept the federal funds. This is not recommended since the additional ADA elevator will provide many benefits to our customers.

Subject Request for Authorization to Award Various Procurements						Date December 15, 2010			
Department Procurement & Logistics - LIRR						Department Law and Procurement - MTACC			
Department Head Name Dennis L. Mahon, Chief Procurement & Logistics Officer						Department Head Name Jayne Czlik, Acting General Counsel			
Department Head Signature 						Department Head Signature 			
Department Procurement & Material Management - MNR									
Department Head Name Anthony Bombace, Director, Procurement & Material Management									
Department Head Signature 									
Board Action						Internal Approvals			
Order	To	Date	Approval	Info	Other	Order	Approval	Order	Approval
1	LIRR/MNR Committee	12.13.10				X	 President, LIRR		
2	MTA Board	12.15.10				X	 President, MNR		
						X	 President, MTACC		

PURPOSE:

To obtain approval of the Board to award various contracts and purchase orders, and to inform the Metro-North/Long Island 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	\$0.440M
SUBTOTAL:	1	\$0.440M

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

Schedules Requiring Majority Vote

	<u># of Actions</u>	<u>\$ Amount</u>
Schedule A: Non-Competitive Purchase and Public Works Contracts	2	\$36.444M
SUBTOTAL:	2	\$36.444M

MTACC proposes to award Non-Competitive procurements in the following categories: NONE

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	\$0.192M
Schedule G:	Miscellaneous Service Contracts	1	\$0.090M
SUBTOTAL:		3	\$0.282M

MNR proposes to award Competitive Procurements in the following categories:

		<u># of Actions</u>	<u>\$ Amount</u>
<u>Schedules Requiring Majority Vote</u>			
Schedule G:	Miscellaneous Service Contracts	1	\$ 1.253M
Schedule H:	Modifications to Personal / Miscellaneous Contracts	1	\$14.100M
SUBTOTAL:		2	\$15.353M

MTACC proposes to award Competitive Procurements in the following categories:

		<u># of Actions</u>	<u>\$ Amount</u>
<u>Schedules Requiring Majority Vote</u>			
Schedule H:	Modification to Personal / Miscellaneous Contracts	1	\$51.567M
Schedule I:	Modifications to Purchase Contracts and Public works Contracts	3	\$8.159M
SUBTOTAL:		4	\$59.726M

LIRR proposes to award Ratifications in the following categories: NONE

MNR proposes to award Ratifications in the following categories:

Schedules Requiring Majority Vote

		<u># of Actions</u>	<u>\$ Amount</u>
Schedule K:	Ratification of Completed Procurement Actions	1	\$0.108M
		1	\$0.108M

MTACC proposes to award Ratifications in the following categories: NONE

TOTAL:	12	\$112.353M
---------------	-----------	-------------------

BUDGET IMPACT:

The purchases/contracts will result in obligating Long Island Rail Road, Metro-North Railroad and MTA Capital Construction 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.)

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.

DECEMBER 2010

MTA LONG ISLAND RAIL ROAD

LIST OF NON-COMPETITIVE PROCUREMENTS FOR BOARD APPROVAL

Procurements Requiring Two-Thirds Vote

Schedule A: Non-Competitive Purchase and Public Works Contracts

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

- | | | | |
|-----------|--|---|--------------------------------------|
| 1. | Progress Rail, Kirshaw Division | \$290,000 – LIRR | <u>Staff Summary Attached</u> |
| | Non-Competitive | <u>150,000 – MNR</u> | |
| | Contract No. IT05886 | <u>\$440,000 – Not-to-Exceed</u> | |

LIRR, on behalf of itself and Metro-North Railroad (MNR) ("Railroads"), requests MTA Board approval to award Sole Source Contracts to Progress Rail, Kershaw Division (Progress Rail), for a three-year period in the total not-to-exceed amount of \$440,000, (LIRR, \$290,000/MNR \$150,000)) to provide various replacement parts required by the Railroads to maintain their fleet of Kershaw track equipment. These highly specialized pieces of track equipment are used by the Railroads for various infrastructure maintenance projects and must be maintained in good operating order. Kershaw, which was acquired by Progress Rail in March 2000, is the Original Equipment Manufacturer of this equipment and the sole responsible source for the replacement parts.

Schedule A: Non-Competitive Purchases and Public Works

Staff Summary



Item Number:

Vendor Name Progress Rail, Kershaw Div. – Montgomery, AL
Description Various Replacement Parts
Contract Term (including Options, if any) 3 Year Blanket Purchase Order
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 IT05886	Renewal? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Total Amount: \$	LIRR: \$290,000 MNR: 150,000 Not-to-Exceed \$440,000
Funding Source <input checked="" type="checkbox"/> Operating <input type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:	
Requesting Dept/Div & Dept/Div Head Name: Maintenance of Way – Robert Puciloski, Chief Engineer	
Contract Manager: Richard Barone	

Discussion:

LIRR, on behalf of itself and Metro-North Railroad (MNR) ("Railroads"), requests MTA Board approval to award Sole Source Contracts to Progress Rail, Kershaw Division (Progress Rail), for a three-year period in the total not-to-exceed amount of \$440,000, (LIRR, \$290,000/MNR \$150,000) to provide various replacement parts required by the Railroads to maintain their fleet of Kershaw track equipment. LIRR's fleet includes: 6 Tie Cranes, 1 Kribber Adzer, 2 Tie Replacers, 25 Rail Train Rack Cars, 3 Rail Train Rail Recovery Power Units (ramp, threader and power) to retrieve continuous welded rail (CWR) from the ground back on to rack cars and for dispensing CWR, 1 Brushcutter and 1 Scorpion Car (used to transport rail work equipment). MNR's fleet consists of 3 Ballast Regulators, 1 Kribber Adzer, 1 scarifier, 4 Tie Handlers, and 1 Tie Replacer. These highly specialized pieces of track equipment are used by the Railroads for various infrastructure maintenance projects and must be maintained in good operating order. Kershaw, which was acquired by Progress Rail in March 2000, is the Original Equipment Manufacturer of this equipment and the sole responsible source for the replacement parts.

LIRR advertised its intent to award a Sole Source Procurement in the NYS Contract Reporter and in the New York Post, and no other vendor expressed an interest in competing for this contract.

LIRR performed a historical price review based on actual expenditure of 59 items comparing the pricing received against the existing contract (January 2008 – December 2010) with the current pricing (January 2011 – December 2014) which shows an annual average price increase of 1.52%. US Department of Labor Producer Price Index (PPI) allows for an annual increase of 1.96%. The Progress Rail price list will be fixed for the three years of this contract. Progress Rail has certified that all prices offered to the Railroads are equal to or not greater than prices charged to their most favored transit customer or any other commuter railroad or transit agency. As a result of the above, prices have been determined to be fair and reasonable.

DECEMBER 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. **General Electric Transp. Parts LLC (GETP) \$35,000,000 (not-to exceed) Staff Summary Attached**
Three-year Purch. Agree. of Various OEM Parts- RR's Electric Rail & Locomotives Fleets and
and Three-year Omnibus sole source authorization for NYCTA Subway Cars

In conjunction with MTA's Joint Procurement Initiatives (JPI), MNR, LIRR, and NYCTA continue to review possible opportunities to leverage material purchases by combining the buying power of their respective agencies. GETP is the OEM, sole source and a common material supplier to the MTA agencies and a multi-year purchase agreement and Omnibus authorization with this OEM supplier is a cost effective way to achieve JPI goals.

This Purchase Agreement for MNR & LIRR and the Omnibus sole source authorization for NYCTA covers various OEM replacement parts for: MNR's M2, 3, 4, 6 rail car fleets and Genesis Locomotive fleet; LIRR's M3 rail car fleet; and NYCTA's R32, R42, R46, and R62 subway car fleets. It will cover all required purchases for all materials and repairs for MNR & LIRR and materials only for NYCTA, as identified as only available from GETP. The Purchase Authorization/Omnibus Authorization eliminates the need to individually advertise any sole-source procurement over \$15,000 and the individual Procurement Staff Summaries for Board Approval. This will result in reduced administrative and procurement lead and processing times which will enable the respective Procurement Departments to process requirements more expeditiously, which is critical as many replacement parts have long production lead times. Additionally, cost savings in advertisements will be realized.

GETP is the OEM and sole source for this material. These replacement parts and/or components will be purchased and/or repaired on an as-needed basis and negotiated on an individual parts basis prior to their purchase/repairs. A sample of individual parts purchases since 2007 has shown an average price increase of approximately 8%. This price increase compares favorably to the US Bureau of Labor statistic's PPI for Industrial Controls and related parts and accessories which shows an increase of 8.8% over the same three-year period. Pricing is deemed fair and reasonable. The total cost of this three (3) year Purchase Agreement /Omnibus authorization is not to exceed \$35,000,000 (MNR = \$10M, LIRR = \$20M, & NYCTA = \$5M) and is to be funded by the MNR, LIRR, and NYCTA Operating Budgets.

2. **Empire Crane Company, LLC** **\$1,443,500** **Staff Summary Attached**
Purchase of One (1) 130-Ton Wreck Crane

Negotiated (1 bid received) purchase of one 130-Ton Wreck Crane for MNR from the firm, Empire Crane Company, LLC. The wreck crane is an extremely unique and specialized piece of equipment that is critical to the support of operations as it is used for re-railing all types of rolling stock as well as removal of debris from the rights-of-way. Further, MNR's wreck cranes have also been used in support of other MTA agencies. The existing wreck crane has outlived its useful life and is in need of replacement. Opportunities for joint procurement with other MTA agencies were explored but no additional Agencies participated in the procurement.

In discussions with Empire Crane Company, MNR negotiated the original bid price down 3.7% to the final price of \$1,443,500. As this is a unique equipment purchase, there is no MNR purchase history but MNR requested and received a comparison for a sale by Empire Crane Co. to the Massachusetts Bay Transportation Authority (MBTA) and found that the requested purchase price of \$1,443,500 is consistent with wreck cranes of similar size and lifting capacity. The purchase price for the MNR crane is deemed fair and reasonable. This procurement is funded by MNR's Operating Capital Budget.

Schedule A: Non-Competitive Purchases and Public Work Contracts



Item Number: A

Vendor Name (& Location) General Electric Transportation Parts LLC (GETP)
Description : Purch. Agreement/Omnibus Auth.- GE OEM Parts/Component Repairs for respective MNR, LIRR, and NYCTA Electric Car, Locomotive and Subway Fleets
Contract Term (including Options, if any) Three (3) Years
Option(s) included in Total Amount? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Procurement Type <input type="checkbox"/> Competitive <input checked="" type="checkbox"/> Non-competitive
Solicitation Type <input type="checkbox"/> RFP <input type="checkbox"/> Bid <input checked="" type="checkbox"/> Other: Sole Source/OEM

Contract Number Purchase Agreement/Omnibus Authorization	Renewal? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Total Amount:	\$35,000,000 (not-to-exceed) MNR=\$10M; LIRR=\$20M; NYCT=\$5M
Funding Source <input checked="" type="checkbox"/> Operating <input type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:	
Requesting Dept/Div & Dept/Div Head Name: Procurement & Material Management, Anthony J. Bombace, Jr.	
Contract Manager: A. Muir	

Discussion:

In conjunction with MTA's Joint Procurement Initiatives (JPI), MNR, LIRR, and NYCTA continue to review possible opportunities to leverage material purchases by combining the buying power of their respective agencies. GETP is the OEM, sole source and a common material supplier to the MTA agencies and a multi-year purchase agreement and Omnibus authorization with this OEM supplier is a cost effective way to achieve JPI goals.

This Purchase Agreement for MNR & LIRR and the Omnibus sole source authorization for NYCTA covers various OEM replacement parts for: MNR's M2, 3, 4, 6 rail car fleets and Genesis Locomotive fleet; LIRR's M3 rail car fleet; and NYCTA's R32, R42, R46, and R62 subway car fleets. It will cover all required purchases for all materials and repairs for MNR & LIRR and materials only for NYCTA, as identified as only available from GETP. The Purchase Authorization/Omnibus Authorization eliminates the need to individually advertise any sole-source procurement over \$15,000 and the individual Procurement Staff Summaries for Board Approval. This will result in reduced administrative and procurement lead and processing times which will enable the respective Procurement Departments to process requirements more expeditiously, which is critical as many replacement parts have long production lead times. Additionally, cost savings in advertisements will be realized.

GETP is the OEM and sole source for this material. These replacement parts and/or components will be purchased and/or repaired on an as-needed basis and negotiated on an individual parts basis prior to their purchase/repairs. A sample of individual parts purchases since 2007 has shown an average price increase of approximately 8%. This price increase compares favorably to the US Bureau of Labor statistic's PPI for Industrial Controls and related parts and accessories which shows an increase of 8.8% over the same three-year period. Pricing is deemed fair and reasonable. The total cost of this three (3) year Purchase Agreement /Omnibus authorization is not to exceed \$35,000,000 (MNR = \$10M, LIRR = \$20M, & NYCTA = \$5M) and is to be funded by the MNR, LIRR, and NYCTA Operating Budgets.

Schedule A: Non-Competitive Purchases and Public Work Contracts



Item Number: A

Vendor Name (& Location) Empire Crane Company ,LLC
Description Purchase of One 130-Ton Wreck Crane
Contract Term (including Options, if any) 12 Months on Receipt of Order
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:

Contract Number 8636-A	Renewal? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Total Amount: \$1,443,500	
Funding Source <input checked="" type="checkbox"/> Operating <input type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:	
Requesting Dept/Div & Dept/Div Head Name: Procurement & Material Management, Anthony J. Bombace, Jr.	
Contract Manager: A. Muir	

Discussion:

Negotiated (1 bid received) purchase of one 130-Ton Wreck Crane for MNR from the firm, Empire Crane Company, LLC. The wreck crane is an extremely unique and specialized piece of equipment that is critical to the support of operations as it is used for re-railing all types of rolling stock as well as removal of debris from the rights-of-way. Further, MNR's wreck cranes have also been used in support of other MTA agencies. The existing wreck crane has outlived its useful life and is in need of replacement. Opportunities for joint procurement with other MTA agencies were explored but no additional Agencies participated in the procurement.

In discussions with Empire Crane Company, MNR negotiated the original bid price down 3.7% to the final price of \$1,443,500. As this is a unique equipment purchase, there is no MNR purchase history but MNR requested and received a comparison for a sale by Empire Crane Co. to the Massachusetts Bay Transportation Authority (MBTA) and found that the requested purchase price of \$1,443,500 is consistent with wreck cranes of similar size and lifting capacity. The purchase price for the MNR crane is deemed fair and reasonable. This procurement is funded by MNR's Operating Capital Budget.

DECEMBER 2010

MTA LONG ISLAND RAIL ROAD

LIST OF COMPETITIVE PROCUREMENTS FOR BOARD APPROVAL

Procurements Requiring Majority Vote

Schedule F: Personal Service Contracts

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

- | | | |
|----|--|-------------------------------------|
| 1. | Analytical Chemists Laboratory, LLC | \$178,253.91 - LIRR |
| | Competitive | \$ 14,120.00 - MTABC |
| | Contract No. TBD | \$192,373.91 - Not-to-Exceed |

LIRR, on behalf of itself and MTABC (the "Agencies") requests MTA Board approval to award competitively-bid contracts in the aggregate amount of \$192,373.91 to Analytical Chemists Laboratory, LLC (ACL), for as-needed environmental analytical laboratory testing services, for a period of thirty-nine months. Under these contracts, ACL will provide certified environmental analytical services (sample collection and laboratory analysis) of various media (air, water, soil, industrial wastewater influent/effluent, waste characterization, etc.) from the various agencies' facilities. The competitive bid solicitation was advertised in the NY State Contract Reporter on August 25, 2010, and NY Post on August 26, 2010, and contained one combined Price Schedule for LIRR and MTABC's estimated requirements. In accordance with MTA initiatives, all agencies were invited to join in the solicitation; however, only MTABC expressed interest in joining. MNR currently rides NYCT's contract; however, upon review, the scope of services provided therein were not compatible with LIRR's and MTABC's needs; as they do not currently include analyses for STARD Table 2 Compounds (soil and water), temperature (water), pH (water), and herbicides (soil and water). Invitation for Bids were sent to thirty-two test facilities. The seven bids received were opened on October 13, 2010. ACL was the low bidder at \$192,373.91, which was \$50,550, or 21% less than the next low bidder, and \$84,245, or 30% less than the Agencies' \$276,618.90 combined estimate. ACL has been providing these lab services for the LIRR in a satisfactory manner over the last four years. A responsibility review revealed no adverse information and Analytical Chemists Laboratory, LLC is therefore deemed to be the lowest, responsive, and responsible bidder. Funding will be provided through each Agency's Operating Budget. This 39-month contract will be co-terminous with NYCT's existing contract, which expires in 2014, so as to provide the ability to pursue an All-Agency joint procurement for all similar environmental testing services going forward.

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)

- | | | |
|----|--------------------------------------|----------------------|
| 2. | White Tool & Supply, Inc. | \$89,500 |
| | Three-Year Contract | Not-To-Exceed |
| | Contract No. BP03780 | |

LIRR requests approval to award a competitively bid Miscellaneous Service contract to White Tool & Supply, Inc. ("White Tool") for maintenance and repair of gas and electric power tools. This contract will be for a thirty-six (36) month term, from February 15, 2011, through February 14, 2014. The Railroad explored whether there were opportunities to "piggy-back" existing

contracts with other MTA agencies; however, there are no other active contracts within the MTA family for this service. In accordance with MTA joint procurement initiatives, LIRR solicited participation from the other MTA agencies in this solicitation. NYCT and MNR repair their own tools; however, neither had sufficient resources to cover LIRR's needs. LIRR lacks sufficient internal resources to be able to repair its own tools. This solicitation is a renewal of an existing contract and was advertised in the NYS Contract Reporter on September 20, 2010, and the New York Post on September 23, 2010. The LIRR received two bids: White Tool (incumbent) - \$89,500, and Forestiere Power Tool & Equipment Co, Inc. - \$138,100. The bid price schedule is based on LIRR's forecasted repairs, fixed hourly rates, and discounts off manufacturer's list pricing for parts. White Tool's bid of \$89,500 represents a 5.08% increase of the current contract pricing obtained in 2007, and is 35.2% less than the second lowest bidder. White Tool's price is, therefore, considered to be fair & reasonable. Funding for this contract is included in LIRR's operating budget.

DECEMBER 2010

METRO-NORTH RAILROAD

LIST OF COMPETITIVE PROCUREMENTS FOR BOARD APPROVAL

Schedules Requiring Majority Vote:

G. Miscellaneous Service Contracts

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

- | | |
|--|----------------------------------|
| 1. East Coast Railroad Services (MNR) | \$270,000 (not-to-exceed) |
| Ecology Sanitation (LIRR) | \$983,400 (not-to-exceed) |

Three Yr. Contracts- Removal, Re-Punch and Return of Railroad Tie Plates

In conjunction with the MNR/LIRR Joint Procurement Initiative (JPI), MNR, on behalf of itself and Long Island Rail Road (LIRR), proposes to award two, individual three-year competitively solicited miscellaneous service contracts (4 bids received for each RR). The contracts are required for the on-going pick-up, re-punching (modification of original square screw lock-spike holes to round holes) and return of palletized tie plates. When ties are removed/replaced, the tie plates that secure the ties are removed; the plates are then picked-up, re-punched and returned to designated facilities. Due to the significant geographic operating territories (including Connecticut for MNR), the solicitation was structured to permit bids based on respective territories to be serviced. Bid results yielded low bids from East Coast Railroad Services for MNR and Ecology Sanitation for LIRR.

MNR - East Coast Railroad Services (ECRS) (ECRS is also the incumbent vendor for these services): The all-inclusive low bid price of \$3.75/per re-punched tie plate will remain fixed for the new three-year period. The prior contract price of \$3.50 also was fixed for the prior three-year contract. The yearly increase over the six-year period '07-'13, averages 1.2% per year. Analysis revealed that ECRS's unit price increase is due primarily to labor and transportation/fuel cost increases since the previous award in 2007, and is in line with the applicable CPI adjustments from '07-'10. By re-punching the tie plates, MNR will be offsetting the need to procure approximately 72,000 new tie plates over the period of the new contract and realize cost avoidance savings of approximately \$960K.

LIRR - Ecology Sanitation (Ecology): The all-inclusive low bid price of \$2.98/per re-punched tie plate received from Ecology will also remain fixed for the three-year period, and is due primarily to the higher anticipated volume expected from LIRR. It is also the first contract utilized by LIRR to have removed ties re-punched. The establishment of this contract and program to have removed tie plates picked-up, re-punched and returned will offset LIRR's need to procure 330,000 new tie plates over the period of the new contract. Accordingly, LIRR will realize a cost avoidance savings of approximately \$3.5M.

The vendors will furnish all transportation, labor, machining/re-punching work and equipment necessary during the three (3) year term of the contracts. MNR's contract with East Coast Railroad Services is for a total not-to-exceed \$270,000 and LIRR's contract with Ecology Sanitation is for a total not-to-exceed \$983,400. The contracts will be funded by each Agency's Operating Budget.

H. Modifications to Personal/Miscellaneous Service Contracts

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

**2. Port Imperial Ferry Corp., d.b.a. New York Waterway \$14,100,000 Staff Summary Attached
Exercise of (2)-Two-Year Options- Operation of Trans-Hudson River Ferry and Ancillary Services**

Through use of the competitive RFP process, the MTA Board, in November 2003, approved a five-year miscellaneous service agreement (with two, three-year options) to the firm, New York Waterway (d.b.a. Port Imperial Ferry Corp.), to provide year-round commuter ferry service between Haverstraw and Ossining in the amount of \$11,000,000. This critical connecting service is particularly important to the Orange and Rockland County customers who have contributed to the recent growth in ridership and the need to continue to provide alternative station access, given the limitation of parking expansion east of the Hudson. Funding for the operation of the ferry projects is acquired through state, local and federal grants.

Workscope options were executed for other planned ferry projects and related work over the next several years (Newburgh to Beacon Ferry was launched in October 2005, including dock installation). After the initial five year contract period, the MTA Board approved, in October 2008, Metro-North's request to exercise a 25-month option for the period November 30, 2008- December 31, 2010 at a total not-to-exceed amount of \$6,500,000 in order to coincide with then available funding. The exercise of that option left a total of 48 months in the overall time period originally approved by the Board.

At this time, MNR requests approval to exercise a renegotiated 24-month option for the period January 1, 2011 through December 31, 2012 in order to coincide with available funding. The re-negotiation of the option resulted in more favorable terms for hourly rates of service, fuel costs, and operational efficiencies totaling approximately \$200K over the remaining period of the contract. This option is presently funded through negotiated State and Federal sources. MNR has developed an MOU (Memorandum of Understanding) with the New York State Department of Transportation to provide approximately \$7M in funding over the two-year period to insure continued Haverstraw-Ossining and Newburgh-Beacon Ferry services. To secure these funds, MTA has submitted grant applications (with the support of NYSDOT) to the Federal Transit Administration to obtain the federal portion of the funding. MNR is also requesting the right to exercise the remaining 24-month option for the period January 1, 2013 through December 31, 2014, dependent on sufficient future State and Federal funding. The total not-to-exceed cost of these two option periods is \$14.1M.

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



Page 1 of 2

Item Number: H

Vendor Name (& Location) Port Imperial Ferry Corp. d.b.a. NY Waterway		Contract Number 201204	AWO/Modification # 4
Description Trans-Hudson River Ferry and Ancillary Services		Original Amount: \$11,000,000	
Contract Term (including Options, if any) 5 year base with two (2) three (3) year terms renewals		Prior Modifications: \$ 6,500,000	
Option(s) included in Total Amount? X Yes <input type="checkbox"/> No		Prior Budgetary Increases: \$0.00	
Procurement Type X Competitive <input type="checkbox"/> Non-competitive		Current Amount: \$17,500,000	
Solicitation Type X RFP <input type="checkbox"/> Bid <input type="checkbox"/> Other:		This Request: \$14,100,000	
Funding Source <input type="checkbox"/> Operating <input type="checkbox"/> Capital <input type="checkbox"/> Federal X Other:		% of This Request to Current Amount: 80.6%	
Requesting Dept/Div & Dept/Div Head Name: Procurement & Material Management, Anthony J. [Signature]		% of Modifications (including This Request) to Original Amount: 187.3%	

I. Purpose/Recommendation:

Approval is requested to exercise a re-negotiated (2)-year option for continuing commuter ferry service, provided by the firm, New York Waterway, for the period January 1, 2011 through December 31, 2012; and to allow for the right to exercise the final two-year option remaining from January 1, 2013 through November 30, 2014 dependent on available future State and Federal funding. The total not-to-exceed amount of this request for the two option periods is \$14.1M.

II. Discussion:

Through use of the competitive RFP process, the MTA Board, in November 2003, approved a five-year miscellaneous service agreement (with two, three-year options) to the firm, New York Waterway (d.b.a. Port Imperial Ferry Corp.), to provide year-round commuter ferry service between Haverstraw and Ossining in the amount of \$11,000,000. This critical connecting service is particularly important to the Orange and Rockland County customers who have contributed to the recent growth in ridership and the need to continue to provide alternative station access, given the limitation of parking expansion east of the Hudson. Funding for the operation of the ferry projects is acquired through state, local and federal grants.

Workscope options were executed for other planned ferry projects and related work over the next several years (Newburgh to Beacon Ferry was launched in October 2005, including dock installation). After the initial five year contract period, the MTA Board approved, in October 2008, Metro-North's request to exercise a 25-month option for the period November 30, 2008- December 31, 2010 at a total not-to-exceed amount of \$6,500,000 in order to coincide with then available funding. The exercise of that option left a total of 48 months in the overall time period originally approved by the Board.

Both ferries have done exceptionally well in terms of service delivery with on time performance over 99%, and the service has created greater access to MNR stations, attracted new riders and is a factor in ridership growth. The Haverstraw-Ossining Ferry, in service since September 2000, carries over 450 rides daily and the Newburgh-Beacon Ferry, which began operation in October 2005, provides an average of 350 rides daily.

As State and Federal funding has been confirmed to continue the Trans Hudson ferry services, MNR has negotiated more favorable terms for the next two (2) years as follows: 1) the hourly rate for service was limited to the 2010 CPI-U rate (1.8%) bringing the new hourly rate to \$606 a change from the current 3% minimum annual increases; 2) fuel cost is fixed portion of the hourly rate and is deducted from the base hourly rate before CPI annual increase is applied (NY Waterway must document market fuel movements to request consideration of a rate higher than the fixed \$3.11 per gal and a lower fixed gallon rate will be applied if fuel market drops significantly); 3) penalties have been added for missed trips and connections, which occur roughly 3 to 4 times annually; and 4) one month is added to the forty seven (47) months available to structure two 2-year options. The re-negotiation noted above resulted in savings totaling approximately \$200K over the remaining period of the contract.

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



Page 2 of 2

Funding for these ferry service options continues to be provided by a combination of State and Federal monies through an agreement reached with NY State Department of Transportation (NYSDOT) and FTA. MNR has developed an MOU (Memorandum of Understanding) with the New York State Department of Transportation to provide approximately \$7M in funding over the two-year period to insure continued Haverstraw-Ossining and Newburgh-Beacon Ferry services. To secure these funds, MTA has submitted grant applications (with the support of NYSDOT) to the Federal Transit Administration to obtain the federal portion of the funding. MNR is also requesting the right to exercise the remaining 24-month option for the period January 1, 2013 through December 31, 2014, dependent on sufficient future State and Federal funding. The total not-to-exceed cost of these two option periods is \$14.1M.

In support of this request, an Information item (memo to the MNR/LIRR Committee) has also been submitted. In the event that NYSDOT funding is not available, there is a cancellation clause, to be exercised at Metro-North's discretion.



Capital Construction

LIST OF COMPETITIVE PROCUREMENTS FOR BOARD APPROVAL SEPTEMBER 2010

MTA CAPITAL CONSTRUCTION

LIST OF COMPETITIVE PROCUREMENTS FOR BOARD APPROVAL

Procurements Requiring Majority Vote

Schedule 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. | URS Corporation – New York
Contract No. 98-0001-01 | \$51,567,367 | <u>Staff Summary Attached</u> |
|----|---|--------------|-------------------------------|

This modification is to allocate funding required for the continuation of program and construction management services along with general conditions work as required through December 31, 2011.

Schedule I: Modifications to Purchase Contracts 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)

- | | | | |
|----|--|-------------|-------------------------------|
| 2. | Perini Corporation
Contract No. CH053 | \$2,458,516 | <u>Staff Summary Attached</u> |
|----|--|-------------|-------------------------------|

This modification is for the relocation of all Power Cables from catenary poles to a new 60" Reinforced Concrete Pipe.

- | | | | |
|----|--|-------------|-------------------------------|
| 3. | Granite-Traylor-Frontier Joint Venture
Contract No. CQ031 | \$5,000,000 | <u>Staff Summary Attached</u> |
|----|--|-------------|-------------------------------|

This modification is to increase the allowance item for the repair of an existing slurry wall to address additional defects anticipated to be encountered during the remaining excavation work.

- | | | | |
|----|--|-----------|-------------------------------|
| 4. | Schiavone/Kiewit Joint Venture
Contract No. CQ039 | \$700,000 | <u>Staff Summary Attached</u> |
|----|--|-----------|-------------------------------|

This modification is to increase an existing allowance item in order to perform jet grouting along the interior of the Early Access Chamber.

Schedule H: Modifications To Personal Service & Miscellaneous Service Contracts



Item

1

Vendor Name (& Location) URS Corporation – New York (New York, NY)
Description Program Management Services for the East Side Access Project
Contract Term (including Options, if any) October 5, 1998 – December 31, 2011
Option(s) included in Total Amount? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Procurement Type <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Non-competitive
Solicitation Type <input checked="" type="checkbox"/> RFP <input type="checkbox"/> Bid <input type="checkbox"/> Other:
Funding Source <input type="checkbox"/> Operating <input checked="" type="checkbox"/> Capital <input checked="" type="checkbox"/> Federal <input type="checkbox"/> Other:
Requesting Dept/Div & Dept/Div Head Name: East Side Access, A. Paskoff, P.E. <i>AP</i>

Contract Number	AWO/Modification #
98-0001-01	21
Original Amount:	\$ 28,556,770
Prior Modifications:	\$ 288,152,628
Prior Budgetary Increases:	\$ 231,879,000
Current Amount:	\$ 316,709,338
This Request	\$ 51,567,367
% of This Request to Current Amount:	16.3 %
% of Modifications (including This Request) to Original Amount:	1,189.63%

Discussion:

Board approval is requested to allocate \$51,567,367 in order to allow the Program Management Consultant ("PMC") to continue to provide program and construction management services along with general conditions work as required through December 31, 2011. This request would bring the total contract amount to \$368,276,705 which is below the Boards approved amount for this Contract of \$395,971,000.

In July 29, 1998 the MTA Board approved a personal services contract with Bechtel/URS Joint Venture (the Contract has since been assigned solely to URS) to provide program management services for the East Side Access Project ("ESA") in the amount of \$164,092,000. The Contract initially was awarded at a cost not-to-exceed \$28,556,770 for Phase I, preliminary engineering. The contract included several options which were intended to be exercised upon the approval of the Environmental Impact Statement and an executed Full Funding Grant Agreement between the MTA and the FTA. The Options were to provide program management services for Phase II: Detailed Design; Phase III: Construction; and Phase IV: Start-up, Testing & Closeout. In October 2000, the MTA Board approved a modification (an increase of which extended the preliminary engineering phase, exercised the options for program management services for Phase II – IV and extended the overall term under this Contract to December 31, 2011 and increased the Board approved amount from \$164,092,000 to a cost not-to-exceed \$207,074,000.

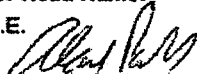
In February 2002, the Board approved the exercise of the remaining options under the Contract for construction management services (\$120,693,000) and general conditions work (\$50,100,000) along with establishing at 15% contingency in the amount of \$18,104,000 leading to a total Board approved amount not-to-exceed \$395,971,000 for the Contract. The prior allocations of the Board approved funding for this Contract has been authorized by Contract Modifications in one or two year increments. MTACC has historically gone to the Board for approval of these Modifications. Currently, \$316,709,338 is allocated under the Contract through December 31, 2010.

ESA currently has \$2.879 billion in current construction awards including ten 3rd party construction contracts and twelve force account contracts. Three 3rd party contracts are either currently in the solicitation phase or will be before the year is over and another four are scheduled to be solicited during 2011. Many of these contracts have work performed in multiple shifts, and in some cases, periods of operation seven days per week. MTACC does not have the in-house resources to provide all of the necessary oversight for these contracts and future ones. Therefore the services under this Contract are still required.

Schedule I: Modifications to Purchase and Public Work Contracts



Item 2

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 type="checkbox"/> No <input checked="" type="checkbox"/> N/A	
Procurement Type	<input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Non-competitive
Solicitation Type	<input type="checkbox"/> RFP <input checked="" type="checkbox"/> Bid <input 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	39
Original Amount:	
	\$ 139,280,000.00
Prior Modifications:	
	\$ 22,712,121.40
Prior Budgetary Increases:	
	\$ 0
Current Amount:	
	\$ 161,992,121.40
This Request	
	\$ 2,458,516.00
% of This Request to Current Amount:	
	1.52%
% of Modifications (including This Request) to Original Amount:	
	18.07%

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 ("ESA") Project.

Board approval is requested for a change order to provide for the relocation of all Power Cables from the catenary poles to a new 60" Steel Casing lined utility tunnel. The contract currently specifies that the aerial run for the 2.4Kv Car Wash Cable and 26.5Kv Amtrak Substation Feeder Cable were to cross the loop and Harold Interlocking tracks to the Amtrak Power Substation S1 via new Catenary poles. However, if such work were to be performed as currently specified, the installation would require the outage of 8 mainline tracks, associated catenary and 3rd rails which neither the LIRR or Amtrak will allow. Furthermore, Amtrak will not allow the power cable on the Catenary Poles. Therefore, it has been determined that the power cables will be relocated to a new 60" diameter utility tunnel which will be installed underneath the mainline tracks which will have significantly less of an impact on LIRR and Amtrak operations. It is noted that this tunnel will provide necessary additional capacity for future installation of conduit for signal, communication and power cables that will be installed under future Contract CQ032 due to the elimination of Vent Structures that were to be constructed under CQ032. As a result, partial funding for this modification will come from the savings from the elimination of the Vent Structures.

An Errors and Omissions ("EO") Analysis will be performed to determine if elements of the cost for this change are recoverable from the designer.

The Contractor submitted a cost proposal of \$2,523,308. MTACC's estimate is \$2,352,444. Negotiations were held, and the parties agreed to a cost of \$2,458,516 which is considered fair and reasonable as it is within 10% of the estimate.

Schedule I: Modifications to Purchase or Public Work Contracts



Item 3

Vendor Name (& Location)

Granite-Traylor-Frontier Joint Venture (Tarrytown, NY)

Description

Queens Bored Tunnels and Structures

Contract Term (including Options, if any)

9/28/09 - 4/30/12

Option(s) included in Total Amount?

☒ Yes ☐ No ☐ n/a

Procurement Type

☒ Competitive ☐ Non-competitive

Solicitation Type

☐ RFP ☐ Bid ☒ Other: Modification

Funding Source

☐ Operating ☒ Capital ☒ Federal ☐ Other:

Requesting Dept/Div & Dept/Div Head Name:

East Side Access, A. Paskoff, P.E. 

Contract Number	AWO/Modification #
CQ031	10
Original Amount:	\$ 659,200,700.00
Prior Modifications:	\$ 69,009,089.30
Prior Budgetary Increases:	\$ 0
Current Amount:	\$ 728,209,789.30
This Request	\$ 5,000,000.00
% of This Request to Current Amount:	0.69%
% of Modifications (Including This Request) to Original Amount:	11.23%

Discussion:

The work under Contract CQ031, Queens Bored Tunnels, is for the construction of four soft-ground bored tunnels, three shafts, miscellaneous structures and, associated excavations, support structures and demolition of surface structures for the East Side Access project. Board approval is requested to modify the Contract by increasing the slurry wall repair item by \$5M to address additional defects anticipated to be encountered during the remaining excavation work.

The Contract includes allowance item for repair of the slurry wall in the CQ031 work area which was constructed under Contract CQ028, Queens Open-Cut Excavation. (the Contract was terminated for default and the MTA received the full value of an \$83.7M performance bond as a settlement from the Surety Company). The initial amount was \$2M and by subsequent modifications, the allowance item has been increased by \$10.3M to address additional defects that have been encountered as the Contractor advanced the Open Cut Excavation through soil and rock down to final grade approximately 70 feet below the ground surface.

Defects in the slurry wall encountered during excavation to the current depth include cracks and voids in and behind the slurry wall, misaligned segments of the slurry wall, twisted, damaged, or misaligned soldier piles and struts and non-existent to poor connection of the slurry wall with the underlying rockmass. The results of these defects are groundwater inflows of up to 100 gallons per minute through openings in the slurry wall along with concerns for the wall integrity and observed groundwater inflows. These defects could not be observed or quantified prior to the start of construction or even mid-way into the excavation process. During the ongoing excavation the magnitude and severity became apparent. Based on the conditions observed in the slurry wall to date, defects of similar type and magnitude to those already observed are anticipated to be encountered during the remaining 25% of the excavation.

The contractor, GTF, has worked to address these defects and conditions as they become apparent and the overall excavation and subsequent TBM launching from this structure remains on schedule. The excavation is scheduled to be completed and a concrete mudslab placed across the entire excavation bottom by February 1, 2011. However, MTACC's estimated that an additional \$5M will be required to be added to the allowance item in order to mitigate the remaining repairs to the slurry wall. The Contractor will be paid at the pre-negotiated unit prices where applicable. Funding for the increase of the allowance in prior Modifications has come from cost savings generated elsewhere on the Project. It is the intent at this time for this \$5M to come from the contingency assigned to this contract for change orders.

Schedule I: Modifications to Purchase or Public Work Contracts



Item 4	
Vendor Name (& Location) Schiavone/Kiewit Joint Venture (Secaucus, New Jersey)	
Description Northern Boulevard Crossing for the ESA Project	
Contract Term (including Options, if any) Six Hundred and Seventy-Four Days (674)	
Option(s) included in Total Amount? <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A <input checked="" type="checkbox"/>	
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 #
CQ039	3
Original Amount: \$ 84,950,000.00	
Prior Modifications: \$ (300,000.00)	
Prior Budgetary Increases: \$ 0	
Current Amount: \$ 84,650,000.00	
This Request \$ 700,000	
% of This Request to Current Amount: 0.83%	
% of Modifications (including This Request) to Original Amount: 1.18%	

Discussion:

This contract is for the construction of the Northern Boulevard Crossing Tunnel along with temporary construction services and facilities, and operation and maintenance of equipment work on the East Side Access Project. Board approval is requested to modify the Contract by increasing an existing allowance item by \$700,000 due to the need to perform jet grouting along the interior of the Early Access Chamber (EAC).

An allowance item was included in CQ039 for repair work to the slurry wall in the CQ039 work area that was constructed under Contract CQ028, Queens Open-Cut Excavation (the Contract was terminated for default and the MTA received a settlement from the Surety Company). Jet grouting to the slurry wall at the location of the conveyor structure utilized by the Manhattan Tunnels and Structures contracts (CM009 and CM019 respectively) was to be performed under an allowance item in adjacent Contract CQ031 (Queens Bored Tunnels). However, this area, which is along the exterior of the EAC could not be physically accessed by the CQ031 Contractor at this time. The CQ039 Contract already includes jet grouting as a means of structural support of the EAC in preparation for its excavation and the Contractor is already mobilized to perform jet grouting along the interior of the EAC. It has therefore been determined that the CQ039 contractor is in the best position to perform the jet grouting work on the exterior of the EAC at the conveyor structure under its existing allowance item. The Contractor will be paid at the pre-negotiated unit prices where applicable.

DECEMBER 2010

METRO-NORTH RAILROAD

LIST OF RATIFICATIONS FOR BOARD APPROVAL

Schedules Requiring Majority Vote:

K. Ratification of Completed Procurement Actions

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

1. ORX

\$107,808

Purchase of Twelve (12) Wheel Sets for MNR BL-20 (Switcher/Shuttle) Locomotives

An emergency miscellaneous procurement awarded for the purchase of twelve (12) Wheel/ Axle sets in November 2010.

MNR operates and maintains a newly acquired fleet of twelve (12) BL20 locomotives and is in the process of establishing twelve (12) wheel and axle assemblies in inventory that will be required for their on-going maintenance. Before the inventory was procured, three locomotives, 25% of the fleet, experienced wheel defects that required their immediate replacement. These locomotives were not available for service, resulting in a shortage of BL20 locomotives which adversely impacted operations. The emergency purchase was executed to return the three locomotives back to immediate service and establish the required inventory of wheel sets.

ORX is the original equipment supplier to Brookville Locomotive (the original locomotive manufacturer) and had the necessary material in-house to support an immediate delivery of the wheel sets. This is the first time procuring these wheel sets for this locomotive, and a comparison of the material costs that makes up these wheels sets is consistent with previous MNR competitively solicited wheel sets. The price to be paid for the wheel sets is deemed to be fair and reasonable. The total cost for this emergency procurement is \$107,808, and it is funded by the MNR Operating Budget.

Staff Summary

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

Date	November 23, 2010
Vendor Name	
Contract Number	
Contract Manager Name	
Table of Contents Ref #	

Board Action					
Order	To	Date	Approval	Info	Other
1	President	11/23/10			
2	MTA B&T Committee	12/13/10			
3	MTA Board	12/15/10			

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

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	3	\$9.660M
Schedule G	Miscellaneous Service Contracts	2	\$.111M
Schedule I	Modifications to Purchase & Public Works Contracts	2	<u>\$4.780M</u>
SUBTOTAL		7	\$14.551M

MTA B&T presents the following procurement actions for Ratification: None

TOTAL	7	\$14.551M
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BUDGET IMPACT:

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

RECOMMENDATION:

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

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

MTA BRIDGES & TUNNELS
TRIBOROUGH BRIDGE AND TUNNEL AUTHORITY

WHEREAS, in accordance with §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
DECEMBER 2010

MTA BRIDGES & TUNNELS

Procurements Requiring Majority Vote:

F: Personal Service Contracts

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

1. **HAKS Engineers, Architects and Land Surveyors, P.C.** **\$4,704,931.00** **Staff Summary Attached**
Contract No. PSC-10-2873
4 yr. 2 mo. contract – Competitive RFP – 2 Proposals
Provide construction management and inspection services for Project BB-45, Replacement of Switchgear and Power Distribution System at the Brooklyn Battery Tunnel.

2. **Hardesty & Hanover, LLP** **\$2,920,365.00** **Staff Summary Attached**
Contract No. PSC-10-2864
3 yr. 1 mo. contract – Competitive RFP – 3 Proposals
Provide construction management and inspection services for Project HH-10, Replacement of the Upper Level Curb Stringers & Roadway Lighting at the Henry Hudson Bridge.

3. **HNTB Corporation** **\$2,034,545.00** **Staff Summary Attached**
Contract No. PSC-10-2875
3 yr. 8 mo. contract – Competitive RFP – 4 Proposals
Provide design and construction support services for Project MP-06, Substructure and Underwater Work at the Gil Hodges Memorial Marine Parkway Bridge.

G: Miscellaneous Service Contracts

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

4. **Long Life Truck & Auto Spring Co., Inc.** **\$70,400.00**
Contract No. 10-MNT-2865
3 yr. contract – Competitive Bid – Low Bidder/5 Bidders
On August 26, 2010 B&T issued a solicitation for scheduled and unscheduled maintenance, repairs and inspections for approximately 187 Authority light duty vehicles. The contract will provide services not available or cost effective to be performed in-house. This includes transmission rebuilding and emissions inspections which require special equipment. The requirements were publicly advertised. The solicitation notice was sent to 97 firms. Ten firms requested copies of the solicitation. On September 22, 2010, five bids were submitted. The scope of services under this contract has not changed from the current contract. The prices are fixed for a three year period and have not increased from the current contract. The overall bid amount is 38% less than the user's estimate of \$114,000. B&T explored issuing a joint solicitation with NYCT; however, it was determined that NYCT's complex and significantly larger scope of work (including heavy and medium duty vehicles as well as towing) would not

LIST OF COMPETITIVE PROCUREMENTS FOR BOARD APPROVAL
DECEMBER 2010

adequately serve B&T's needs. The MTA's contract is limited to preventive and routine maintenance and did not address all B&T's specific requirements. LIRR and MNR utilize a contract with GE Fleet Capital Services (GEFCS) for a computerized fleet management system and for maintenance services. Since B&T manages its own repair and maintenance system, it does not require the fleet management system services provided under the GEFCS contract. After evaluation of the bids, it was determined that Long Life Truck & Auto Spring Co., Inc. is the lowest responsive, responsible bidder. Based on competition, the price is considered fair and reasonable. Funding is available in the Operating Budget chargeable to G. L. 57410.

5. **NPA Computers, Inc.** **\$40,250.00**
Contract No. 10-TD-2866

2 yr. contract – Competitive Bid – 3rd Low Bidder/5 Bidders

On July 20, 2010 B&T issued a solicitation for a Contractor to provide all necessary labor, materials and equipment to maintain and repair printers and digital scanners. The service requirements were publicly advertised. The solicitation notice was sent to 367 firms. Fifteen firms requested copies of the solicitation. On October 7, 2010, five bids were submitted. Although the scope of services for this contract has not changed compared with that under the current contract, the price schedule has been revised. Under the prospective contract NPA Computers, Inc (NPA) will be compensated on a per call basis based on a fixed hourly labor rate for all equipment residing at a B&T site in addition to the cost for parts, if required. The current payment method applies a unit price inclusive of labor and parts for each piece of equipment. Therefore no meaningful price comparison can be made. Finestar Imaging, LLC and ASAP Computer Maintenance, Inc. submitted lower prices than NPA, however, these two apparent low bids were deemed non-responsive due to each firm's failure to submit or complete required bid documents, which resulted in rejection of their bids. NPA's prices are fixed for a two year period and its bid amount is 19.5% lower than the user's estimate. After evaluation of the bids, it was determined that NPA is the lowest responsive, responsible bidder. Based on competition, the price is considered fair and reasonable. Funding is available in the Operating Budget chargeable to G.L. 57201.

I: Modifications to Purchase & Public Works Contracts

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

6. **Ahern Painting Contractors, Inc.** **\$4,000,000.00** **Staff Summary Attached**
Anjac Enterprises, Inc. (aggregate not to exceed
E. Daskal Corp. amount for the seven
El Sol Contracting & Construction Corp. contracts is \$4,000,000)
Maracap Construction Industries, Inc.
Navillus Contracting
Unicorn Construction Enterprises, Inc.
Contract Nos. GFM-474 A - G

Additional funding for miscellaneous construction on an as-needed basis at various Authority facilities.

LIST OF COMPETITIVE PROCUREMENTS FOR BOARD APPROVAL
DECEMBER 2010

- | | | | |
|----|---|---------------------|--------------------------------------|
| 7. | American Bridge Company
Contract No. TBB Task 39/C52077 | \$780,397.00 | <u>Staff Summary Attached</u> |
| | Additional work under Contract TBB Task 39/C52077, Miscellaneous Structural Improvements at the Triborough Bridge (now RFK Bridge). | | |

Staff Summary

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Item Number 1 (Final)					
Dept & Dept Head Name: <i>Joe Keane</i> Engineering and Construction, Joe Keane, P.E.					
Division & Division Head Name: Engineering and Construction, Vincent Montanti, P.E.					
Board Reviews					
Order	To	Date	Approval	Info	Other
1	President	11/23/10			
2	MTA B&T Committee	12/13/10			
3	MTA Board	12/15/10			
Internal Approvals					
Order	Approval	Order	Approval		
1	Chief Financial Officer <i>DS</i>	4	Chief of Staff <i>CS</i>		
2	General Counsel <i>W. J. ...</i>	5	Executive Vice President <i>DM</i>		
3	Chief Procurement Officer <i>MLK</i>	6	President <i>OT</i>		

SUMMARY INFORMATION	
Vendor Name HAKS Engineers, Architects and Land Surveyors, P.C.	Contract Number PSC-10-2873
Description: Construction Management and Inspection Services for Project BB-45, Replacement of Switchgear and Power Distribution System at the Brooklyn Battery Tunnel	
Total Amount \$4,704,931	
Contract Term (including Options, if any) Four (4) years, two (2) months	
Option(s) included in Total Amount? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
Renewal? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
Procurement Type <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Non-competitive	
Solicitation Type <input checked="" type="checkbox"/> RFP <input type="checkbox"/> Bid <input type="checkbox"/> Other:	
Funding Source <input type="checkbox"/> Operating <input checked="" type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:	

Narrative

I. PURPOSE/RECOMMENDATION

B&T is seeking Board approval under the All Agency Guidelines for Procurement of Services to award a personal service contract for Construction Management and Inspection Services for Project BB-45, Replacement of Switchgear and Power Distribution System at the Brooklyn Battery Tunnel (BBT) to HAKS Engineers, Architects and Land Surveyors, P.C. (HAKS) for a period of four years, two months at a cost of \$4,704,931.

II. DISCUSSION

B&T requires the services of a consultant to provide construction management and inspection services to support the construction work for the replacement of electrical switchgear and power distribution systems at the Brooklyn Battery Tunnel. The construction activities under this project include, but not be limited to the following: phased removal (demolition) and replacement of switchgear, motor control centers, programmable motor protection panels, medium voltage feeders, and transformers; installation of transfer switches, uninterrupted power supplies; programmable logic controllers; abatement of asbestos containing materials and incidental lead abatement; and reimbursable power and communication upgrades to Governors Island.

Staff Summary

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The service requirements were publicly advertised and eight firms submitted qualification information. Four firms, HAKS, Hatch Mott McDonald (HMM), LiRo Engineering, Inc. and Maitra Associates (Maitra) were chosen to receive the RFP based on a review of those qualifications and all four firms submitted proposals. The proposals were evaluated against established criteria set forth in the RFP, including an understanding of the technical requirements, technical expertise, proposed personnel, oral presentations and cost. After the evaluation of the proposals B&T determined additional modifications to the RFP were necessary to: (i) increase the technical qualifications for the Consultants' proposed project teams to support this significant electrical upgrade construction project and (ii) reduce the duration of the contract by four months. Each consultant was requested to submit a revised proposal. Two consultants HAKS (HMM with B&T's consent teamed as a subconsultant with HAKS) and Maitra submitted revised proposals; and LiRo declined further participation in the RFP. The selection committee unanimously selected HAKS on the basis that it provided the most experienced and qualified team with extensive related knowledge in electrical construction encompassing scopes of work that include replacement of switchgear, transformers, generators and installation of automatic transfer switch systems.

HAKS revised cost proposal was in the amount of \$4,734,877. The Engineer's revised estimate is \$5,249,766. Negotiations were conducted and the parties agreed to an amount totaling \$4,704,931. The negotiated cost is 10.4% lower than the Engineer's estimate and is considered fair and reasonable. HAKS is deemed to be a responsible consultant

III. D/M/WBE INFORMATION

The MTA Office of Civil Rights ("MTA OCR") has established goals of 10% MBE and 5% WBE for the referenced contract. This contract will not be awarded without approval of MTA OCR.

IV. IMPACT ON FUNDING

Funding in the amount of \$4,704,931 is available under Project BB-45 in the 2010 – 2014 Capital Budgets.

V. ALTERNATIVES

There are no recommended alternatives. B&T does not possess the resources required to perform these services.

Staff Summary

Page 1 of 2

Item Number 2 (Final)					
Dept & Dept Head Name: Engineering and Construction, Joe Keane, P.E. <i>Joe Keane</i>					
Division & Division Head Name: Engineering and Construction, Vincent Montani, P.E.					
Board Reviews					
Order	To	Date	Approval	Info	Other
1	President	11/23/10			
2	MTA B&T Committee	12/13/10			
3	MTA Board	12/15/10			
Internal Approvals					
Order	Approval	Order	Approval		
1	Chief Financial Officer <i>C.S.</i>	4	Chief of Staff <i>JH</i>		
2	General Counsel <i>M.M.</i>	5	Executive Vice President <i>JM</i>		
3	Chief Procurement Officer <i>J. Burke</i>	6	President <i>Q</i>		

SUMMARY INFORMATION	
Vendor Name Hardesty & Hanover, LLP	Contract Number PSC-10-2884
Description: Construction Management and Inspection Services for Project HH-10, Replacement of the Upper Level Curb Stringers & Roadway Lighting at the Henry Hudson Bridge	
Total Amount \$2,920,365	
Contract Term (including Options, if any) Three years, one month	
Option(s) included in Total Amount? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
Renewal? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
Procurement Type <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Non-competitive	
Solicitation Type <input checked="" type="checkbox"/> RFP <input type="checkbox"/> Bid <input type="checkbox"/> Other	
Funding Source <input type="checkbox"/> Operating <input checked="" type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other	

Narrative

I. PURPOSE/RECOMMENDATION

B&T is seeking Board approval under the All Agency Guidelines for Procurement of Services to award a personal service contract for Construction Management and Inspection Services for Project HH-10, Replacement of the Upper Level Curb Stringers & Roadway Lighting at the Henry Hudson Bridge (HHB) to Hardesty & Hanover, LLP (H&H) for a period of three years, one month at a cost of \$2,920,365.

II. DISCUSSION

B&T requires the services of a consultant to provide construction management and inspection services for Project HH-10, Replacement of the Upper Level Curb Stringers & Roadway Lighting at the HHB. The construction activities under this project include but are not limited to: replacing curbs, curb stringers, and roadway lighting, installing new safety barrier, performing miscellaneous steel repairs, relocating utilities and incidental lead abatement.

The service requirements were publicly advertised; fourteen firms submitted qualification information. Three firms were chosen to receive the RFP based on a review of those qualifications and all three firms submitted proposals: Haks Engineers, Architects and Land Surveyors, P.C. (Haks), Jacobs Engineering New York, Inc. (JENY) and H&H. The proposals were evaluated against established criteria set forth in the RFP, including an understanding of the technical requirements, technical expertise, proposed personnel, oral presentations and cost. The selection committee

Staff Summary

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unanimously selected H&H on the basis that its proposal included: (i) a highly qualified team with prior working knowledge of the HHB facility; (ii) a resident engineer with 20 years of construction experience including grid deck installation; (iii) a superior office support staff; and (iv) the lowest cost. JENY's proposed resident engineer did not meet the minimum qualifications. H&H demonstrated less knowledge of the technical aspects of the work and had a higher cost.

H&H submitted a cost proposal in the amount of \$2,971,081. The Engineer's estimate is \$3,793,329. Negotiations were conducted and the parties agreed to the negotiated amount of \$2,920,365 (23% lower than the Engineer's estimate), which is considered fair and reasonable. H&H is deemed to be a responsible consultant.

III. D/M/WBE INFORMATION

The MTA Office of Civil Rights ("MTA OCR") has established goals of 10% MBE and 5% WBE for the referenced contract. This contract will not be awarded without approval of MTA OCR.

IV. IMPACT ON FUNDING







Funding is available in the amount of \$2,920,365 in the 2010-14 Capital Budgets under Project HH-10 for construction (\$2,876,560) and painting (\$43,805).

V. ALTERNATIVES

There are no recommended alternatives. The Authority does not possess the resources required to perform these services.

Staff Summary

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Item Number 3 (Final)					
Dept & Dept Head Name: Engineering and Construction, Joe Keane, P.E.					
Division & Division Head Name: Engineering and Construction, Vincent Montanti, P.E.					
Board Reviews					
Order	To	Date	Approval	Info	Other
1	President	11/23/10			
2	MTA B&T Committee	12/13/10			
3	MTA Board	12/15/10			
Internal Approvals					
Order	Approval	Order	Approval		
1	Chief Financial Officer 	4	Chief of Staff		
2	General Counsel 	5	Executive Vice President 		
3	Chief Procurement Officer 	6	President 		

SUMMARY INFORMATION	
Vendor Name HNTB Corporation	Contract Number PSC-10-2875
Description: Design and Construction Support Services for Project MP-06, Substructure and Underwater Work at the Gil Hodges Memorial Marine Parkway Bridge	
Total Amount \$2,034,545	
Contract Term (including Options, if any) Three (3) years, Eight (8) months	
Option(s) included in Total Amount? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
Renewal? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
Procurement Type <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Non-competitive	
Solicitation Type <input checked="" type="checkbox"/> RFP <input type="checkbox"/> Bid <input type="checkbox"/> Other:	
Funding Source <input type="checkbox"/> Operating <input checked="" type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:	

Narrative

I. PURPOSE/RECOMMENDATION

B&T is seeking Board approval under the All Agency Guidelines for Procurement of Services to award a personal service contract for Design and Construction Support Services for Project MP-06, Substructure and Underwater Work at the Gil Hodges Memorial Marine Parkway Bridge (MPB) to HNTB Corporation (HNTB) for a period of three (3) years, eight (8) months at a cost of \$2,034,545.

II. DISCUSSION

B&T requires the services of a consultant to provide design and construction support services for substructure and underwater rehabilitation and repair work at the MPB. The design and construction support activities under this project include but are not limited to the following: restoration or replacement of the scour protection system; rehabilitation or replacement of the bridge pier protection steel plates; rehabilitation of concrete and bridge abutments, upgrades to the ancillary electrical systems; abatement and disposal of asbestos and lead containing materials; and construction support services.

Staff Summary

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The service requirements were publicly advertised; six firms submitted qualification information. Five firms, AECOM USA Inc. (AECOM), Hardesty and Hanover LLP (H&H), HNTB Corporation, STV, Inc. (STV) and Mueser Rutledge Consulting Engineers (Mueser) were chosen to receive the RFP based on a review of their qualifications and four firms submitted proposals. Mueser requested that they be removed from consideration and joined STV as a subconsultant. The proposals were evaluated against established criteria set forth in the RFP, including an understanding of the technical requirements, technical expertise, proposed personnel, oral presentations and cost. The Selection Committee recommended HNTB on the basis that it demonstrated a thorough understanding of the critical aspects of the Project, in particular: (i) the consultant possesses extensive design experience related to marine construction and marine scour analysis and protection and (ii) its project team has a vast amount of experience handling large scale environmental permitting issues in the Jamaica Bay area. Permitting and mitigation issues must be addressed in an efficient and timely manner to prevent negative impacts to the construction budget and schedule. AECOM and STV exhibited a general understanding of the Project; however, these firms did not convey a relevant or sufficient level of permitting and mitigation experience. H&H proposed the lowest cost but did not demonstrate a thorough understanding of the overall project's intent; they significantly understated the levels of effort required for the substructure investigation; and did not demonstrate relevant experience in scour countermeasure design.

HNTB submitted a cost proposal in the amount of \$2,090,364. The Engineer's revised estimate is \$2,113,200. Negotiations were conducted and the parties agreed to an amount totaling \$2,034,545. The negotiated cost is 3.7% lower than the Engineer's revised estimate and is considered fair and reasonable. HNTB is deemed to be a responsible consultant.

III. D/M/WBE INFORMATION

The MTA Office of Civil Rights ("MTA OCR") has established goals of 5% MBE and 3% WBE for the referenced contract. This contract will not be awarded without approval of MTA OCR.

IV. IMPACT ON FUNDING

Funding is available in the 2010 – 2014 Capital Budget under Project MP-06.

V. ALTERNATIVES

There are no recommended alternatives. The Authority does not possess the resources required to perform these services.

Schedule I: Modifications to Purchase and Public Works Contracts
Item Number: 6 (Final)

Vendor Name (& Location) Ahern Painting Contractors, Inc., Woodside, NY Anjac Enterprises, Inc., Brooklyn, NY E. Daskal Corp., Suffern, NY El Sol Contracting & Construction Corp., Maspeth, NY Maracap Construction Industries, Inc., College Point, NY Navillus Contracting, New York, NY Unicorn Construction Enterprises, Inc., Chestnut Ridge, NY	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 50%;">Contract Number</td> <td style="width: 50%;">AWO/Modification #</td> </tr> <tr> <td>GFM-474A – GFM-474G</td> <td></td> </tr> </table>	Contract Number	AWO/Modification #	GFM-474A – GFM-474G	
Contract Number	AWO/Modification #				
GFM-474A – GFM-474G					
Description Miscellaneous Construction on an As-Needed Basis at Various Authority Facilities					
Contract Term (including Options, if any) March 14, 2008 through March 13, 2011					
Option(s) included in Total Amount? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No					
Procurement Type <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Non-competitive					
Solicitation Type <input checked="" type="checkbox"/> RFP <input type="checkbox"/> Bid <input type="checkbox"/> Other:					
Funding Source <input checked="" type="checkbox"/> Operating <input type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:					
Requesting Dept/Div & Dept/Div Head Name: Engineering & Construction, Joe Keane, P.E.					

Original Amount:	\$28,000,000
Prior Modifications:	\$8,000,000
Prior Budgetary Increases:	\$0
Current Amount:	\$36,000,000
This Request:	Aggregate NTE \$4,000,000
% of This Request to Current Amount:	11.1%
% of Modifications (including This Request) to Original Amount:	42.9%

Discussion:

B&T is seeking Board approval under the All-Agency Procurement Guidelines to modify these seven contracts in the aggregate amount of \$4,000,000 for miscellaneous construction on an as-needed basis at various facilities. Contracts GFM-474A – GFM-474G were awarded to seven firms pursuant to a competitive proposal process in an aggregate amount not to exceed \$28,000,000 for all competitively bid work orders awarded under the seven contracts. The contract has since been amended to add \$8,000,000 in funding, thereby increasing the aggregate amount to \$36,000,000. The seven contractors are invited to bid on specific construction projects throughout B&T's facilities which are then awarded to the lowest bidders. Funds from the aggregate amount are allocated to individual contracts to pay contractors for the work they perform. Since most of the projects are relatively small and/or involve urgently needed work such as red flag, deck and structural steel repairs, it would be inefficient and time-consuming to conduct a separate competitive bidding process for each project. Through November 5, 2010, 78 work orders have been awarded under these contracts totaling over \$30,490,000. The additional funding requested under this amendment will support essential miscellaneous construction needs in the 2011 Major Maintenance Program that are required until new contracts are awarded pursuant to a new multi-agency solicitation. Accordingly, the terms of the current contracts will be extended through June 2011. Funding for these proposed amendments is available under GL #74001. The contractors will be paid based on the work orders competitively bid and awarded under these contracts. The aggregate value of \$4,000,000 under the prospective amendments is considered fair and reasonable.

Schedule I: Modifications to Purchase and Public Works Contracts

Item Number: **7** (Final)

Vendor Name (& Location) American Bridge Company, Coraopolis, PA		Contract Number TBB Task 39/C52077	AWO/Modification #
Description Miscellaneous Structural Improvements at the Triborough Bridge (now RFK Bridge)			
Contract Term (including Options, if any) January 8, 2009 – February 15, 2011			
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: \$42,859,750.00	
Solicitation Type <input type="checkbox"/> RFP <input checked="" type="checkbox"/> Bid <input type="checkbox"/> Other:		Prior Modifications: \$7,358,700.00	
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, Joe Keane, P.E.		Current Amount: \$50,218,450.00	
		This Request: \$780,397.00	
		% of This Request to Current Amount: 1.6%	
		% of Modifications (including This Request) to Original Amount: 19%	

Discussion:

B&T is seeking Board approval under the All Agency Procurement Guidelines to modify this Contract with American Bridge Company (ABC) for additional funding in the amount of \$780,397. TBB Task 39 was awarded to ABC on January 8, 2009 in the amount of \$42,859,750 to perform miscellaneous structural improvements on the RFK Bridge for a period of one year, six months. This proposed amendment is for three separate items as follows:

- 1) B&T anticipates overruns in three unit price steel items resulting from: (i) a difference between the estimated quantity and actual field conditions, and (ii) an underestimation of the original quantity included in the contract. In accordance with Article 3.02, the Engineer determined that the existing unit prices are equitable to both parties for a total of \$400,397.
- 2) A Contract addendum incorporated steel pedestrian railing into a contract unit item for miscellaneous steel, but did not provide additional quantity for that item in the Contract. The Engineer determined that using the bid price for that item was not equitable to B&T and that the railing work should be incorporated into a separate unit item. ABC proposed \$490,830; the Engineer estimated \$344,425. Based on the above, the negotiated amount of \$360,000 is considered fair and reasonable.
- 3) In response to a request from B&T's Security Department, the Engineer has determined that a change to anchorage door locks should be made to increase anchorage security. ABC proposed \$20,551; the Engineer estimated \$24,097. When compared with the estimate the negotiated amount of \$20,000 is considered fair and reasonable.

Based on the above, the total amendment amount of \$780,397 (or 1.5% above the estimate of \$768,919) is considered fair and reasonable. Funding for this amendment is available in the Capital Budget under Project G5140104.