



Metropolitan Transportation Authority

# January 2012

**MTA Board Action Items**



**MEETING AGENDA**  
**METROPOLITAN TRANSPORTATION AUTHORITY BOARD**  
**January 25, 2012 9:30 a.m.**

347 Madison Avenue  
Fifth Floor Board Room  
New York, NY

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**AGENDA ITEMS**

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

**9. EXECUTIVE SESSION**

Date of next MTA Board meeting: Wednesday February 29, 2012 at 9:30 a.m.

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

**Wednesday, December 21, 2011  
9:30 a.m.**

**The following members were present:**

**Hon. Andrew M. Saul, Acting Chairman  
Hon. Jonathan A. Ballan  
Hon. Robert C. Bickford  
Hon. James F. Blair  
Hon. Allen P. Cappelli  
Hon. Fernando Ferrer  
Hon. Jeffrey A. Kay  
Hon. Mark D. Lebow  
Hon. Susan G. Metzger  
Hon. Charles G. Moerdler  
Hon. Mitchell H. Pally  
Hon. James L. Sedore, Jr.  
Hon. Nancy Shevell  
Hon. Carl V. Wortendyke**

**The following members were absent:**

**Hon. John H. Banks, III  
Hon. Patrick J. Foye  
Hon. Mark Page  
Hon. Ed. Watt**

Joseph J. Lhota, Executive Director, Nuria Fernandez, Chief Operating Officer, Catherine Rinaldi, Chief of Staff, James B. Henly, MTA General Counsel, Board Member Andrew Albert, Board Member Norman E. Brown, Board Member Ira Greenberg, Board Member Vincent Tessitore, Jr., Thomas Prendergast, President of NYCTA, Helena E. Williams, President of Long Island Railroad, Howard Permut, President of Metro-North Railroad, James Ferrara, President of TBTA, Darryl Irick, President of MTA Bus Operations, Michael Horodniceanu, President of MTA Capital Construction, and Hilary Ring, 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.

Vice Chairman Saul, the Acting Chairman of the MTA, called the meeting to order.

1. **PUBLIC SPEAKERS.** There were fifteen (15) public speakers; the speakers listed below addressed items specific to the MTA agenda. Refer to the video recording of the meeting produced by the MTA and maintained in MTA records for the content of these speakers' statements and to the other agencies' minutes of this date for the list of other speakers.

Brad Lander, NYC Councilmember

Grace Valdes, student

John Dennie, private citizen

Jake Carlson, We Act for Environmental Justice

Murray Bodin, Concerned Grandparents

Paul Steele White, Executive Director, Transportation Alternatives

Gene Russianoff, Straphangers Campaign

William Henderson, PCAC

2. **MINUTES.** Upon motion duly made and seconded, the Board approved the minutes of the regular Board meeting held on November 16, 2011.

3. **CHAIRMAN'S REMARKS.**

Mr. Saul noted the recent receipt by MTA of an award for agency-wide efforts to expand minority participation in agency contracts. Board Member Susan Metzger, Chairperson of the Board Diversity Committee, and Michael Garner, MTA Chief Diversity Officer, were recognized and asked to display the award. Board member Metzger commended the efforts of MTA employees yielding this recognition.

4. **MTA 2012 BUDGET AND MTA 2010-2014 CAPITAL PROGRAM AMENDMENT.**

Mr. Saul introduced Joseph Lhota, MTA Executive Director, to present the 2012 Budget Materials and 2010-2014 Capital Program Amendment. Mr. Lhota presented highlights of the proposed budget, following which detailed presentations were made by Robert Foran, MTA Chief Financial Officer, and Linda Kleinbaum, MTA Deputy Executive Director/Administration, regarding the proposed MTA 2012 Budget and Financial Plan 2012-2015, and the proposed MTA 2010-2014 Capital Program Amendment. Copies of

Regular Board Meeting  
December 21, 2011

the proposed Budget and Plan and the Capital Program Amendment were distributed to Board Members. These materials as well as copies of the presentations by Mr. Foran and Ms. Kleinbaum are maintained in MTA records.

The Acting Chairman opened the floor for discussion of the MTA 2012 Budget and Financial Plan 2012-2015. Details of the Board Members' discussion relating to the MTA 2012 Budget and Financial Plan 2012-2015, as well as the MTA 2010-2014 Capital Program Amendment are included in the video recording of the meeting produced by the MTA and maintained in the MTA records.

A motion was made by Board member Allen Cappelli, and seconded by Board member Mitchell Pally, to reallocate Twenty Million Dollars (\$20,000,000) within the proposed Budget to service restoration. After extensive discussion, a vote was taken on the motion, which following amendment was restated as follows: (1) to modify the proposed 2012 Budget to reapportion Twenty Million Dollars (\$20,000,000) currently allocated to other uses, and (2) to authorize the MTA Chairman to apply the reapportioned funds to service restitution, which service restitution would become effective on July 1, 2012; provided, however, that any such reapportionment and application would be subject to the MTA's receipt of funds from the State of New York sufficient to cover any reduction in the MTA's payroll-mobility tax receipts arising out the State's December 2011 tax reduction legislation. The motion was defeated by a vote of six to four, with members Allen Capelli, Fernando Ferrer, Charles Moerdler and Mitchell Pally voting in favor of the motion. Acting Chairman Andrew Saul, and members Jonathan Ballan, Jeffrey Kay, Mark Lebow, Nancy Shevell, Robert Bickford, Susan Metzger, James Sedore and Carl Wortendyke voted against the motion (the latter four members casting the collective vote of the Hudson Valley Members).

Upon motion duly made and seconded, the Board authorized and approved the MTA 2012 Final Proposed Budget and the Four Year Financial Plan 2012-2015, and the related actions enumerated in the staff summary accompanying the MTA 2012 Budget and Financial Plan 2012-2015 materials, including:

- (i) Approving the 2011 Final Estimate, the General Reserve, and all Plan Adjustments (items below the baseline), the approval of which supersedes prior Board Plan Approvals for this period;
- (ii) Authorizing staff, under the guidance of the Executive Director, to take actions to implement the subsidy and other technical adjustments in the December Plan;
- (iii) Authorizing technical adjustments to Agency Budgets and forecasts of a non-material nature in the February Plan;
- (iv) Authorizing adjustment of Agency 2012 Budgets and forecasts to reflect labor settlements approved from time to time by the Board;
- (v) Consistent with last December's Board Action, which authorized staff under the direction of the Chair/CEO to take actions in furtherance of ending subsidization of the Long Island Bus deficit, authorizing the transfer of certain LI Bus staff temporarily to MTA HQ to continue "wind down" work necessary to close out LI Bus' operations;

- (vi) Authorizing staff to continue its previously authorized energy hedge program and authorizing forward hedges up to but not exceeding 24 months in duration to always assure one full year of price certainty for the hedged amount; and
- (vii) Approving additional budget and cash management actions, as further described in the staff summary.

The vote on the budget authorization motion was seven in favor and three opposed. Board members Allen Cappelli, Charles Moerdler and Mitchell Pally voted against the motion.

Upon motion duly made and seconded, the Board approved the MTA 2010-2014 Capital Program Amendment by a vote of nine in favor and one opposed. Board member Allen Cappelli voted against the motion.

5. **COMMITTEE ON FINANCE.**

A. **Action Items.** Upon motion duly made and seconded, the Board approved the following action items, described in further detail in the staff summaries and documentation contained in the December Board materials.

- 1. **MTA Reimbursement Resolution** – Adopted reimbursement resolution required by Federal tax law to preserve the ability to finance certain capital projects on a tax-exempt basis.
- 2. **Remarketing Agent.** Approved addition of US Bancorp to the existing pool of variable rate remarketing agents and dealers.

B. **Procurement Items.** Upon motion duly made and seconded, the Board approved the following procurement items, described in further detail in the staff summaries and documentation contained in the December Board materials.

- 1. **W.B. Mason Company; Crystal InfoSystems, Inc. – No. 11152-0100 thru 0200.** Approved competitively negotiated, 60-month contracts for the supply and delivery of office supplies, paper and toner, procured through the e-procurement pilot program, and approved a seven-month extension to the Board-approved, e-procurement pilot program with MedPricer, LLC.
- 2. **EMC Corporation – No. 11131-0100.** Approved a competitively negotiated, 24-month contract for the provision of disaster recovery services for the MTA Enterprise Information Technology Group.
- 3. **Usablenet, Inc – No. 11093-0100.** Approved a competitively negotiated, 36-month contract to provide services related to increasing the accessibility of the MTA website to the visually impaired and to expand the mobile version of the website.

4. Kuyimba, Inc. – No. 11133-0100. Approved a competitively negotiated, 36-month contract to provide personal services related to the administration of the Music Under New York Program.
  5. Willdan Homeland Solutions – No. 11151-0100. Approved a competitively negotiated, 36-month contract to develop and deliver security and emergency response training for the employees of the MTA and its agencies.
  6. EyeMed Vision Care LLC; Metropolitan Life Insurance – No. 11089-0100-0200. Approved competitively negotiated, 60-month contracts to provide vision care and dental benefits to MTAHQ non-represented employees and some represented employees.
  7. AFT Project – No. 11242-0100. Approved a competitively negotiated, 24-month contract to provide technical design, fabrication, crating, storage, delivery and oversight of installation of materials at the Corinne Ulmann, Croton Harmon Station.
  8. Veterinary Services for MTA Police K9 Unit – No. 11141-0100. Approved competitively negotiated, 36-month contracts with Animal Medical Center, Long Island Veterinary Specialists, Hudson Highlands Veterinary Medical Group, P.C., New Haven Central Hospital for Veterinary Medicine, Inc., and Veterinary Medical Center of Long Island to provide as needed veterinary services to the MTA Police Canine Unit.
- 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 staff summaries and documentation contained in the December Board materials.

**Metro-North Commuter Railroad**

1. Easement Agreement with the County of Dutchess for construction and use of a bike trail on an unused portion of Metro-North's right-of-way on the Maybrook-Beacon Line, East Fishkill, N.Y.
2. Lease with Central Station Groceries Corp., relating to Retail Space LC-1 and Storage Space LCS-9 at Grand Central Terminal.
3. License Agreement with the City of New York Police Department to erect a security booth with an access barrier arm on Metro-North property in the Bronx, N.Y.
4. Lease with Hudson River Express, Inc., for the operation of a concession located in the Ossining Station building in Ossining, N.Y.



**Long Island Commuter Rail Road**

5. License agreement with Living Faith Christian Church, for parking of parishioners' vehicles on an unused portion of MTA LIRR's Central Branch right-of-way in Farmingdale, N.Y.
6. License agreement with NG 1095 East 45<sup>th</sup> LLC, for parking and storage of vehicles and maintenance of security fencing within LIRR's Bay Ridge Branch right-of-way in Brooklyn, New York.
7. License agreement with New York City Department of Environmental Protection, for placement of subsurface duct bank and manhole within LIRR's Montauk Branch right-of-way in Maspeth, N.Y.

**New York City Transit Authority**

8. Acquisition of easements at 59 Greenwich Avenue, New York, N.Y.
5. **EXECUTIVE SESSION.** Upon motion duly made and seconded, the Board voted to convene an executive session to discuss matters concerning collective bargaining negotiations and employment. The Board approved a resolution authorizing amendments to the MTA and MABSTOA Pension Plan, following which a motion duly made and seconded to return to public session was passed.
6. **ADJOURNMENT.**

Upon motion duly made and seconded, the Board voted to adjourn the meeting at 11:45 a.m.

Respectively submitted,

Roberta Bender  
Acting Assistant Secretary

Regular Board Meeting  
December 21, 2011

**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**

**Wednesday, December 21, 2011  
9:30 AM**

**The following members were present:**

**Hon. Andrew M. Saul, Acting Chairman  
Hon. Jonathan A. Ballan  
Hon. Robert C. Bickford  
Hon. James F. Blair  
Hon. Allen P. Cappelli  
Hon. Fernando Ferrer  
Hon. Jeffrey A. Kay  
Hon. Mark D. Lebow  
Hon. Susan G. Metzger  
Hon. Charles G. Moerdler  
Hon. Mitchell H. Pally  
Hon. James L. Sedore, Jr.  
Hon. Nancy Shevell  
Hon. Carl V. Wortendyke**

**The following members were absent:**

**Hon. John H. Banks, III  
Hon. Patrick J. Foye  
Hon. Mark Page  
Hon. Ed Watt**

Joseph J. Lhota, Executive Director, Nuria Fernandez, Chief Operating Officer, Catherine Rinaldi, Chief of Staff, James B. Henly, MTA General Counsel, Board Member Andrew Albert, Board Member Norman E. Brown, Board Member Ira Greenberg, Board Member Vincent Tessitore, Jr., Thomas Prendergast, President of NYCTA, Helena E. Williams, President of Long Island Rail Road, Howard Permut, President of Metro-North Rail Road, James Ferrara, President of TBTA, Darryl Irick, President of MTA Bus Operations, Michael Horodniceanu, President of MTA Capital Construction, and Hilary Ring, Director, Community Affairs also attended the meeting.

**1. ACTING CHAIRMAN SAUL CALLED THE MEETING TO ORDER**

**2. PUBLIC COMMENT PERIOD**

Fourteen public speakers addressed NYC Transit/MTA Bus issues.

Councilman Brad Lander, NYC Council, urged the Board to focus on the recent service cuts and also requested that the Board improve B61 service.

Marty Goodman, TWU, protested fare hikes, layoffs, station booth closings, net zeroes and lack of funding.

Maurice Wells, TWU, objected to the elimination of conductor jobs and rest or break periods for employees after subway trips.

Grace Valdes urged the Board to re-open the 181<sup>st</sup> (A train) station booth and discussed issues of safety.

John Dennie expressed concerned with press reports regarding contract negotiations with the TWU and the elimination of the title of conductor.

Paul Piazza, TWU, hoped that the MTA and the TWU will continue contract negotiations in good faith and also suggested that the Board bring back former station agents in the spirit of the holiday season.

Rushdi Huq, TWU, urged the Board to reinstate as soon as possible the remaining station agents who were laid off.

Barbara Horowitz would like to have the M104 bus fully restored so that senior citizens can more easily travel to and from the Lincoln Center area.

Tamisha Chavis, Rochdale Village Commuters In Action & Riders Rebellion, remarked that riders on the QM21 express bus are faced with poor bus maintenance, old buses and late bus arrivals.

Jake Carlson, We Act for Environmental Justice, expressed disapproval for the fare hikes and service cuts and the impact on low income minority communities.

Christopher Greif, PCAC, urged the Board to add a bus running from Brooklyn to Manhattan in order to better serve the disabled and senior populations.

Paul Steeley White, Executive Director, Transportation Alternatives, expressed concern with the shaky financing of the capital plan.

Gene Russianoff, Straphangers Campaign, indicated his strong support for the \$20,000,000 service restoration fund.

William Henderson, PCAC, asked the Board to take modest step towards restoring service cuts, including supporting the \$20,000,000 service restoration fund.

**3. ACTING CHAIRMAN SAUL'S COMMENTS**

Details of Acting Chairman Saul'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.

**4. MINUTES**

Upon motion duly made and seconded, the Board unanimously approved the minutes of the regular board meeting of MTA NYC Transit, the Manhattan and Bronx Surface Transit Operating Authority, the Staten Island Railway Transit Operating Authority, and MTA Bus Company held on November 16, 2011.

**5. JOINT SESSION OF THE BOARD AND FINANCE COMMITTEE**

Mr. Lhota thanked Mr. Garner for his work with the Minority/Women/Disadvantaged Business Enterprise program.

Mr. Lhota presented highlights of the proposed budget. Robert Foran, MTA Chief Financial Officer, and Linda Kleinbaum, MTA Deputy Executive Director/Administration, presented the proposed MTA 2012 Budget and Financial Plan 2012-2015, and the MTA 2010-2014 Capital Program Amendment. Ms. Kleinbaum reminded Board Members that the Capital Program before them did not include MTA Bridges & Tunnels. Copies of the proposed Budget and Plan and the Capital Program Amendment were distributed to Board Members. These materials as well as the presentations by Mr. Foran and Ms. Kleinbaum are maintained in MTA records.

Mr. Saul opened the floor to questions. A motion was made by Board Member Allen Cappelli, and seconded by Board Member Mitchell Pally, to reallocate Twenty Million Dollars (\$20,000,000) within the proposed Budget to service restoration. Mr. Cappelli's motion was subsequently amended to call for a vote on the following: a motion (1) to amend the proposed 2012 Budget to reapportion Twenty Million Dollars (\$20,000,000) currently allocated to other uses, and (2) to authorize the MTA Chairman to apply the reappropriated funds to service restitution, which service restitution would become effective on July 1, 2012; provided, however, that any such reappropriation and application would be subject to the MTA's receipt of replacement funds from the State of New York to cover any reduction in the MTA's payroll-mobility tax receipts arising out the State's December 2011 tax reduction agreement. The amended motion was defeated by a vote of 6 opposed versus 4 in favor. The following Board members voted in favor of the amended motion: Board Members Allen Capelli, Fernando Ferrer, Charles Moerdler and Mitchell Pally. The following Board members voted against the amended motion: Acting Chairman Andrew Saul, Board Members Jonathan Ballan, Jeffrey Kay, Mark Lebow, Nancy Shevell, Robert Bickford, Susan Metzger, James Sedore and Carl Wortendyke.



The details of the Board Members' comments on the MTA 2012 Budget and Financial Plan 2012-2015, and the MTA 2010-2014 Capital Program Amendment are included in the video recording of the meeting produced by the MTA and maintained in the MTA records.

Mr. Saul called for a vote on the MTA 2012 Budget and Financial Plan 2012-2015 as originally presented. Upon motion duly made and seconded, the Board approved the Budget and Financial plan by a vote of 7 in favor, 3 opposed. Board Members Allen Cappelli, Charles Moerdler and Mitchell Pally voted in opposition. Upon motion duly made and seconded, the Board approved the MTA 2010-2014 Capital Program Amendment as originally presented by a vote of 9 in favor, 1 opposed. Board Member Allen Cappelli voted in opposition.

## **6. COMMITTEE ON FINANCE**

### **Real Estate Action Item(s):**

MTA New York City Transit: Upon motion duly made and seconded, the Board voted to enter into an agreement with the owner of a building at 59 Greenwich Avenue, for purposes of performing necessary structural repair work on the Building, at NYCT's expense, prior to NYCT's construction of the fan plant, or if such an agreement cannot be reached (2) to acquire Permanent and Temporary Easements by eminent domain that are necessary to perform the structural repair work and facilitate project construction.

## **7. COMMITTEE ON TRANSIT OPERATIONS** **NYC Transit**

### **Action Item(s):**

Amendment of NYCT's 2010-2014 Capital Program -- Steinway: Upon motion duly made and seconded, the Board approved the addition of a project to the 2010-2014 Capital Program that will address electrical and structural work in the Steinway Tube.

Design and Construction Oversight Services for 200 East 63<sup>rd</sup> Street (Block 1417, Lot 45): Upon motion duly made and seconded, the Board authorized/ratified an agreement with Digby Management Company, L.L.C., the owner of a residential building at 200 East 63<sup>rd</sup> Street for a not-to-exceed amount of \$250,000, to compensate the owner's design and construction oversight consultants in connection with MTACC's utility relocation work in the residential and ground subway entrance for the 63<sup>rd</sup> Street/Lexington Avenue Station.

Construction Services for 250 E 87<sup>th</sup> Street: Upon motion duly made and seconded, the Board approved an increase in the previously approved amount funded for design work at 250 E 87<sup>th</sup> Street.

### **Procurements:**

Non-Competitive Procurements: Upon motion duly made and seconded, the Board approved the

non-competitive procurements requiring a two-thirds vote (Schedule A in the Agenda) and a majority vote (Schedules G and F in the Agenda). Details of the above items are set forth in staff summaries, copies of which are on file with the records of the meeting of the Board of the NYC Transit/SIR/MTA Bus Company.

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

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

#### 8. EXECUTIVE SESSION

Upon motion duly made and seconded, the Board voted to convene an executive session pursuant to New York State Public Officers Law §105(e) to consider matters concerning collective bargaining negotiations.

#### 9. ADJOURNMENT

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 11:45 a.m.

Respectfully submitted,

  
Maribel A. Tanne  
Assistant Secretary

Minutes of the Regular Meeting  
Metro-North Commuter Railroad Company  
Wednesday, December 21, 2011

9:30 a.m.

The following members were present:

Hon. Andrew M. Saul, Acting Chairman  
Hon. Jonathan A. Ballan  
Hon. Robert C. Bickford  
Hon. James F. Blair  
Hon. Allen P. Cappelli  
Hon. Fernando Ferrer  
Hon. Jeffrey A. Kay  
Hon. Mark D. Lebow  
Hon. Susan G. Metzger  
Hon. Charles G. Moerdler  
Hon. Mitchell H. Pally  
Hon. James L. Sedore, Jr.  
Hon. Nancy Shevell  
Hon. Carl V. Wortendyke

The following members were absent:

Hon. John H. Banks, III  
Hon. Patrick J. Foye  
Hon. Mark Page  
Hon. Ed Watt

Joseph J. Lhota, Executive Director, Nuria Fernandez, Chief Operating Officer, Catherine Rinaldi, Chief of Staff, James B. Henly, MTA General Counsel, Board Member Andrew Albert, Board Member Norman E. Brown, Board Member Ira Greenberg, Board Member Vincent Tessitore, Jr., Thomas Prendergast, President of NYCTA, Helena E. Williams, President of Long Island Railroad, Howard Permut, President of Metro-North Railroad, James Ferrara, President of TBTA, Darryl Irick, President of MTA Bus Operations, Michael Horodniceanu, President of MTA Capital Construction, and Hilary Ring, 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. Acting Chairman Saul called the meeting to order.

2. Public Comment:

There were 15 public speakers. Murray Bodin of Concerned Grandparents expressed his opinion that there is a need for cultural change. He asked Hon. Mitchell H. Pally, as co-chair of the Metro-North Committee, to direct Metro-North President Permut to have staff meet with him. Gene Russianoff of the Straphangers' Campaign urged the Board to restore service that was cut, including service on Metro-North lines. The comments made by the remaining public speakers, who did not discuss items specific to Metro-North, is contained in the minutes of the meeting of the Board of the Metropolitan Transportation Authority held this day.

3. Acting Chairman's Opening Remarks

Acting Chairman Saul wished everyone a healthy, happy holiday season.

4. Approval of Minutes – Upon motion duly made and seconded, the minutes of the Regular Board Meeting of November 16, 2011 were unanimously approved.

5. The Hon. Susan Metzger presented Michael J. Garner, Chief Diversity Officer, MTA Office of Civil Rights, with an award given to MTA for its work to expand contracts with minority business enterprises. The details of the above including Board Member comments, if any, are contained in the minutes of the Metropolitan Transportation Authority held this day.

6. Joint Session of the Board & Finance Committee:

Acting Chairman Saul introduced MTA Executive Director Joseph J. Lhota, MTA Chief Financial Officer Robert Foran and MTA Deputy Director of Administration Linda Kleinbaum to a Joint Session of the Board and Finance Committee. Following opening remarks by Mr. Lhota, Mr. Foran presented the MTA 2012 Budget Adoption materials and Ms. Kleinbaum presented the MTA 2010-2014 Capital Program Amendment.

A motion was made by Board Member Allen Cappelli, and seconded by Board Member Mitchell Pally, to reallocate Twenty Million Dollars (\$20,000,000) within the proposed Budget to service restoration. Mr. Cappelli's motion was subsequently amended to call for a vote on the following: a motion (1) to amend the proposed 2012 Budget to reapportion Twenty Million Dollars (\$20,000,000) currently allocated to other uses, and (2) to authorize the MTA Chairman to apply the reappportioned funds to service restitution, which service restitution would become effective on July 1, 2012; provided, however, that any such reappportionment and application would be subject to the MTA's receipt of replacement funds from the State of New York to cover any reduction in the MTA's payroll-mobility tax receipts arising out the State's December 2011 tax reduction agreement. The amended motion was defeated with 4 members voting for the amendment and 6 voting against.

The details of the Board Members' comments on the MTA 2012 Budget and Financial Plan 2012-2015, and the MTA 2010-2014 Capital Program Amendment are included in the video recording of the meeting produced by the MTA and maintained in the MTA records.



Mr. Saul called for a vote on the MTA 2012 Budget and Financial Plan 2012-2015 as originally presented. Upon motion duly made and seconded, the Board approved the Budget and Financial plan. Board Members Cappelli, Moerdler and Pally voted in opposition. Upon motion duly made and seconded, the Board approved the MTA 2010-2014 Capital Program Amendment as originally presented. Board Member Allen Cappelli voted in opposition.

The details of the above, as well as, Board member comments are contained in the video recording of the meeting produced by the MTA and maintained in the MTA records and the staff summaries, reports and Power Point presentation filed with the records of this meeting and in the minutes of the Board of the Metropolitan Transportation Authority held this day.

#### Metropolitan Transportation Authority Procurements:

The Board voted on Metropolitan Transportation Authority items. Among the items approved were competitive procurements requiring majority vote to award: (1) all-agency contracts to W.B. Mason Company for the supply and delivery of office supplies and to Crystal InfoSystems, Inc. for the supply and delivery of toner for MTA and the Agencies for a period of five years; (2) an all-agency, federally-funded personal service contract to Willdan Homeland Solutions to develop and deliver security and emergency response training for the employees of the MTA and its agencies; and (3) an all-agency personal service contract to EyeMed Vision Care LLC and Metropolitan Life Insurance to provide vision care and dental benefits for non-represented employees and some represented employees. The details of the above items are contained in the minutes of the Metropolitan Transportation Authority held this day and the staff summaries and reports filed with those minutes.

#### Real Estate Action Items:

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.

- Easement agreement with the County of Dutchess for construction and use of a bike trail on an unused portion of Metro-North's right-of-way on the Maybrook-Beacon Line, East Fishkill, New York.
- Lease with Central Station Groceries Corp. relating to Retail Space LC-1 and Storage Space LCS- 9 at Grand Central Terminal.
- License agreement with the City of New York Police Department, to erect a security booth with an access barrier arm on Metro-North property in the Bronx, New York.
- Lease with Hudson River Express, Inc., for the operation of a concession located in the Ossining station building in Ossining, New York.

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

7. Committee on New York City Transit Operations:

The Board voted on Transit items. Among the items approved was a ratification requiring majority vote to award a multi-agency contract to Avaya, Inc. for maintenance of the former Nortel Networks, Inc. LAN and WAN multi-protocol router communication networks. The details of the above item are contained in the minutes of New York City Transit held this day and the staff summaries and reports filed with those minutes.

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

MTA Metro-North Railroad Procurements:

Upon motion duly made and seconded, the Board approved the following non-competitive procurements requiring majority vote by the Board. (Board Member Shevell was not present for the votes on the remaining items before the Board.)

Miscellaneous Service Contracts

- Applied Power Systems, Inc. – Repair & return of insulated gate bi-polar transistor stack inverters for M-4 railcars.

Modifications to Miscellaneous Procurement Contracts

- TransTech of S.C. Inc. – Additional funding – OEM parts for various railcar fleets.

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

Competitive Requests for Proposal (Award of Purchase and Public Work Contracts

- Powell Electrical Systems, Inc. – Design and furnish DC traction switchgear replacement for 18 substations on Metro-North's Harlem and Hudson Lines and in GCT.

Upon motion duly made and seconded, the members of the Board present approved the following competitive procurement requiring majority vote by the Board.

Miscellaneous Service Contracts

- Abalon Exterminating Company – Competitively solicited, Metro-North led, 4-year, multi-agency master service agreement for facility and property pest control services.

Upon motion duly made and seconded, the members of the Board present approved the following ratifications requiring majority vote by the Board.

#### Completed Emergency Procurement Actions

- Kato Engineering, Inc. – Repair and return of a main traction alternator for a BL20 locomotive.
- Walco Electric Company – Emergency repair of one of two Power Department 270KW signal power motor generators housed in Cos Cob Substation 309 that supplies signal power to the trains operating on the New Haven Main Line between New Haven and Mount Vernon.

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

#### Long Island Rail Road Procurements:

The Board voted on Long Island Rail Road procurements. Among the items approved are procurements for which the Long Island Rail Road is the lead agency and Metro-North is a participant. The non-competitive procurements are as follows: (1) a non-competitive procurement requiring two-thirds vote to award a sole source non-competitive purchase and public work contract to Invensys Rail Corporation, as the original equipment manufacturer, to supply replacement parts to Long Island Rail Road and Metro-North for automatic grade crossing warning systems, and (2) a non-competitive procurement requiring majority vote to award a miscellaneous service contract to Solari Corporation for maintenance and repair of LIRR signage systems and the visual Information System located at Grand Central Terminal.

The competitive procurements are as follows: (1) requests for proposals requiring two-thirds vote to use the competitive RFP process for the design, manufacture, test and delivery of M-9 railcars and to secure a Systems Integrator to provide the design, integration and furnishing of various material required for Positive Train Control, and (2) a competitive procurement requiring majority vote to award multi-agency contracts to the firms of American Occupational Health Management, Inc. d/b/a Take Care Employer Solutions, Inc and Occupational Health Decisions to manage and operate the agencies' on-site Occupational Health Services facilities.

The details of the above items including, Board Member comments, are contained in the minutes of the Long Island Rail Road held this day and the staff summaries and reports filed with those minutes.

9. Executive Session: Upon motion duly made and seconded, the members of the Board present voted to convene in Executive Session to discuss labor matters. Upon motion duly made and seconded, the members of the Board present voted to re-convene in Public Session.

10. Adjournment:

Upon a motion duly made and seconded, the members of the Board present voted to adjourn the meeting at 11:45 a.m.

Respectfully submitted,

A handwritten signature in cursive script, appearing to read "Linda Montanino".

Linda Montanino  
Assistant Secretary

Dec 2011 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, New York  
December 21, 2011  
9:30 a.m.**

**The following members were present:**

**Hon. Andrew M. Saul, Acting Chairman  
Hon. Jonathan A. Ballan  
Hon. Robert C. Bickford  
Hon. James F. Blair  
Hon. Allen P. Cappelli  
Hon. Fernando Ferrer  
Hon. Jeffrey A. Kay  
Hon. Mark D. Lebow  
Hon. Susan G. Metzger  
Hon. Charles G. Moerdler  
Hon. Mitchell H. Pally  
Hon. James L. Sedore, Jr.  
Hon. Nancy Shevell  
Hon. Carl V. Wortendyke**

**The following members were absent:**

**Hon. John H. Banks, III  
Hon. Patrick J. Foye  
Hon. Mark Page  
Hon. Ed. Watt**

Joseph J. Lhota, Executive Director, Nuria Fernandez, Chief Operating Officer, Catherine Rinaldi, Chief of Staff, James B. Henly, MTA General Counsel, Board Member Andrew Albert, Board Member Norman E. Brown, Board Member Ira Greenberg, Board Member Vincent Tessitore, Jr., Thomas Prendergast, President of NYCTA, Helena E. Williams, President of Long Island Railroad, Howard Permut, President of Metro-North Railroad, James Ferrara, President of TBTA, Darryl Irick, President of MTA Bus Operations, Michael Horodniceanu, President of MTA Capital Construction, and Hilary Ring, 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 15 public speakers, who did not discuss items specific to the Long Island Rail Road.

Following the public speaking session, Acting Chairman Saul wished everyone a healthy, happy holiday season. The Hon. Susan Metzger presented Michael J. Garner, Chief Diversity Officer, MTA Office of Civil Rights with an award given to MTA for its work to expand contracts with minority business enterprises. The details of the above including Board Member comments, if any, are contained in the minutes of the Metropolitan Transportation Authority held this day.

## **2. APPROVAL OF MINUTES**

Upon motion duly made and seconded, the minutes of the Regular Board Meeting of November 16, 2011 were unanimously approved.

## **3. JOINT SESSION OF THE BOARD & FINANCE COMMITTEE**

Acting Chairman Saul introduced MTA Executive Director Joseph J. Lhota, MTA Chief Financial Officer Robert Foran and MTA Deputy Director of Administration Linda Kleinbaum to a Joint Session of the Board and Finance Committee. Following opening remarks by Mr. Lhota, Mr. Foran presented the MTA 2012 Budget Adoption materials and Ms. Kleinbaum presented the MTA 2010-2014 Capital Program Amendment.

A motion was made by Board Member Allen Cappelli, and seconded by Board Member Mitchell Pally to reallocate Twenty Million Dollars (\$20,000,000) within the proposed Budget to service restoration. Mr. Cappelli's motion was subsequently amended to call for a vote on the following: a motion (1) to amend the proposed 2012 Budget to reappropriation Twenty Million Dollars (\$20,000,000) currently allocated to other uses, and (2) to authorize the MTA Chairman to apply the reappropriated funds to service restitution, which service restitution would become effective on July 1, 2012; provided, however, that any such reappropriation and application would be subject to the MTA's receipt of replacement funds from the State of New York to cover any reduction in the MTA's payroll-mobility tax receipts arising out the State's December 2011 tax reduction agreement. The amended motion was defeated with 4 members voting for the amendment and 6 voting against the budget amendment.

The details of the Board Members' comments on the MTA 2012 Budget and Financial Plan 2012-2015, and the MTA 2010-2014 Capital Program Amendment are included in the video recording of the meeting produced by the MTA and maintained in the MTA records.

Mr. Saul called for a vote on the MTA 2012 Budget and Financial Plan 2012-2015 as originally presented. Upon motion duly made and seconded, the Board approved the Budget and Financial plan. Board Members Cappelli, Moerdler and Pally voted in opposition. Upon motion duly made and seconded, the Board approved the MTA 2010-2014 Capital Program Amendment as originally presented. Board Member Allen Cappelli voted in opposition.

The details of the above, as well as, Board member comments are contained in the video recording of the meeting produced by the MTA and maintained in the MTA records and the staff summaries, reports and Power Point presentation filed with the records of this meeting and in the minutes of the Board of the Metropolitan Transportation Authority held this day.

#### **4. COMMITTEE ON FINANCE**

Upon motion duly made and seconded, the Board approved the MTA procurement items. Among the items approved were competitive procurements requiring majority vote to award: (1) all-agency contracts to W.B. Mason Company for the supply and delivery of office supplies and Crystal InfoSystems, Inc. for the supply and delivery of toner for MTA and the Agencies for a period of five years; (2) an all-agency, federally-funded personal service contract to Willdan Homeland Solutions to develop and deliver security and emergency response training for the employees of the MTA and its agencies; and (3) an all-agency personal service contract to EyeMed Vision Care LLC and Metropolitan Life Insurance to provide vision care and dental benefits for non-represented employees and some represented employees.

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

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:

- License agreement with the Living Faith Christian Church, for parking parishioners' vehicles on an unused portion of MTA LIRR's Central Branch right-of-way in Farmingdale, New York.
- License agreement with NG 1095 East 45<sup>th</sup> LLC, for parking and storage of vehicles and maintenance of security fencing within LIRR's Bay Branch right-of-way in Brooklyn, New York.
- License agreement with New York City Department of Environmental Protection, for placement of subsurface duct bank and manhole within LIRR's Montauk Branch right-of-way in Maspeth, New York.

Details of the above items are filed with the records of this meeting.

#### **5. COMMITTEE ON NEW YORK CITY TRANSIT OPERATIONS**

The Board voted on Transit items. Among the items approved was a ratification to award a multi-agency contract to Avaya, Inc. for maintenance of the former Nortel Networks, Inc. LAN and WAN multi-protocol router communication networks. The details of the above item are contained in the minutes of New York City Transit held this day and the staff summaries and reports filed with those minutes.

## 6. LONG ISLAND COMMITTEE

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

- a non-competitive award on behalf of LIRR and Metro-North of a contract to Invensys Rail Corporation, as the original equipment manufacturer, to supply replacement parts for automatic grade crossing warning systems,
- a non-competitive award on behalf of LIRR and Metro-North of a contract to Solari Corporation for maintenance and repair of LIRR signage systems and the visual information system located at Grand Central Terminal,
- on behalf of LIRR and Metro-North, the use of the competitive RFP process to secure contracts for the design, manufacture, test and delivery of M-9 and M-9A railcars,
- on behalf of LIRR and Metro-North, the use of the competitive RFP process to secure a Systems Integrator to provide the design, integration and furnishing of various material required for Positive Train Control,
- the use of the competitive RFP process to secure a contract for the replacement of the Hillside and Kew Gardens Substations,
- the competitive award of multi-agency contracts to the firms of American Occupational Health Management, Inc. d/b/a Take Care Employer Solutions, Inc and Occupational Health Decisions to manage and operate the agencies' on-site Occupational Health Services facilities,
- the use of the competitive RFP process to secure a contract for the replacement of the Hillside and Kew Gardens Substations,
- a competitive award of a contract to Delta Railroad Construction Inc. to provide design-build services of direct fastener replacement on tracks at Merrick and Bellmore Viaducts,
- for MTACC, a modification to a service contract with URS Corporation – New York in order to continue program and construction management services along with general conditions work for the ESA Project and in support of other MTACC projects, and
- for MTACC, a modification to a service contract with PB Americas/STV/Parsons Transportation Group, Joint Venture, for various design changes and replenishment of the Project-Wide Task Order Budget.

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

Upon motion duly made and seconded, the Board approved the Metro-North

Committee procurement items. Among those items was a miscellaneous service contract to Abalon Exterminating Company of a competitively solicited, Metro-North led, 4-year, multi-agency master service agreement for facility and property pest control services on behalf of Metro-North, Long Island Rail Road, New York City Transit and MTA Bus.

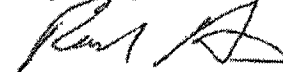
7. EXECUTIVE SESSION

Upon motion duly made and seconded, the members of the Board present voted to convene in Executive Session to discuss labor matters. Upon motion duly made and seconded, the members of the Board present voted to re-convene in Public Session.

8. ADJOURNMENT

Upon a motion duly made and seconded, the members of the Board present voted to adjourn the meeting at 11:45 a.m.

Respectfully submitted,



Richard L. Gans  
Secretary

**Minutes of the Regular Meeting  
Triborough Bridge and Tunnel Authority  
December 21, 2011**

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

9:30 a.m.

The following members were present:

Hon. Andrew M. Saul, Acting Chairman and CEO  
Hon. Jonathan A. Ballan  
Hon. Robert C. Bickford  
Hon. James F. Blair  
Hon. Allen P. Cappelli  
Hon. Fernando Ferrer  
Hon. Jeffrey A. Kay  
Hon. Mark D. LeBow  
Hon. Susan Metzger  
Hon. Charles G. Moerdler  
Hon. Mitchell H. Pally  
Hon. James E. Sedore, Jr.  
Hon. Nancy Shevell  
Hon. Carl V. Wortendyke

Not Present:

Hon. John H. Banks, III  
Hon. Patrick J. Foye  
Hon. Mark Page  
Hon. Ed Watt

Joseph J. Lhota, Executive Director; Nuria Fernandez, Chief Operating Officer; Catherine Rinaldi, Chief of Staff; James B. Henly, General Counsel, MTA; Board Member Andrew Albert; Board Member Norman Brown; Board Member Ira Greenberg; Board Member Vincent Tessitore; James Ferrara, President, MTA Bridges and Tunnels; Michael Horodniceanu, President, MTA Capital Construction; Darryl Irick, President, MTA Bus Operations;

Thomas F. Prendergast, President, New York City Transit; Howard Permut, President, Metro-North Commuter Railroad; Helena E. Williams, President, Long Island Rail Road; and Hilary Ring, 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.

Acting Chairman Saul called the meeting to order.

1. **Public Speakers**

There were fifteen public speakers. Mr. Murray Bodin, Concerned Grandparents, stated that it was his opinion that the Authority's gateless tolling study at the Henry Hudson Bridge is flawed. He asked Commissioner Cappelli, Chair of the Bridges and Tunnels Committee, to direct B&T staff to meet with him to answer his questions and to discuss his concerns. The remaining speakers did not specifically comment on issues regarding the Triborough Bridge and Tunnel Authority. The subject matter of the speakers' comments is contained in the minutes of the meeting of the Board of the Metropolitan Transportation Authority.

2. **Acting Chairman Saul's Opening Comments**

Acting Chairman Saul wished everyone a healthy and happy holiday season.

3. **Approval of the Minutes of the Regular Meeting November 16, 2011**

Upon a motion duly made and seconded, the minutes of the Meeting held November 16, 2011 were unanimously approved.

4. Commissioner Metzger presented Mr. Michael J. Garner, Chief Diversity Officer, MTA Office of Civil Rights, with an award given to the MTA by the New York-New Jersey Minority Supplier Development Council for its work to expand contracts with minority business enterprises.

5. **Joint Session of the Board and Finance Committee**

Acting Chairman Saul introduced to a Joint Session of the Board and Finance Committee MTA Executive Director, Joseph Lhota, MTA Chief Financial Officer, Robert Foran, and MTA Deputy Director of Administration, Linda Kleinbaum. Following opening remarks by Mr. Lhota, Mr. Foran presented the MTA 2012 Budget and Financial Plan 2012-2015. Ms. Kleinbaum, presented the MTA 2010-2014 Capital Program Amendment.

The details of Mr. Lhota's comments, and the presentations made by Mr. Foran and Ms. Kleinbaum are contained in the minutes of the Board of the Metropolitan Transportation Authority.

Upon a motion duly made by Board Member Cappelli and seconded by Board Member Pally, Board Member Cappelli sought to amend the proposed budget to reallocate \$20 million within the proposed Budget to service restoration. Mr. Cappelli's motion was subsequently amended in accordance with the following: a motion (1) to amend the proposed 2012 Budget to reappropriate \$20 million currently allocated to other uses, and (2) to authorize the MTA Chairman to apply the reappropriated funds to service restitution, which service restitution would become effective on July 1, 2012; provided, however, that any such reappropriation and application would be subject to the MTA's receipt of replacement funds from the State of New York to cover any reduction in the MTA's payroll mobility tax receipts arising out of the State's December 2011 tax reduction agreement.

The amended motion was defeated by a vote of 6 opposed versus 4 in favor. Board Members Cappelli, Moerdler, Ferrer and Pally voted in favor of the amendment. Acting Chairman Saul, and Board Members Ballan, Kay, Lebow, Shevell, Bickford, Metzger, Sedore and Wortendyke voted in opposition to the amendment.

Upon a motion duly made and seconded, the 2012 Budget and Financial Plan 2012-2015 were approved. Board Members Cappelli, Pally and Moerdler voted in opposition.

Upon a motion duly made and seconded, the Board approved the MTA 2012-2014 Capital Program Amendment. Board Member Cappelli voted in opposition.

A copy of the staff summaries, documents and details of the above items, as well as Board Member comments, are filed with the minutes of the meeting of the Board of the Metropolitan Transportation Authority.

**6. Finance Committee**

**MTA and TBTA Reimbursement Resolutions for Federal Tax Purposes**

Upon a motion duly made and seconded, the MTA and TBTA Board approved MTA and TBTA reimbursement resolutions that are required by Federal tax law to preserve the ability to finance certain capital projects on a tax-exempt basis.

A copy of the resolutions and staff summary of the above items are filed with the minutes of the Board of the Metropolitan Transportation Authority and Triborough Bridge and Tunnel Authority.

**Approval of Remarketing Agent**

Upon a motion duly made and seconded, the MTA and TBTA Board approved the addition of US Bancorp to the existing approval pool of variable rate remarketing agents and dealers.

A copy of the staff summary of the above item is filed with the minutes of the meeting of the Board of the Metropolitan Transportation Authority and Triborough Bridge and Tunnel Authority.



### **Metropolitan Transportation Authority All-Agency Procurements**

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

- An all-agency contract to W.B. Mason Company for the supply and delivery of office supplies and Crystal InfoSystems, Inc. for the supply and delivery of toner for MTA and the Agencies for a period of five years;
- An all-agency, federally-funded personal service contract to Willdan Homeland Solutions to develop and deliver security and emergency response training for the employees of the MTA and its agencies; and
- An all-agency personal service contract to EyeMed Vision Care LLC and Metropolitan Life Insurance to provide vision care and dental benefits for non-represented employees and some represented employees.

The staff summaries and details of the above items are filed with the minutes of the meeting of the Board of the Metropolitan Transportation Authority.

### **7. Committee for MTA Bridges and Tunnels Operations**

#### **Lease Agreement with National Grid**

Upon a motion duly made and seconded, the Board approved the following item introduced by Commissioner Cappelli and recommended to it by the MTA Bridges and Tunnels Committee:

Authorization for MTA B&T ("B&T") to enter into an agreement with KeySpan Gas East Corporation d/b/a National Grid ("National Grid"), pursuant to Public Authorities Law Sections 552 and 553 (14), to lease to National Grid the right to construct, own, operate, maintain and use two natural gas pipelines with appurtenances for the public with B&T property adjacent to the Marine Parkway-Gil Hodges Memorial Bridge ("Marine Parkway Bridge") in Brooklyn, under the Rockaway Inlet and on the Rockaway Peninsula, to connect the gas system at Flatbush Avenue to the gas system at Beach 169th Street.

A copy of the staff summary of the above item is filed with the minutes of the meeting of the Board of the Metropolitan Transportation Authority.

#### **Procurements**

Commissioner Cappelli stated that there are no non-competitive procurements this month.

#### **Competitive Procurements**

Commissioner Cappelli stated that there are ten competitive procurements totaling \$16.403 million.

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

**Competitive Procurements**

**Request to Use RFP for Procurement of Purchase & Public Works in lieu of Sealed Bid**

Contractors to be Determined	Contract No. RK-65R Request that the Board declare competitive bidding to be impractical and/or inappropriate and authorize B&T to enter into a competitive Request for Proposal process for Design/Build Services for the TBTA Maintenance Facility on Randall's Island.	Cost to be Determined
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**Miscellaneous Procurement Contracts**

Vandis, Inc.	Contract No. 3000000745 Contractor to furnish and install F5 Local Traffic Manager hardware and software and provide associated support for a period of 12 months.	\$36,342.70
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**Personal Service Contracts**

WSP-Sells/HNTB Joint Venture	Contract No. PSC-11-2865 Provide design and design support services for Bronx Plaza Structure Rehabilitation and Interim Rehabilitation of the Manhattan Plaza at the RFK Bridge	\$10,428,880.09
Hatch Mott McDonald NY, Inc.	Contract No. PSC-10-2890 Provide design and construction support services for Project QM-18, Rehabilitation of the Manhattan Exit Plaza at the Queens Midtown Tunnel.	\$2,498,121.32
Henningson Durham & Richardson Architecture & Engineering, PC	Contract No. PSC-10-2885 Provide design and construction support services for Project MP-03, Electrical and Mechanical Rehabilitation at the Marine Parkway – Gil Hodges Memorial Bridge.	\$1,499,542.19

**Miscellaneous Service Contracts**

Triport International A.G.E.R., Inc.	Contract No. 11-MNT-2885 Contractor to provide all labor, material and equipment necessary to perform safety inspections, testing and preventive maintenance for its aerial lift equipment.	\$113,600.00
Total Fire Protection, Inc.	Contract No. 3000000721 Contractor to provide all labor, material and equipment necessary for inspection, testing, maintenance, repair, filing and recharging of fire extinguishers on an as- needed basis.	\$37,162.50

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

Modjeski & Masters, Inc.	Contract No. PSC-05-2757 Provide additional design services under Project BW-84B, Investigation and Monitoring of Bridge Suspension System and Designs for Painting and Eyebar Rehabilitation at the Bronx-Whitestone Bridge.	\$299,589.85
Ammann and Whitney Consulting Engineers PC	Contract No. PSC-10-2874 Additional construction management and inspection services for Project TN-85C, Suspended Span Repairs at the Throgs Neck Bridge.	\$191,628.33

**Modifications to Purchase & Public Works Contracts**

Corcon, Inc.	Contract No. D607-VN-88 Additional work and deletion of various line items under Contract D607-VN-88. Cleaning and Painting of the Lower Towers at the Verrazano-Narrows Bridge.	\$1,297,669.00
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Commissioner Cappelli stated that there are no ratifications.

8. **Executive Session**

Upon a motion duly made and seconded, the Board voted to convene in Executive session to discuss labor matters.

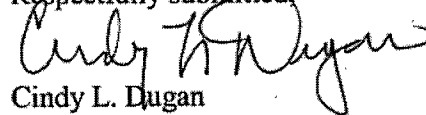
9. **Public Session**

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 at 11:45 a.m.

Respectfully submitted,



Cindy L. Dugan  
Assistant Secretary

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

Wednesday, December 21, 2011  
9:30 a.m.

**The following members were present:**

Hon. Andrew M. Saul, Acting Chairman  
Hon. Jonathan A. Ballan  
Hon. Robert C. Bickford  
Hon. James F. Blair  
Hon. Allen P. Cappelli  
Hon. Fernando Ferrer  
Hon. Jeffrey A. Kay  
Hon. Mark D. Lebow  
Hon. Susan G. Metzger  
Hon. Charles G. Moerdler  
Hon. Mitchell H. Pally  
Hon. James L. Sedore, Jr.  
Hon. Nancy Shevell  
Hon. Carl V. Wortendyke

**The following members were absent:**

Hon. John H. Banks, III  
Hon. Patrick J. Foye  
Hon. Mark Page  
Hon. Ed Watt

Joseph J. Lhota, Executive Director, Nuria Fernandez, Chief Operating Officer, Catherine Rinaldi, Chief of Staff, James B. Henly, MTA General Counsel, Board Member Andrew Albert, Board Member Norman E. Brown, Board Member Ira Greenberg, Board Member Vincent Tessitore, Jr., Thomas Prendergast, President of NYCTA, Helena E. Williams, President of Long Island Railroad, Howard Permut, President of Metro-North Railroad, James Ferrara, President of TBTA, Darryl Irick, President of MTA Bus Operations, Michael Horodniceanu, President of MTA Capital Construction, and Hilary Ring, 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.

**Acting Chairman and CEO Saul 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 Nov 16, 2011.

**MTA Capital Construction Action Items**

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

- A ratification of an agreement with the owners of 200 East 63rd Street for work in support of the Second Avenue Subway 63rd Street Station.
- An increase in funding for 250 East 87th St. Owners Corporation, for work in support of the Second Avenue Subway 86th Street Station. The increase is due to costs resulting from additional time needed to complete the design as well as legal fees and insurance costs.

**MTA Capital Construction Procurements**

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

- Authorization to enter into a contract with Thacher Associates LLC to be an independent assessor to oversee Skanska USA Civil Northeast Inc. on MTACC projects.
- Authorization to enter into a contract with Comstock/Skanska for the construction contract for systems work for Second Avenue Subway.
- Modification to the East Side Access Program Management Services contract with URS Corporation.
- Modification to the East Side Access General Engineering Consultant Services contract with PB America/STV/Parsons Transportation Group, Joint Venture.

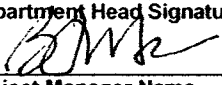

**Adjournment**

Upon motion duly made and seconded, the MTA Board voted to adjourn the public meeting at 11:45 a.m.

Respectfully submitted,


Patrick Killackey  
Secretary

# Staff Summary

<b>Subject</b> Approval of Supplemental Resolutions Authorizing Refunding Bonds
<b>Department</b> Finance
<b>Department Head Name</b> Robert E. Foran, Chief Financial Officer
<b>Department Head Signature</b> 
<b>Project Manager Name</b> Patrick McCoy, Director of Finance 

<b>Date</b> January 25, 2012
<b>Vendor Name</b> N/A
<b>Contract Number</b>
<b>Contract Manager Name</b>
<b>Table of Contents Ref #</b>

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance Comm.	1/23	X		
2	Board	1/25	X		

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

## PURPOSE:

To obtain, as applicable, MTA and TBTA Board approval of the attached supplemental resolutions authorizing the issuance of refunding bonds, from time to time, subject, if applicable, to the refunding policy attached hereto adopted by the Board in May, 2010, as amended from time to time, and provided that the MTA Chief Financial Officer or the MTA Director of Finance makes a determination that the refunding of such bonds or other obligations will be beneficial to the obligors thereof and/or their affiliates and subsidiaries.

With respect to the above-referenced financial transactions, to obtain the MTA and TBTA Board approval, as applicable, delegating authority to the Chairman and Chief Executive Officer, the Vice Chairman, the Chair of the Finance Committee, the Chief Financial Officer of MTA, and the Director of Finance of MTA to award the underwriting of the refunding bonds either pursuant to competitive bidding process or to members (or entities related to such firms) of the MTA underwriting syndicate, and to execute and/or deliver in each case, where appropriate:

- o Notices of Sale and bid forms,
- o Purchase Agreements with underwriters,
- o Related Parity Reimbursement Obligations and other related Parity Debt,
- o Official Statements and other disclosure documents,
- o Continuing Disclosure Agreements and related filings,
- o Dealer Agreements,
- o Related Subordinated Contract Obligations,
- o Verification Reports,
- o Escrow Agreements, and
- o Investment Agreements.

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

## **DISCUSSION:**

MTA's portfolio of outstanding indebtedness is \$30.1 billion (exclusive of State Service Contract Bonds, which debt service is paid by the State). In 2012, approximately \$6.6 billion in such outstanding indebtedness will become currently callable, accordingly, if market conditions are beneficial, refunding of this debt could potentially result in significant debt service savings. These previously issued bonds, together with bonds anticipated to be issued to fund approved Capital Programs, require the use of increasing amounts of pledged revenues under the various resolutions authorizing the original debt. As the MTA desires to achieve the lowest possible cost associated with this debt, refunding authority is desirable to enable the refunding of such debt obligations and bonds from time to time when market opportunities arise.

## **ALTERNATIVES:**

The Board could determine that staff seek specific approval for each refunding contemplated in advance of undertaking such refunding. This alternative is not advised as the timing of the Board cycle could result in missed market opportunities.

## **RECOMMENDATION:**

The MTA and TBTA Boards approve the above-referenced amended and restated resolutions and documents and all other actions described above, including the execution and delivery of such other documents, and the taking of all other actions, from time to time deemed necessary or desirable by such officers in connection therewith. The authorization to issue the Refunding Bonds and take other related actions hereunder shall continue in effect without any further action by the Issuer until February 28, 2013, unless (a) the Issuer shall have confirmed the effectiveness of this authorization for an additional period, or (b) the Issuer shall have modified or repealed this authorization.



Adopted May 26, 2010

## **BOND AND OTHER DEBT OBLIGATIONS REFUNDING POLICY**

WHEREAS, The Metropolitan Transportation Authority has a large portfolio of outstanding bonds and other debt obligations; and

WHEREAS, The Metropolitan Transportation Authority desires to achieve the lowest possible interest cost for such bonds; and

WHEREAS, The Metropolitan Transportation Authority desires, from time to time, to benefit from favorable capital market conditions to undertake refundings of the outstanding bonds and other obligations; and

WHEREAS, The Metropolitan Transportation Authority has determined that in order to provide guidance in the issuance of refunding bonds, a refunding policy ("Refunding Policy") is desirable.

WHEREAS, such refunding bonds must be authorized by the Board in accordance with a supplemental resolution for each of the MTA and TBTA credits, such supplemental resolutions are attached hereto;

BE IT RESOLVED by the Metropolitan Transportation Authority that, except as otherwise provided by separate action of the Authority relating to a particular refunding, the Refunding Policy as set forth below shall be adopted and shall apply to all refundings of bonds or other debt obligations described therein hereafter.

## Metropolitan Transportation Authority and Triborough Bridge and Tunnel Authority Bond and Other Debt Obligations Refunding Policy

This bond and other debt obligations refunding policy establishes conditions precedent to any issuance of fixed rate bonds for the purposes of refunding fixed rate bonds previously issued by the MTA or any of the Related Entities.

- For a standard fixed rate refunding, each individual bond maturity is expected to have net present value (NPV) savings (expressed as a percentage of the par amount of refunded bonds) of at least the following amounts at the time of mailing the Preliminary Official Statement and at the time of the initial pricing of the refunding bonds (nothing herein precludes the addition of individual bond maturities that meet the savings criteria, or the deletion of bond maturities that do not meet the savings criteria on the day of pricing):

Years From Call to Maturity	Years to Call		
	0 to 2	3 to 7	8 plus
0 to 5	0.5%	1.0%	2.0%
6 to 10	1.0%	2.5%	4.0%
11 to 15	3.0%	4.0%	5.0%
16 plus	4.0%	5.0%	5.5%

- In addition to achieving the above maturity-by-maturity NPV savings, aggregate NPV savings must be at least 3.0 percent of the par amount of refunded bonds.
- The arbitrage yield must be utilized in calculating NPV savings.
- Actual escrow investments must be used in calculation of refunding savings at the time of pricing.

### Additional Criteria and Instructions

- The evaluation of refunding opportunities with respect to the State Bond Issuance Charge (BIC) shall be factored in as a cost of issuance with respect to total NPV savings requirement calculations. The individual bond-by-bond maturity evaluations shall also include BIC as a factor.
- If it is possible to meet the arbitrage yield in a refunding escrow with SLGS, they should be used. In the event SLGS could provide a yield higher than the arbitrage yield, as many rolling 0 percent SLGS as possible should be used to blend down the arbitrage yield. If the arbitrage yield cannot be met with SLGS or the SLGS window is not open, treasury securities and other open market securities can be considered, consistent with the investment restrictions in the bond resolution.

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**METROPOLITAN TRANSPORTATION AUTHORITY**

**MULTIPLE SERIES  
TRANSPORTATION REVENUE REFUNDING BOND  
SUPPLEMENTAL RESOLUTION**

**Adopted January 25, 2012**

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**MULTIPLE SERIES  
TRANSPORTATION REVENUE REFUNDING BOND  
SUPPLEMENTAL RESOLUTION**

BE IT RESOLVED by the Metropolitan Transportation Authority (the "Issuer"), as follows:

**ARTICLE I**

**DEFINITIONS AND STATUTORY AUTHORITY**

**Section 1.01. Supplemental Resolution.** This resolution is supplemental to, and is adopted in accordance with Article II and Article A-VIII of, a resolution of the Issuer adopted on March 26, 2002, entitled "General Resolution Authorizing Transportation Revenue Obligations" (the "Resolution").

**Section 1.02. Definitions.**

1. All capitalized terms which are used but not otherwise defined in this Multiple Series Transportation Revenue Refunding Bond Supplemental Resolution (the "Supplemental Resolution") shall have the same meanings, respectively, as such terms are given by Section 102 of the Resolution.

2. In this Supplemental Resolution:

"Authorized Officer" shall include the officers designated as such in the Resolution, and the Chairman and Chief Executive Officer, the Chair of the Finance Committee, the Chief Financial Officer or the Director of Finance, as well as any officer duly designated as "Acting" in said officer's capacity, except that, for the purposes of any delegation set forth herein that does not expressly include any Assistant Secretary, "Authorized Officer" shall not include any Assistant Secretary of the Issuer.

"Board" shall mean the members of the Issuer acting as such pursuant to the provisions of the Issuer Act.

"Bond Counsel" shall mean Hawkins Delafield & Wood LLP, Nixon Peabody LLP or any other attorney or firm of attorneys of nationally recognized standing in the field of law relating to the issuance of obligations by state and municipal entities, selected by the Issuer.

"Code" shall mean the Internal Revenue Code of 1986, as amended, and regulations thereunder.

"Cross-Credit Obligations" shall mean indebtedness or other obligations issued or incurred by the Issuer or any other Related Entity as described in clause (iii) of the definition of "Capital Costs", but excluding Obligations.

"Refunding Bonds" shall mean the Transportation Revenue Bonds authorized by Article II of this Supplemental Resolution in one or more Series or subseries.

**Section 1.03. Authority for this Supplemental Resolution.** This Supplemental Resolution is adopted pursuant to the provisions of the Issuer Act and the Resolution.

## ARTICLE II

### AUTHORIZATION OF REFUNDING BONDS

**Section 2.01. Authorized Principal Amount, Designation and Series.** 1. Pursuant to the provisions of the Resolution and in order to issue (a) Refunding Obligations, and (b) Obligations for the purpose of refunding Cross-Credit Obligations, multiple Series of Transportation Revenue Obligations (which may be issued at one time or from time to time in any number of Series or subseries, which for purposes of this Supplemental Resolution shall collectively be referred to herein as the "Refunding Bonds", subject to redesignation as hereinafter provided) entitled to the benefit, protection and security of such provisions are hereby authorized to be issued in an aggregate principal amount not exceeding the principal amount necessary so that, after giving effect to any net original issue discount or premium and underwriters' discount from the principal amount, the amount to be deposited in the Proceeds Account pursuant to, or otherwise applied to effectuate the purposes of, Section 2.02 and Section 3.01 of this Supplemental Resolution (exclusive of the amount so deposited therein determined in any Certificate of Determination as estimated to be necessary to pay any Costs of Issuance of the Refunding Bonds payable from such Proceeds Account or otherwise applied to pay such Costs of Issuance), shall not exceed the amount or amounts determined in one or more Certificates of Determination to be necessary to effectuate the purposes set forth in Section 2.02 hereof; provided, however, that any Refunding Bonds issued pursuant to this Supplemental Resolution shall be issued in compliance with any Board policies relating to the issuance of refunding bonds as may be in effect from time to time.

2. Nothing in this Supplemental Resolution is intended to preclude the issuance of Refunding Bonds as refunding obligations in accordance with Section 203 of the Resolution.

Refunding Bonds shall be designated as, and shall be distinguished from the Obligations of all other Series by the title, "Transportation Revenue Bonds, Series [insert calendar year of issuance]" or such other title or titles set forth in the related Certificate of Determination.

The authority to issue Obligations and take related actions granted under previous resolutions of the Issuer shall continue in full force and effect. The authorization to issue the Refunding Bonds and take other related actions hereunder shall continue in effect without any further action by the Issuer until February 28, 2013, unless the Issuer shall have modified or repealed this authorization.

**Section 2.02. Purposes.** The purposes for which the Refunding Bonds are issued shall be set forth in one or more Certificates of Determination and may include the refunding, restructuring or payment, including by purchasing, exchanging or tendering therefor, of all or any portion of any Outstanding Obligations or Parity Debt or Cross-Credit Obligations deemed advisable by an Authorized Officer in accordance with Section 203 or 204 of the Resolution, as applicable.

**Section 2.03. Dates, Maturities, Principal Amounts and Interest.** The Refunding Bonds, except as otherwise provided in the Resolution, shall be dated the date or dates determined in the related Certificate of Determination. The Refunding Bonds shall mature on the date or dates and in the year or years and principal amount or amounts, and shall bear interest at the rate or rates per annum, if any, specified in or determined in the manner provided in the related Certificate of Determination.

**Section 2.04. Interest Payments.** The Refunding Bonds shall bear interest from their date or dates and be payable on such date or dates as may be determined pursuant to the related Certificate of Determination. Except as otherwise provided in the related Certificate of Determination,

interest on the Refunding Bonds shall be computed on the basis of twelve 30-day months and a 360-day year.

**Section 2.05. Denominations, Numbers and Letters.** Unless otherwise provided in the related Certificate of Determination, the Refunding Bonds shall be issued in fully registered form without coupons in the denomination of \$5,000 or any integral multiple thereof.

The Refunding Bonds shall be lettered and numbered as provided in the related Certificate of Determination.

**Section 2.06. Places of Payment and Paying Agent.** Except as otherwise provided in the related Certificate of Determination, principal and Redemption Price of the Refunding Bonds shall be payable to the registered owner of each Refunding Bond when due upon presentation of such Refunding Bond at the principal corporate trust office of the Trustee. Except as otherwise provided in the related Certificate of Determination, interest on the registered Refunding Bonds will be paid by check or draft mailed on the interest payment date by the Paying Agent, to the registered owner at his address as it appears on the registration books or, at the option of any Owner of at least one million dollars (\$1,000,000) in principal amount of the Refunding Bonds, by wire transfer in immediately available funds on each interest payment date to such Owner thereof upon written notice from such Owner to the Trustee, at such address as the Trustee may from time to time notify such Owner, containing the wire transfer address (which shall be in the continental United States) to which such Owner wishes to have such wire directed, if such written notice is received not less than twenty (20) days prior to the related interest payment date (such notice may refer to multiple interest payments).

**Section 2.07. Sinking Fund Installments.** The Refunding Bonds, if any, determined in the related Certificate of Determination shall be subject to redemption (a) in part, by lot, (b) pro rata (in the case of taxable Refunding Bonds), or (c) otherwise as determined in accordance with Section A-404 of the Resolution, as set forth in the Certificate of Determination, on each date in the year or years determined in the Certificate of Determination at the principal amount thereof plus accrued interest up to but not including the date of redemption thereof, from mandatory Sinking Fund Installments which are required to be made in amounts sufficient to redeem on each such date the principal amount of such Refunding Bonds.

**Section 2.08. Redemption Prices and Terms.** The Refunding Bonds may also be subject to redemption prior to maturity, at the option of the Issuer, upon notice as provided in Article A-IV of the Resolution, at any time as a whole or in part (and by lot within a maturity, or otherwise as determined in accordance with Section A-404 of the Resolution, if less than all of a maturity is to be redeemed), from maturities designated by the Issuer on and after the date and in the years and at the Redemption Prices (expressed as a percentage of principal amount) determined in the related Certificate of Determination, plus accrued interest up to but not including the redemption date. Notwithstanding the foregoing, in the case of taxable Refunding Bonds, if set forth in the Certificate of Determination, the taxable Refunding Bonds may be made subject to pro rata redemption and/or a make-whole redemption premium.

**Section 2.09. Delegation to an Authorized Officer.** 1. There is hereby delegated to each Authorized Officer, subject to the limitations contained in this Supplemental Resolution, the following powers with respect to the Refunding Bonds:

(a) to determine whether and when to issue any Refunding Bonds constituting Refunding Obligations or Obligations issued to refund Cross-Credit Obligations, and to determine the amount of the proceeds of the Refunding Bonds to be applied to refunding purposes as well as the specific

Obligations or Parity Debt or Cross-Credit Obligations, or portions of either to be refunded and the date or dates, if any, on which such refunded obligations shall be redeemed, and the amount of the proceeds of the Refunding Bonds estimated to be necessary to pay the Costs of Issuance of the Refunding Bonds;

(b) to determine the purpose or purposes for which the Refunding Bonds are being issued, which shall be one or more of the purposes set forth in Section 2.02 of this Supplemental Resolution;

(c) to determine the principal amounts of the Refunding Bonds to be issued for the purposes set forth in Section 2.02 of this Supplemental Resolution and whether such principal amounts constitute a separate Series or a subseries of Refunding Bonds, and to determine Accreted Values and Appreciated Values, if applicable;

(d) to determine the maturity date and principal amount of each maturity of the Refunding Bonds and the amount and due date of each Sinking Fund Installment, if any;

(e) to determine the date or dates which the Refunding Bonds shall be dated and the interest rate or rates of the Refunding Bonds or the manner of determining such interest rate or rates; provided, however, that any Obligations issued as Tax-Exempt Obligations shall be subject to a maximum interest rate of not greater than 10% per annum, any Obligations issued as Taxable Obligations shall be subject to a maximum interest rate of not greater than 12% per annum, any Variable Interest Rate Obligations issued as Tax-Exempt Obligations shall be subject to a maximum interest rate of not greater than 15% per annum, any Variable Interest Rate Obligations issued as Taxable Obligations shall be subject to a maximum interest rate of not greater than 18% per annum and any Parity Reimbursement Obligations shall be subject to a maximum interest rate of not greater than 25% per annum, or, in each such case, such higher rate or rates as determined by the Issuer's Board;

(f) to determine the Redemption Price or Redemption Prices, if any, and the redemption terms, if any, for the Refunding Bonds; provided, however, that if the Refunding Bonds are to be redeemable at the election of the Issuer, the Redemption Price (except in the case of taxable Refunding Bonds) shall not be greater than one hundred three percent (103%) of the principal amount of the Refunding Bonds to be redeemed, plus accrued interest thereon up to but not including the date of redemption and in the case of taxable Refunding Bonds any provisions relating to pro rata redemption and/or make-whole redemption;

(g) to determine whether the sale of the Refunding Bonds shall be conducted on either a negotiated or competitive bid basis and, as applicable, to determine the purchase price for the Refunding Bonds to be paid by the purchasers referred to in the Purchase Agreement or the purchase price for the Refunding Bonds to be paid by the winning bidder, if such sale is conducted by competitive bid pursuant to a Notice of Sale, in either case as such document is described in Section 2.10 of this Supplemental Resolution, which may include such original issue discount and original issue premium as shall be determined in the related Certificate of Determination; provided, however, that the underwriters' discount reflected in such purchase price shall not exceed \$10.00 for each one thousand dollars (\$1,000) principal amount of the Refunding Bonds;

(h) to take all actions required for the Refunding Bonds to be eligible under the rules and regulations of The Depository Trust Company ("DTC") for investment and trading as uncertificated securities, to execute and deliver a standard form of letter of representation with DTC and, notwithstanding any provisions to the contrary contained in this Supplemental Resolution, to include in the related Certificate of Determination such terms and provisions as may be appropriate or necessary to provide for uncertificated securities in lieu of Refunding Bonds issuable in fully registered form;



(i) to determine whether to issue all or any portion of the Refunding Bonds as Tax-Exempt Obligations, Taxable Obligations, Put Obligations, Variable Interest Rate Obligations or as any other form of Obligations permitted by the Resolution and any matters related thereto, including (i) the terms and provisions of any such Obligations, (ii) the selection of remarketing agents, tender agents, auction agents, dealers, bidding agents or any other agents or parties to ancillary arrangements and the terms of any such arrangements, and (iii) the methods for determining the accrual of Debt Service;

(j) to determine the advisability, as compared to an unenhanced transaction, of obtaining one or more Credit Facilities, to select a provider or providers thereof and to determine and accept the terms and provisions and price thereof, to determine such other matters related thereto as in the opinion of the officer executing the related Certificate of Determination shall be considered necessary or appropriate and to effect such determinations by making any changes in or additions to this Supplemental Resolution required by Credit Facility providers, if any, or required by a Rating Agency in order to attain or maintain specific ratings on the Refunding Bonds, or relating to the mechanisms for the repayment of amounts advanced thereunder or payment of fees, premiums, expenses or any other amounts, notices, the provision of information, and such other matters of a technical, mechanical, procedural or descriptive nature necessary or appropriate to obtain or implement a Credit Facility with respect to the Refunding Bonds, and to make any changes in connection therewith;

(k) to make such changes in or from the form of this Supplemental Resolution as may be necessary or desirable in order to cure any ambiguities, inconsistencies or other defects;

(l) to determine whether to (i) enter into an escrow agreement or other arrangement in connection with the issuance of Refunding Bonds, including the selection of escrow agents, verification agents and the manner of determining specified matters relating to the defeasance of the refunded obligations and (ii) purchase SLGs or open market securities and the form and substance thereof and any related investment agreement, and to determine the application of any amounts released in connection with any such refunding;

(m) to determine that such Refunding Bonds comply with all Board policies relating to the issuance of refunding obligations in effect at the time of such determination; and

(n) to determine such other matters specified in or permitted by (i) Sections 202, 203, 204 and A-201 of the Resolution or (ii) this Supplemental Resolution, or to determine matters relating to the payment or defeasance of Obligation Anticipation Notes, including preparation of any documentation therefor.

2. Any Authorized Officer shall execute one or more Certificates of Determination evidencing the determinations made pursuant to this Supplemental Resolution and any such Certificate of Determination shall be conclusive evidence of the determinations of such Authorized Officer, as stated therein. More than one Certificate of Determination may be delivered to the extent more than one Series or subseries of Refunding Bonds are delivered from time to time, or other authority is exercised under this Supplemental Resolution from time to time and each such Certificate of Determination shall be delivered to the Trustee prior to the authentication and delivery of the respective Series or subseries of Refunding Bonds by the Trustee or other documentation. Determinations set forth in any Certificate of Determination shall have the same effect as if set forth in this Supplemental Resolution. Any such Authorized Officer may exercise any authority delegated under this Supplemental Resolution from time to time following issuance of any Refunding Bonds, as appropriate for any purposes, including, in order to change interest rate modes or auction periods, if any Refunding Bonds shall consist of multiple subseries, to change the principal amounts and number of the individual subseries or to combine all subseries into a single Series, if any Refunding Bonds consist of a single Series, to divide such Series into

two or more subseries and to determine the principal amount of such subseries, obtain a substitute or additional Credit Facility or to appoint new or additional agents or other parties deemed appropriate to a particular form or mode of Obligation or manner of sale.

**Section 2.10. Sale of Refunding Bonds.** If it is determined that any sale of Bonds shall be conducted on a negotiated basis, each Authorized Officer is hereby authorized to sell and award the Refunding Bonds to the purchasers who shall be on the list of underwriters then approved by the Issuer and shall be referred to in the Purchase Agreement or Agreements, which Purchase Agreement or Agreements shall be substantially in the form most recently executed or delivered by the Issuer in connection with the sale of Obligations, with such revisions to reflect the terms and provisions of the Refunding Bonds as may be approved by the officer executing the Purchase Agreement (each, a "Purchase Agreement"). Each Authorized Officer is hereby authorized to agree to the selection of the representative of the underwriters as referred to in the Purchase Agreement or Agreements and to execute and deliver the Purchase Agreement or Agreements for and on behalf and in the name of the Issuer with such changes, omissions, insertions and revisions as may be approved by the officer executing the Purchase Agreement or Agreements, said execution being conclusive evidence of such approval and concurrence in the selection of the representative of the underwriters.

If it is determined that any sale of Bonds shall be conducted on a competitive bid basis, each Authorized Officer is hereby further authorized to conduct the sale and award of the Refunding Bonds on the basis of a competitive bid, pursuant to the terms of a notice of sale, including bid form (the "Notice of Sale"), in a form, including any limitations on permitted bidders and a description of the basis for determining the winning bidder or bidders, determined by such Authorized Officer. Each Authorized Officer is hereby authorized to conduct such competitive sale of the Refunding Bonds in a manner consistent with this Supplemental Resolution and to utilize the services of the Authority's financial advisor and the services of an electronic bidding service, as such Authorized Officer shall determine, and the execution by such Authorized Officer of a letter of award shall be conclusive evidence of such award.

Each Authorized Officer is hereby authorized to make public and to authorize the use and distribution by said purchasers or other appropriate parties of a preliminary official statement, offering circular, or other disclosure document (the "Preliminary Official Statement") in connection with each public offering or any private placement of the Refunding Bonds, in substantially the form most recently executed or delivered by the Issuer in connection with the sale of Obligations, with such changes, omissions, insertions and revisions as such officer shall deem advisable. The Issuer authorizes any of said officers to deliver a certification to the effect that such Preliminary Official Statement or Official Statement, if deemed necessary or appropriate, together with such other documents, if any, described in such certificate, was deemed final as of its date for purposes of Rule 15c2-12 of the Securities and Exchange Commission as applicable.

Each Authorized Officer is hereby authorized to make public and to authorize distribution of a final Official Statement in substantially the form of each Preliminary Official Statement or the most recently executed and delivered Official Statement if there is not a Preliminary Official Statement, with such changes, omissions, insertions and revisions as such officer shall deem advisable, to sign such Official Statement and to deliver such Official Statement to the purchasers of such issue of the Refunding Bonds, such execution being conclusive evidence of the approval of such changes, omissions, insertions and revisions.

Each Authorized Officer is hereby authorized to execute and deliver for and on behalf and in the name of the Issuer, to the extent determined by such Authorized Officer to be necessary or convenient, a Continuing Disclosure Agreement, substantially in the form appended to the Purchase Agreement or Notice of Sale, with such changes, omissions, insertions and revisions as such officer shall

deem advisable (the "Continuing Disclosure Agreement"), said execution being conclusive evidence of the approval of such changes, omissions, insertions and revisions.

The proceeds of each good faith check, if any, received by the Issuer from the purchasers of each issue of Refunding Bonds under the terms of the related Purchase Agreement or Notice of Sale may be invested by the Issuer pending application of the proceeds of such good faith check for the purposes provided in Section 2.02 of this Supplemental Resolution at the time of the issuance and delivery of such Refunding Bonds.

Each Authorized Officer (including any Assistant Secretary of the Issuer) is hereby authorized and directed to execute, deliver, amend, replace or terminate any and all documents and instruments (including any remarketing agreements, tender agency agreements, dealer agreements, broker-dealer agreements, tender agent agreements, or auction agency agreements, any escrow agreements, any investment agreements or arrangements, or any reimbursement agreements or documents or instruments relating to a Credit Facility deemed appropriate to a given form or mode of an Obligation) and to do and cause to be done any and all acts necessary or proper for carrying out each Purchase Agreement or Notice of Sale, each Continuing Disclosure Agreement, the terms of any Credit Facility or other such agreement or arrangement, and the issuance, sale and delivery of each issue of the Refunding Bonds and for implementing the terms of each issue of the Refunding Bonds and the transactions contemplated hereby or thereby.

When reference is made in this Supplemental Resolution to the authorization of an Authorized Officer to do any act, such act may be accomplished by any of such officers individually.

**Section 2.11. Forms of Refunding Bonds and Trustee's Authentication Certificate.** Subject to the provisions of the Resolution, the form of registered Refunding Bonds, and the Trustee's certificate of authentication, shall be substantially in the form set forth in Exhibit One to the Resolution including, if necessary, any changes to comply with the requirements of DTC or the provisions of this Supplemental Resolution or any Certificate of Determination.

**Section 2.12. Appointment of Trustee and Paying Agent.** Unless otherwise provided by Certificate of Determination, The Bank of New York Mellon, as successor in interest to JPMorgan Chase Bank, N.A. shall be the Trustee under the Resolution and the Paying Agent for the Refunding Bonds.

### **ARTICLE III**

#### **DISPOSITION OF REFUNDING BOND PROCEEDS**

**Section 3.01. Disposition of Refunding Bond Proceeds.** Any proceeds of the sale of the Refunding Bonds, other than accrued interest, if any, shall be deposited, simultaneously with the issuance and delivery of the Refunding Bonds, at one time or from time to time in one or more Series or subseries, in the Proceeds Account which is deemed to be established for each Series in the Proceeds Fund to be applied, or shall otherwise be applied pursuant to a Certificate of Determination to:

(a) the refunding of any Obligations, Parity Debt or Cross-Credit Obligations, or portions of any of them, in accordance with Section 2.02 hereof; and

(b) the balance of such proceeds, exclusive of accrued interest, shall be deposited in the Costs of Issuance Account and applied to the payment of Costs of Issuance or otherwise applied to the payment of Costs of Issuance.

Unless otherwise provided in a Certificate of Determination, the accrued interest, and any capitalized interest, if any, received on the sale of the Refunding Bonds shall be deposited in the Debt Service Fund.

## ARTICLE IV

### TAX COVENANTS AND DEFEASANCE

**Section 4.01. Tax Covenants Relating to the Refunding Bonds.** The Issuer covenants that, in order to maintain the exclusion from gross income for Federal income tax purposes of the interest on the Refunding Bonds issued as Tax-Exempt Obligations, the Issuer will satisfy, or take such actions as are necessary to cause to be satisfied, each provision of the Code necessary to maintain such exclusion. In furtherance of this covenant, the Issuer agrees to comply with such written instructions as may be provided by Bond Counsel. In furtherance of the covenant contained in the preceding sentence, the Issuer agrees to continually comply with the provisions of any "Arbitrage and Use of Proceeds Certificate" or "Tax Certificate" to be executed by the Issuer in connection with the execution and delivery of any Refunding Bonds issued as Tax-Exempt Obligations, as amended from time to time.

Notwithstanding any other provision of the Resolution to the contrary, upon the Issuer's failure to observe, or refusal to comply with, the above covenant (a) the Owners of the Refunding Bonds, or the Trustee acting on their behalf, shall be entitled to the rights and remedies provided to Owners or the Trustee under Section 702 of the Resolution, and (b) neither the Owners of the Obligations of any Series or holders of any Parity Debt (other than the Refunding Bonds or the Trustee acting on their behalf), nor the Trustee acting on their behalf, shall be entitled to exercise any right or remedy provided to the Owners, the Parity Debt holders or the Trustee under the Resolution based upon the Issuer's failure to observe, or refusal to comply with, the above covenant.

The provisions of the foregoing covenants set forth in this Section shall not apply to any Refunding Bonds, including any subseries thereof, which the Issuer determines pursuant to the applicable Certificate of Determination to issue as Taxable Obligations.

**Section 4.02. Defeasance.** In the event the Issuer shall seek, prior to the maturity or redemption date thereof, to pay or cause to be paid, within the meaning and with the effect expressed in the Resolution, all or less than all Outstanding Refunding Bonds issued as Tax-Exempt Obligations and the provisions of Section 4.01 hereof shall then be of any force or effect, then, notwithstanding the provisions of Article A-XI of the Resolution, the Refunding Bonds issued as Tax-Exempt Obligations which the Issuer then seeks to pay or cause to be paid shall not be deemed to have been paid within the meaning and with the effect expressed in Section A-1101 of the Resolution unless (i) the Issuer has confirmed in writing that the Owners of the Refunding Bonds issued as Tax-Exempt Obligations which the Issuer then seeks to pay or cause to be paid will continue, after such action, to have the benefit of a covenant to the effect of the covenant of the Issuer contained in Section 4.01 hereof or (ii) there shall have been delivered to the Trustee an Opinion of Bond Counsel to the effect that non-compliance thereafter with the applicable provisions of the Code will not affect the then current treatment of interest on the Refunding Bonds issued as Tax-Exempt Obligations in determining gross income for Federal income tax purposes.

**METROPOLITAN TRANSPORTATION AUTHORITY**

**MULTIPLE SERIES  
DEDICATED TAX FUND REFUNDING BOND  
SUPPLEMENTAL RESOLUTION**

**Adopted January 25, 2012**

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**MULTIPLE SERIES  
DEDICATED TAX FUND REFUNDING BOND  
SUPPLEMENTAL RESOLUTION**

BE IT RESOLVED by the Metropolitan Transportation Authority (the "Issuer"), as follows:

**ARTICLE I**

**DEFINITIONS AND STATUTORY AUTHORITY**

**Section 1.01. Supplemental Resolution.** This resolution is supplemental to, and is adopted in accordance with Article II and Article A-VIII of, a resolution of the Issuer adopted on March 26, 2002, entitled "Dedicated Tax Fund Obligation Resolution" (the "Resolution").

**Section 1.02. Definitions.**

1. All capitalized terms which are used but not otherwise defined in this Multiple Series Dedicated Tax Fund Refunding Bond Supplemental Resolution (the "Supplemental Resolution") shall have the same meanings, respectively, as such terms are given by Section 102 of the Resolution.

2. In this Supplemental Resolution:

"Authorized Officer" shall include the officers designated as such in the Resolution, and the Chairman and Chief Executive Officer, the Chair of the Finance Committee, the Chief Financial Officer or the Director of Finance, as well as any officer duly designated as "Acting" in said officer's capacity, except that, for the purposes of any delegation set forth herein that does not expressly include any Assistant Secretary, "Authorized Officer" shall not include any Assistant Secretary of the Issuer.

"Board" shall mean the members of the Issuer acting as such pursuant to the provisions of the Issuer Act.

"Bond Counsel" shall mean Hawkins Delafield & Wood LLP, Nixon Peabody LLP or any other attorney or firm of attorneys of nationally recognized standing in the field of law relating to the issuance of obligations by state and municipal entities, selected by the Issuer.

"Code" shall mean the Internal Revenue Code of 1986, as amended, and regulations thereunder.

"Cross-Credit Obligations" shall mean indebtedness or other obligations issued or incurred by the Issuer or any other Related Entity as described in clause (iii) of the definition of "Capital Costs", but excluding Obligations.

"Refunding Bonds" shall mean the Dedicated Tax Fund Bonds authorized by Article II of this Supplemental Resolution in one or more Series or subseries.

**Section 1.03. Authority for this Supplemental Resolution.** This Supplemental Resolution is adopted pursuant to the provisions of the Issuer Act and the Resolution.



## ARTICLE II

### AUTHORIZATION OF REFUNDING BONDS

**Section 2.01. Authorized Principal Amount, Designation and Series.** 1. Pursuant to the provisions of the Resolution and in order to issue (a) Refunding Obligations, and (b) Obligations for the purpose of refunding Cross-Credit Obligations, multiple Series of Dedicated Tax Fund Obligations (which may be issued at one time or from time to time in any number of Series or subseries, which for purposes of this Supplemental Resolution shall collectively be referred to herein as the "Refunding Bonds", subject to redesignation as hereinafter provided) entitled to the benefit, protection and security of such provisions are hereby authorized to be issued in an aggregate principal amount not exceeding the principal amount necessary so that, after giving effect to any net original issue discount or premium and underwriters' discount from the principal amount, the amount to be deposited in the Proceeds Account pursuant to, or otherwise applied to effectuate the purposes of, Section 2.02 and Section 3.01 of this Supplemental Resolution (exclusive of the amount so deposited therein determined in any Certificate of Determination as estimated to be necessary to pay any Costs of Issuance of the Refunding Bonds payable from such Proceeds Account or otherwise applied to pay such Costs of Issuance), shall not exceed the amount or amounts determined in one or more Certificates of Determination to be necessary to effectuate the purposes set forth in Section 2.02 hereof; provided, however, that any Refunding Bonds issued pursuant to this Supplemental Resolution shall be issued in compliance with any Board policies relating to the issuance of refunding bonds as may be in effect from time to time.

2. Nothing in this Supplemental Resolution is intended to preclude the issuance of Refunding Bonds as refunding obligations in accordance with Section 203 of the Resolution.

Refunding Bonds shall be designated as, and shall be distinguished from the Obligations of all other Series by the title, "Dedicated Tax Fund Bonds, Series [insert calendar year of issuance]" or such other title or titles set forth in the related Certificate of Determination.

The authority to issue Obligations and take related actions granted under previous resolutions of the Issuer shall continue in full force and effect. The authorization to issue the Refunding Bonds and take other related actions hereunder shall continue in effect without any further action by the Issuer until February 28, 2013, unless the Issuer shall have modified or repealed this authorization.

**Section 2.02. Purposes.** The purposes for which the Refunding Bonds are issued shall be set forth in one or more Certificates of Determination and may include the refunding, restructuring or payment, including by purchasing, exchanging or tendering therefor, of all or any portion of any Outstanding Obligations or Parity Debt or Cross-Credit Obligations deemed advisable by an Authorized Officer in accordance with Section 203 or 204 of the Resolution, as applicable.

**Section 2.03. Dates, Maturities, Principal Amounts and Interest.** The Refunding Bonds, except as otherwise provided in the Resolution, shall be dated the date or dates determined in the related Certificate of Determination. The Refunding Bonds shall mature on the date or dates and in the year or years and principal amount or amounts, and shall bear interest at the rate or rates per annum, if any, specified in or determined in the manner provided in the related Certificate of Determination.

**Section 2.04. Interest Payments.** The Refunding Bonds shall bear interest from their date or dates and be payable on such date or dates as may be determined pursuant to the related Certificate of Determination. Except as otherwise provided in the related Certificate of Determination, interest on the Refunding Bonds shall be computed on the basis of twelve 30-day months and a 360-day year.

**Section 2.05. Denominations, Numbers and Letters.** Unless otherwise provided in the related Certificate of Determination, the Refunding Bonds shall be issued in fully registered form without coupons in the denomination of \$5,000 or any integral multiple thereof.

The Refunding Bonds shall be lettered and numbered as provided in the related Certificate of Determination.

**Section 2.06. Places of Payment and Paying Agent.** Except as otherwise provided in the related Certificate of Determination, principal and Redemption Price of the Refunding Bonds shall be payable to the registered owner of each Refunding Bond when due upon presentation of such Refunding Bond at the principal corporate trust office of the Trustee. Except as otherwise provided in the related Certificate of Determination, interest on the registered Refunding Bonds will be paid by check or draft mailed on the interest payment date by the Paying Agent, to the registered owner at his address as it appears on the registration books or, at the option of any Owner of at least one million dollars (\$1,000,000) in principal amount of the Refunding Bonds, by wire transfer in immediately available funds on each interest payment date to such Owner thereof upon written notice from such Owner to the Trustee, at such address as the Trustee may from time to time notify such Owner, containing the wire transfer address (which shall be in the continental United States) to which such Owner wishes to have such wire directed, if such written notice is received not less than twenty (20) days prior to the related interest payment date (such notice may refer to multiple interest payments).

**Section 2.07. Sinking Fund Installments.** The Refunding Bonds, if any, determined in the related Certificate of Determination shall be subject to redemption (a) in part, by lot, (b) pro rata (in the case of taxable Refunding Bonds), or (c) otherwise as determined in accordance with Section A-404 of the Resolution, as set forth in the Certificate of Determination, on each date in the year or years determined in the Certificate of Determination at the principal amount thereof plus accrued interest up to but not including the date of redemption thereof, from mandatory Sinking Fund Installments which are required to be made in amounts sufficient to redeem on each such date the principal amount of such Refunding Bonds.

**Section 2.08. Redemption Prices and Terms.** The Refunding Bonds may also be subject to redemption prior to maturity, at the option of the Issuer, upon notice as provided in Article A-IV of the Resolution, at any time as a whole or in part (and by lot within a maturity, or otherwise as determined in accordance with Section A-404 of the Resolution, if less than all of a maturity is to be redeemed), from maturities designated by the Issuer on and after the date and in the years and at the Redemption Prices (expressed as a percentage of principal amount) determined in the related Certificate of Determination, plus accrued interest up to but not including the redemption date. Notwithstanding the foregoing, in the case of taxable Refunding Bonds, if set forth in the Certificate of Determination, the taxable Refunding Bonds may be made subject to pro rata redemption and/or a make-whole redemption premium.

**Section 2.09. Delegation to an Authorized Officer.** 1. There is hereby delegated to each Authorized Officer, subject to the limitations contained in this Supplemental Resolution, the following powers with respect to the Refunding Bonds:

(a) to determine whether and when to issue any Refunding Bonds constituting Refunding Obligations or Obligations issued to refund Cross-Credit Obligations, and to determine the amount of the proceeds of the Refunding Bonds to be applied to refunding purposes as well as the specific Obligations or Parity Debt or Cross-Credit Obligations, or portions of either to be refunded and the date or dates, if any, on which such refunded obligations shall be redeemed, and the amount of the proceeds of the Refunding Bonds estimated to be necessary to pay the Costs of Issuance of the Refunding Bonds;

(b) to determine the purpose or purposes for which the Refunding Bonds are being issued, which shall be one or more of the purposes set forth in Section 2.02 of this Supplemental Resolution;

(c) to determine the principal amounts of the Refunding Bonds to be issued for the purposes set forth in Section 2.02 of this Supplemental Resolution and whether such principal amounts constitute a separate Series or a subseries of Refunding Bonds, and to determine Accreted Values and Appreciated Values, if applicable;

(d) to determine the maturity date and principal amount of each maturity of the Refunding Bonds and the amount and due date of each Sinking Fund Installment, if any;

(e) to determine the date or dates which the Refunding Bonds shall be dated and the interest rate or rates of the Refunding Bonds or the manner of determining such interest rate or rates; provided, however, that any Obligations issued as Tax-Exempt Obligations shall be subject to a maximum interest rate of not greater than 10% per annum, any Obligations issued as Taxable Obligations shall be subject to a maximum interest rate of not greater than 12% per annum, any Variable Interest Rate Obligations issued as Tax-Exempt Obligations shall be subject to a maximum interest rate of not greater than 15% per annum, any Variable Interest Rate Obligations issued as Taxable Obligations shall be subject to a maximum interest rate of not greater than 18% per annum and any Parity Reimbursement Obligations shall be subject to a maximum interest rate of not greater than 25% per annum, or, in each such case, such higher rate or rates as determined by the Issuer's Board;

(f) to determine the Redemption Price or Redemption Prices, if any, and the redemption terms, if any, for the Refunding Bonds; provided, however, that if the Refunding Bonds are to be redeemable at the election of the Issuer, the Redemption Price (except in the case of taxable Refunding Bonds) shall not be greater than one hundred three percent (103%) of the principal amount of the Refunding Bonds to be redeemed, plus accrued interest thereon up to but not including the date of redemption and in the case of taxable Refunding Bonds any provisions relating to the pro rata redemption and/or make-whole redemption;

(g) to determine whether the sale of the Refunding Bonds shall be conducted on either a negotiated or competitive bid basis and, as applicable, to determine the purchase price for the Refunding Bonds to be paid by the purchasers referred to in the Purchase Agreement or the purchase price for the Refunding Bonds to be paid by the winning bidder, if such sale is conducted by competitive bid pursuant to a Notice of Sale, in either case as such document is described in Section 2.10 of this Supplemental Resolution, which may include such original issue discount and original issue premium as shall be determined in the related Certificate of Determination; provided, however, that the underwriters' discount reflected in such purchase price shall not exceed \$10.00 for each one thousand dollars (\$1,000) principal amount of the Refunding Bonds;

(h) to take all actions required for the Refunding Bonds to be eligible under the rules and regulations of The Depository Trust Company ("DTC") for investment and trading as uncertificated securities, to execute and deliver a standard form of letter of representation with DTC and, notwithstanding any provisions to the contrary contained in this Supplemental Resolution, to include in the related Certificate of Determination such terms and provisions as may be appropriate or necessary to provide for uncertificated securities in lieu of Refunding Bonds issuable in fully registered form;

(i) to determine whether to issue all or any portion of the Refunding Bonds as Tax-Exempt Obligations, Taxable Obligations, Put Obligations, Variable Interest Rate Obligations or as

any other form of Obligations permitted by the Resolution and any matters related thereto, including (i) the terms and provisions of any such Obligations, (ii) the selection of remarketing agents, tender agents, auction agents, dealers, bidding agents or any other agents or parties to ancillary arrangements and the terms of any such arrangements, and (iii) the methods for determining the accrual of Debt Service;

(j) to determine the advisability, as compared to an unenhanced transaction, of obtaining one or more Credit Facilities, to select a provider or providers thereof and to determine and accept the terms and provisions and price thereof, to determine such other matters related thereto as in the opinion of the officer executing the related Certificate of Determination shall be considered necessary or appropriate and to effect such determinations by making any changes in or additions to this Supplemental Resolution required by Credit Facility providers, if any, or required by a Rating Agency in order to attain or maintain specific ratings on the Refunding Bonds, or relating to the mechanisms for the repayment of amounts advanced thereunder or payment of fees, premiums, expenses or any other amounts, notices, the provision of information, and such other matters of a technical, mechanical, procedural or descriptive nature necessary or appropriate to obtain or implement a Credit Facility with respect to the Refunding Bonds, and to make any changes in connection therewith;

(k) to make such changes in or from the form of this Supplemental Resolution as may be necessary or desirable in order to cure any ambiguities, inconsistencies or other defects;

(l) to determine whether to (i) enter into an escrow agreement or other arrangement in connection with the issuance of Refunding Bonds, including the selection of escrow agents, verification agents and the manner of determining specified matters relating to the defeasance of the refunded obligations and (ii) purchase SLGs or open market securities and the form and substance thereof and any related investment agreement, and to determine the application of any amounts released in connection with any such refunding;

(m) to determine that such Refunding Bonds comply with all Board policies relating to the issuance of refunding obligations in effect at the time of such determination; and

(n) to determine such other matters specified in or permitted by (i) Sections 202, 203, 204 and A-201 of the Resolution or (ii) this Supplemental Resolution, or to determine matters relating to the payment or defeasance of Obligation Anticipation Notes, including preparation of any documentation therefor.

2. Any Authorized Officer shall execute one or more Certificates of Determination evidencing the determinations made pursuant to this Supplemental Resolution and any such Certificate of Determination shall be conclusive evidence of the determinations of such Authorized Officer, as stated therein. More than one Certificate of Determination may be delivered to the extent more than one Series or subseries of Refunding Bonds are delivered from time to time, or other authority is exercised under this Supplemental Resolution from time to time and each such Certificate of Determination shall be delivered to the Trustee prior to the authentication and delivery of the respective Series or subseries of Refunding Bonds by the Trustee or other documentation. Determinations set forth in any Certificate of Determination shall have the same effect as if set forth in this Supplemental Resolution. Any such Authorized Officer may exercise any authority delegated under this Supplemental Resolution from time to time following issuance of any Refunding Bonds, as appropriate for any purposes, including, in order to change interest rate modes or auction periods, if any Refunding Bonds shall consist of multiple subseries, to change the principal amounts or number of the individual subseries or to combine subseries into a single Series, if any Refunding Bonds consist of a single Series, to divide such Series into two or more subseries and to determine the principal amount of such subseries, obtain a substitute or additional

Credit Facility or to appoint new or additional agents or other parties deemed appropriate to a particular form or mode of Obligation or manner of sale.

**Section 2.10. Sale of Refunding Bonds.** If it is determined that any sale of Bonds shall be conducted on a negotiated basis, each Authorized Officer is hereby authorized to sell and award the Refunding Bonds to the purchasers who shall be on the list of underwriters then approved by the Issuer and shall be referred to in the Purchase Agreement or Agreements, which Purchase Agreement or Agreements shall be substantially in the form most recently executed or delivered by the Issuer in connection with the sale of Obligations, with such revisions to reflect the terms and provisions of the Refunding Bonds as may be approved by the officer executing the Purchase Agreement (each, a "Purchase Agreement"). Each Authorized Officer is hereby authorized to agree to the selection of the representative of the underwriters as referred to in the Purchase Agreement or Agreements and to execute and deliver the Purchase Agreement or Agreements for and on behalf and in the name of the Issuer with such changes, omissions, insertions and revisions as may be approved by the officer executing the Purchase Agreement or Agreements, said execution being conclusive evidence of such approval and concurrence in the selection of the representative of the underwriters.

If it is determined that any sale of Bonds shall be conducted on a competitive bid basis, each Authorized Officer is hereby further authorized to conduct the sale and award of the Refunding Bonds on the basis of a competitive bid, pursuant to the terms of a notice of sale, including bid form (the "Notice of Sale"), in a form, including any limitations on permitted bidders and a description of the basis for determining the winning bidder or bidders, determined by such Authorized Officer. Each Authorized Officer is hereby authorized to conduct such competitive sale of the Refunding Bonds in a manner consistent with this Supplemental Resolution and to utilize the services of the Authority's financial advisor and the services of an electronic bidding service, as such Authorized Officer shall determine, and the execution by such Authorized Officer of a letter of award shall be conclusive evidence of such award.

Each Authorized Officer is hereby authorized to make public and to authorize the use and distribution by said purchasers or other appropriate parties of a preliminary official statement, offering circular, or other disclosure document (the "Preliminary Official Statement") in connection with each public offering or any private placement of the Refunding Bonds, in substantially the form most recently executed or delivered by the Issuer in connection with the sale of Obligations, with such changes, omissions, insertions and revisions as such officer shall deem advisable. The Issuer authorizes any of said officers to deliver a certification to the effect that such Preliminary Official Statement or Official Statement, if deemed necessary or appropriate, together with such other documents, if any, described in such certificate, was deemed final as of its date for purposes of Rule 15c2-12 of the Securities and Exchange Commission as applicable.

Each Authorized Officer is hereby authorized to make public and to authorize distribution of a final Official Statement in substantially the form of each Preliminary Official Statement or the most recently executed and delivered Official Statement if there is not a Preliminary Official Statement, with such changes, omissions, insertions and revisions as such officer shall deem advisable, to sign such Official Statement and to deliver such Official Statement to the purchasers of such issue of the Refunding Bonds, such execution being conclusive evidence of the approval of such changes, omissions, insertions and revisions.

Each Authorized Officer is hereby authorized to execute and deliver for and on behalf and in the name of the Issuer, to the extent determined by such Authorized Officer to be necessary or convenient, a Continuing Disclosure Agreement, substantially in the form appended to the Purchase Agreement or Notice of Sale, with such changes, omissions, insertions and revisions as such officer shall

deem advisable (the "Continuing Disclosure Agreement"), said execution being conclusive evidence of the approval of such changes, omissions, insertions and revisions.

The proceeds of each good faith check, if any, received by the Issuer from the purchasers of each issue of Refunding Bonds under the terms of the related Purchase Agreement or Notice of Sale may be invested by the Issuer pending application of the proceeds of such good faith check for the purposes provided in Section 2.02 of this Supplemental Resolution at the time of the issuance and delivery of such Refunding Bonds.

Each Authorized Officer (including any Assistant Secretary of the Issuer) is hereby authorized and directed to execute, deliver, amend, replace or terminate any and all documents and instruments (including any remarketing agreements, tender agency agreements, dealer agreements, broker-dealer agreements, tender agent agreements, or auction agency agreements, any escrow agreements, any investment agreements or arrangements, or any reimbursement agreements or documents or instruments relating to a Credit Facility deemed appropriate to a given form or mode of an Obligation) and to do and cause to be done any and all acts necessary or proper for carrying out each Purchase Agreement or Notice of Sale, each Continuing Disclosure Agreement, the terms of any Credit Facility or other such agreement or arrangement, and the issuance, sale and delivery of each issue of the Refunding Bonds and for implementing the terms of each issue of the Refunding Bonds and the transactions contemplated hereby or thereby.

When reference is made in this Supplemental Resolution to the authorization of an Authorized Officer to do any act, such act may be accomplished by any of such officers individually.

**Section 2.11. Forms of Refunding Bonds and Trustee's Authentication Certificate.** Subject to the provisions of the Resolution, the form of registered Refunding Bonds, and the Trustee's certificate of authentication, shall be substantially in the form set forth in Exhibit One to the Resolution including, if necessary, any changes to comply with the requirements of DTC or the provisions of this Supplemental Resolution or any Certificate of Determination.

**Section 2.12. Appointment of Trustee and Paying Agent.** Unless otherwise provided by Certificate of Determination, The Bank of New York Mellon shall be the Trustee under the Resolution and the Paying Agent for the Refunding Bonds.

### **ARTICLE III**

#### **DISPOSITION OF REFUNDING BOND PROCEEDS**

**Section 3.01. Disposition of Refunding Bond Proceeds.** Any proceeds of the sale of the Refunding Bonds, other than accrued interest if any, shall be deposited, simultaneously with the issuance and delivery of the Refunding Bonds, at one time or from time to time in one or more Series or subseries, in the Proceeds Account which is deemed to be established for each Series in the Proceeds Fund to be applied, or shall otherwise be applied pursuant to a Certificate of Determination to:

(a) the refunding of any Obligations, Parity Debt or Cross-Credit Obligations, or portions of any of them, in accordance with Section 2.02 hereof; and

(b) the balance of such proceeds, exclusive of accrued interest, shall be deposited in the COI Subaccount and applied to the payment of Costs of Issuance or otherwise applied to the payment of Costs of Issuance.

Unless otherwise provided in a Certificate of Determination, the accrued interest and any capitalized interest, if any, received on the sale of the Refunding Bonds shall be deposited in the Debt Service Fund.

## ARTICLE IV

### TAX COVENANTS AND DEFEASANCE

**Section 4.01. Tax Covenants Relating to the Refunding Bonds.** The Issuer covenants that, in order to maintain the exclusion from gross income for Federal income tax purposes of the interest on the Refunding Bonds issued as Tax-Exempt Obligations, the Issuer will satisfy, or take such actions as are necessary to cause to be satisfied, each provision of the Code necessary to maintain such exclusion. In furtherance of this covenant, the Issuer agrees to comply with such written instructions as may be provided by Bond Counsel. In furtherance of the covenant contained in the preceding sentence, the Issuer agrees to continually comply with the provisions of any "Arbitrage and Use of Proceeds Certificate" or "Tax Certificate" to be executed by the Issuer in connection with the execution and delivery of any Refunding Bonds issued as Tax-Exempt Obligations, as amended from time to time.

Notwithstanding any other provision of the Resolution to the contrary, upon the Issuer's failure to observe, or refusal to comply with, the above covenant (a) the Owners of the Refunding Bonds, or the Trustee acting on their behalf, shall be entitled to the rights and remedies provided to Owners or the Trustee under Section 702 of the Resolution, and (b) neither the Owners of the Obligations of any Series or holders of any Parity Debt (other than the Refunding Bonds or the Trustee acting on their behalf), nor the Trustee acting on their behalf, shall be entitled to exercise any right or remedy provided to the Owners, the Parity Debt holders or the Trustee under the Resolution based upon the Issuer's failure to observe, or refusal to comply with, the above covenant.

The provisions of the foregoing covenants set forth in this Section shall not apply to any Refunding Bonds, including any subseries thereof, which the Issuer determines pursuant to the applicable Certificate of Determination to issue as Taxable Obligations.

**Section 4.02. Defeasance.** In the event the Issuer shall seek, prior to the maturity or redemption date thereof, to pay or cause to be paid, within the meaning and with the effect expressed in the Resolution, all or less than all Outstanding Refunding Bonds issued as Tax-Exempt Obligations and the provisions of Section 4.01 hereof shall then be of any force or effect, then, notwithstanding the provisions of Article A-XI of the Resolution, the Refunding Bonds issued as Tax-Exempt Obligations which the Issuer then seeks to pay or cause to be paid shall not be deemed to have been paid within the meaning and with the effect expressed in Section A-1101 of the Resolution unless (i) the Issuer has confirmed in writing that the Owners of the Refunding Bonds issued as Tax-Exempt Obligations which the Issuer then seeks to pay or cause to be paid will continue, after such action, to have the benefit of a covenant to the effect of the covenant of the Issuer contained in Section 4.01 hereof or (ii) there shall have been delivered to the Trustee an Opinion of Bond Counsel to the effect that non-compliance thereafter with the applicable provisions of the Code will not affect the then current treatment of interest on the Refunding Bonds issued as Tax-Exempt Obligations in determining gross income for Federal income tax purposes.



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**TRIBOROUGH BRIDGE AND TUNNEL AUTHORITY**

**MULTIPLE SERIES  
2001 SUBORDINATE REVENUE REFUNDING BOND  
SUPPLEMENTAL RESOLUTION**

**Adopted January 25, 2012**

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**MULTIPLE SERIES  
2001 SUBORDINATE REVENUE REFUNDING BOND  
SUPPLEMENTAL RESOLUTION**

BE IT RESOLVED by the Triborough Bridge and Tunnel Authority (the "Issuer"), as follows:

**ARTICLE I**

**DEFINITIONS AND STATUTORY AUTHORITY**

**Section 1.01. Supplemental Resolution.** This resolution is supplemental to, and is adopted in accordance with Article II and Article A-VIII of, a resolution of the Issuer adopted on March 26, 2002, entitled "2001 Subordinate Resolution Authorizing General Revenue Obligations" (the "Resolution").

**Section 1.02. Definitions.**

1. All capitalized terms which are used but not otherwise defined in this Multiple Series 2001 Subordinate Revenue Refunding Bond Supplemental Resolution (the "Supplemental Resolution") shall have the same meanings, respectively, as such terms are given by Section 102 of the Resolution.

2. In this Supplemental Resolution:

"Authorized Officer" shall include the officers designated as such in the Resolution, and the Chairman and Chief Executive Officer, the Chair of the Finance Committee, the Chief Financial Officer or the Director of Finance, MTA, as well as any officer duly designated as "Acting" in said officer's capacity, except that, for the purposes of any delegation set forth herein that does not expressly include any Assistant Secretary, "Authorized Officer" shall not include any Assistant Secretary of the Issuer.

"Board" shall mean, when used with respect to the Issuer, the board of the Issuer acting as such pursuant to the provisions of the Issuer Act, and when used with respect to the MTA, the members of the MTA acting as such pursuant to the provisions of the MTA Act.

"Bond Counsel" shall mean Hawkins Delafield & Wood LLP, Nixon Peabody LLP or any other attorney or firm of attorneys of nationally recognized standing in the field of law relating to the issuance of obligations by state and municipal entities, selected by the Issuer.

"Code" shall mean the Internal Revenue Code of 1986, as amended, and regulations thereunder.

"Cross-Credit Obligations" shall mean indebtedness or other obligations issued or incurred by the Issuer or any other Related Entity as described in clause (iii) of the definition of "Capital Costs", but excluding Obligations.

"Refunding Bonds" shall mean the 2001 Subordinate Revenue Bonds authorized by Article II of this Supplemental Resolution in one or more Series or subseries.

**Section 1.03. Authority for this Supplemental Resolution.** This Supplemental Resolution is adopted pursuant to the provisions of the Issuer Act and the Resolution.

## ARTICLE II

### AUTHORIZATION OF REFUNDING BONDS

**Section 2.01. Authorized Principal Amount, Designation and Series.** 1. Pursuant to the provisions of the Resolution and in order to issue (a) Refunding Subordinate Obligations, and (b) Obligations for the purpose of refunding Cross-Credit Obligations, multiple Series of Subordinate Revenue Obligations (which may be issued at one time or from time to time in any number of Series or subseries, which for purposes of this Supplemental Resolution shall collectively be referred to herein as the "Refunding Bonds", subject to redesignation as hereinafter provided) entitled to the benefit, protection and security of such provisions are hereby authorized to be issued in an aggregate principal amount not exceeding the principal amount necessary so that, after giving effect to any net original issue discount or premium and underwriters' discount from the principal amount, the amount to be deposited in the Proceeds Account pursuant to, or otherwise applied to effectuate the purposes of, Section 2.02 and Section 3.01 of this Supplemental Resolution (exclusive of the amount so deposited therein determined in any Certificate of Determination as estimated to be necessary to pay any Costs of Issuance of the Refunding Bonds payable from such Proceeds Account or otherwise applied to pay such Costs of Issuance), shall not exceed the amount or amounts determined in one or more Certificates of Determination to be necessary to effectuate the purposes set forth in Section 2.02 hereof; provided, however, that any Refunding Bonds issued pursuant to this Supplemental Resolution shall be issued in compliance with any Board policies relating to the issuance of refunding bonds as may be in effect from time to time.

2. Nothing in this Supplemental Resolution is intended to preclude the issuance of Refunding Bonds as refunding obligations in accordance with Section 204 of the Resolution.

Refunding Bonds shall be designated as, and shall be distinguished from the Obligations of all other Series by the title, "Subordinate Revenue Bonds, Series [insert calendar year of issuance]" or such other title or titles set forth in the related Certificate of Determination.

The authority to issue Obligations and take related actions granted under previous resolutions of the Issuer shall continue in full force and effect. The authorization to issue the Refunding Bonds and take other related actions hereunder shall continue in effect without any further action by the Issuer until February 28, 2013, unless the Issuer shall have modified or repealed this authorization.

**Section 2.02. Purposes.** The purposes for which the Refunding Bonds are issued shall be set forth in one or more Certificates of Determination and may include the refunding, restructuring or payment, including by purchasing, exchanging or tendering therefor, of all or any portion of any Outstanding Obligations or Parity Debt or Cross-Credit Obligations deemed advisable by an Authorized Officer in accordance with Section 203 or 204 of the Resolution, as applicable.

**Section 2.03. Dates, Maturities, Principal Amounts and Interest.** The Refunding Bonds, except as otherwise provided in the Resolution, shall be dated the date or dates determined in the related Certificate of Determination. The Refunding Bonds shall mature on the date or dates and in the year or years and principal amount or amounts, and shall bear interest at the rate or rates per annum, if any, specified in or determined in the manner provided in the related Certificate of Determination.

**Section 2.04. Interest Payments.** The Refunding Bonds shall bear interest from their date or dates and be payable on such date or dates as may be determined pursuant to the related Certificate of Determination. Except as otherwise provided in the related Certificate of Determination,

interest on the Refunding Bonds shall be computed on the basis of twelve 30-day months and a 360-day year.

**Section 2.05. Denominations, Numbers and Letters.** Unless otherwise provided in the related Certificate of Determination, the Refunding Bonds shall be issued in fully registered form without coupons in the denomination of \$5,000 or any integral multiple thereof.

The Refunding Bonds shall be lettered and numbered as provided in the related Certificate of Determination.

**Section 2.06. Places of Payment and Paying Agent.** Except as otherwise provided in the related Certificate of Determination, principal and Redemption Price of the Refunding Bonds shall be payable to the registered owner of each Refunding Bond when due upon presentation of such Refunding Bond at the principal corporate trust office of the Trustee. Except as otherwise provided in the related Certificate of Determination, interest on the registered Refunding Bonds will be paid by check or draft mailed on the interest payment date by the Paying Agent, to the registered owner at his address as it appears on the registration books or, at the option of any Owner of at least one million dollars (\$1,000,000) in principal amount of the Refunding Bonds, by wire transfer in immediately available funds on each interest payment date to such Owner thereof upon written notice from such Owner to the Trustee, at such address as the Trustee may from time to time notify such Owner, containing the wire transfer address (which shall be in the continental United States) to which such Owner wishes to have such wire directed, if such written notice is received not less than twenty (20) days prior to the related interest payment date (such notice may refer to multiple interest payments).

**Section 2.07. Sinking Fund Installments.** The Refunding Bonds, if any, determined in the related Certificate of Determination shall be subject to redemption (a) in part, by lot, (b) pro rata (in the case of taxable Refunding Bonds), or (c) otherwise as determined in accordance with Section A-404 of the Resolution, as set forth in the Certificate of Determination, on each date in the year or years determined in the Certificate of Determination at the principal amount thereof plus accrued interest up to but not including the date of redemption thereof, from mandatory Sinking Fund Installments which are required to be made in amounts sufficient to redeem on each such date the principal amount of such Refunding Bonds.

**Section 2.08. Redemption Prices and Terms.** The Refunding Bonds may also be subject to redemption prior to maturity, at the option of the Issuer, upon notice as provided in Article A-IV of the Resolution, at any time as a whole or in part (and by lot within a maturity, or otherwise as determined in accordance with Section A-404 of the Resolution, if less than all of a maturity is to be redeemed), from maturities designated by the Issuer on and after the date and in the years and at the Redemption Prices (expressed as a percentage of principal amount) determined in the related Certificate of Determination, plus accrued interest up to but not including the redemption date. Notwithstanding the foregoing, in the case of taxable Refunding Bonds, if set forth in the Certificate of Determination, the taxable Refunding Bonds may be made subject to pro rata redemption and/or a make-whole redemption premium.

**Section 2.09. Delegation to an Authorized Officer.** 1. There is hereby delegated to each Authorized Officer, subject to the limitations contained in this Supplemental Resolution, the following powers with respect to the Refunding Bonds:

(a) to determine whether and when to issue any Refunding Bonds constituting Refunding Subordinate Obligations or Obligations issued to refund Cross-Credit Obligations, and to determine the amount of the proceeds of the Refunding Bonds to be applied to refunding purposes as well

as the specific Obligations or Parity Debt or Cross-Credit Obligations, or portions of either to be refunded and the date or dates, if any, on which such refunded obligations shall be redeemed, and the amount of the proceeds of the Refunding Bonds estimated to be necessary to pay the Costs of Issuance of the Refunding Bonds;

(b) to determine the purpose or purposes for which the Refunding Bonds are being issued, which shall be one or more of the purposes set forth in Section 2.02 of this Supplemental Resolution;

(c) to determine the principal amounts of the Refunding Bonds to be issued for the purposes set forth in Section 2.02 of this Supplemental Resolution and whether such principal amounts constitute a separate Series or a subseries of Refunding Bonds, and to determine Accreted Values and Appreciated Values, if applicable;

(d) to determine the maturity date and principal amount of each maturity of the Refunding Bonds and the amount and due date of each Sinking Fund Installment, if any;

(e) to determine the date or dates which the Refunding Bonds shall be dated and the interest rate or rates of the Refunding Bonds or the manner of determining such interest rate or rates; provided, however, that any Obligations issued as Tax-Exempt Obligations shall be subject to a maximum interest rate of not greater than 10% per annum, any Obligations issued as Taxable Obligations shall be subject to a maximum interest rate of not greater than 12% per annum, any Variable Interest Rate Obligations issued as Tax-Exempt Obligations shall be subject to a maximum interest rate of not greater than 15% per annum, any Variable Interest Rate Obligations issued as Taxable Obligations shall be subject to a maximum interest rate of not greater than 18% per annum and any Parity Reimbursement Obligations shall be subject to a maximum interest rate of not greater than 25% per annum, or, in each such case, such higher rate or rates as determined by the Issuer's Board;

(f) to determine the Redemption Price or Redemption Prices, if any, and the redemption terms, if any, for the Refunding Bonds; provided, however, that if the Refunding Bonds are to be redeemable at the election of the Issuer, the Redemption Price (except in the case of taxable Refunding Bonds) shall not be greater than one hundred three percent (103%) of the principal amount of the Refunding Bonds to be redeemed, plus accrued interest thereon up to but not including the date of redemption and in the case of taxable Refunding Bonds any provisions relating to pro rata redemption and/or make-whole redemption;

(g) to determine whether the sale of the Refunding Bonds shall be conducted on either a negotiated or competitive bid basis and, as applicable, to determine the purchase price for the Refunding Bonds to be paid by the purchasers referred to in the Purchase Agreement or the purchase price for the Refunding Bonds to be paid by the winning bidder, if such sale is conducted by competitive bid pursuant to a Notice of Sale, in either case as such document is described in Section 2.10 of this Supplemental Resolution, which may include such original issue discount and original issue premium as shall be determined in the related Certificate of Determination; provided, however, that the underwriters' discount reflected in such purchase price shall not exceed \$10.00 for each one thousand dollars (\$1,000) principal amount of the Refunding Bonds;

(h) to take all actions required for the Refunding Bonds to be eligible under the rules and regulations of The Depository Trust Company ("DTC") for investment and trading as uncertificated securities, to execute and deliver a standard form of letter of representation with DTC and, notwithstanding any provisions to the contrary contained in this Supplemental Resolution, to include in

the related Certificate of Determination such terms and provisions as may be appropriate or necessary to provide for uncertificated securities in lieu of Refunding Bonds issuable in fully registered form;

(i) to determine whether to issue all or any portion of the Refunding Bonds as Tax-Exempt Obligations, Taxable Obligations, Put Obligations, Variable Interest Rate Obligations or as any other form of Obligations permitted by the Resolution and any matters related thereto, including (i) the terms and provisions of any such Obligations, (ii) the selection of remarketing agents, tender agents, auction agents, dealers, bidding agents or any other agents or parties to ancillary arrangements and the terms of any such arrangements, and (iii) the methods for determining the accrual of Debt Service;

(j) to determine the advisability, as compared to an unenhanced transaction, of obtaining one or more Credit Facilities, to select a provider or providers thereof and to determine and accept the terms and provisions and price thereof, to determine such other matters related thereto as in the opinion of the officer executing the related Certificate of Determination shall be considered necessary or appropriate and to effect such determinations by making any changes in or additions to this Supplemental Resolution required by Credit Facility providers, if any, or required by a Rating Agency in order to attain or maintain specific ratings on the Refunding Bonds, or relating to the mechanisms for the repayment of amounts advanced thereunder or payment of fees, premiums, expenses or any other amounts, notices, the provision of information, and such other matters of a technical, mechanical, procedural or descriptive nature necessary or appropriate to obtain or implement a Credit Facility with respect to the Refunding Bonds, and to make any changes in connection therewith;

(k) to make such changes in or from the form of this Supplemental Resolution as may be necessary or desirable in order to cure any ambiguities, inconsistencies or other defects;

(l) to determine whether to (i) enter into an escrow agreement or other arrangement in connection with the issuance of Refunding Bonds, including the selection of escrow agents, verification agents and the manner of determining specified matters relating to the defeasance of the refunded obligations and (ii) purchase SLGs or open market securities and the form and substance thereof and any related investment agreement, and to determine the application of any amounts released in connection with any such refunding;

(m) to determine that such Refunding Bonds comply with all Board policies relating to the issuance of refunding obligations in effect at the time of such determination; and

(n) to determine such other matters specified in or permitted by (i) Sections 202, 203, 204 and A-201 of the Resolution or (ii) this Supplemental Resolution, or to determine matters relating to the payment or defeasance of Obligation Anticipation Notes, including preparation of any documentation therefor.

2. Any Authorized Officer shall execute one or more Certificates of Determination evidencing the determinations made pursuant to this Supplemental Resolution and any such Certificate of Determination shall be conclusive evidence of the determinations of such Authorized Officer, as stated therein. More than one Certificate of Determination may be delivered to the extent more than one Series or subseries of Refunding Bonds are delivered from time to time, or other authority is exercised under this Supplemental Resolution from time to time and each such Certificate of Determination shall be delivered to the Trustee prior to the authentication and delivery of the respective Series or subseries of Refunding Bonds by the Trustee or other documentation. Determinations set forth in any Certificate of Determination shall have the same effect as if set forth in this Supplemental Resolution. Any such Authorized Officer may exercise any authority delegated under this Supplemental Resolution from time to time following issuance of any Refunding Bonds, as appropriate for any purposes, including, in order

to change interest rate modes or auction periods, if any Refunding Bonds shall consist of multiple subseries, to change the principal amounts of the individual subseries or to combine all subseries into a single Series, if any Refunding bonds consist of a single Series, to divide such Series into two or more subseries and to determine the principal amount of such subseries, obtain a substitute or additional Credit Facility or to appoint new or additional agents or other parties deemed appropriate to a particular form or mode of Obligation or manner of sale.

**Section 2.10. Sale of Refunding Bonds.** If it is determined that any sale of Bonds shall be conducted on a negotiated basis, each Authorized Officer is hereby authorized to sell and award the Refunding Bonds to the purchasers who shall be on the list of underwriters then approved by the Issuer and shall be referred to in the Purchase Agreement or Agreements, which Purchase Agreement or Agreements shall be substantially in the form most recently executed or delivered by the Issuer in connection with the sale of Obligations, with such revisions to reflect the terms and provisions of the Refunding Bonds as may be approved by the officer executing the Purchase Agreement (each, a "Purchase Agreement"). Each Authorized Officer is hereby authorized to agree to the selection of the representative of the underwriters as referred to in the Purchase Agreement or Agreements and to execute and deliver the Purchase Agreement or Agreements for and on behalf and in the name of the Issuer with such changes, omissions, insertions and revisions as may be approved by the officer executing the Purchase Agreement or Agreements, said execution being conclusive evidence of such approval and concurrence in the selection of the representative of the underwriters.

If it is determined that any sale of Bonds shall be conducted on a competitive bid basis, each Authorized Officer is hereby further authorized to conduct the sale and award of the Refunding Bonds on the basis of a competitive bid, pursuant to the terms of a notice of sale, including bid form (the "Notice of Sale"), in a form, including any limitations on permitted bidders and a description of the basis for determining the winning bidder or bidders, determined by such Authorized Officer. Each Authorized Officer is hereby authorized to conduct such competitive sale of the Refunding Bonds in a manner consistent with this Supplemental Resolution and to utilize the services of the Authority's financial advisor and the services of an electronic bidding service, as such Authorized Officer shall determine, and the execution by such Authorized Officer of a letter of award shall be conclusive evidence of such award.

Each Authorized Officer is hereby authorized to make public and to authorize the use and distribution by said purchasers or other appropriate parties of a preliminary official statement, offering circular, or other disclosure document (the "Preliminary Official Statement") in connection with each public offering or any private placement of the Refunding Bonds, in substantially the form most recently executed or delivered by the Issuer in connection with the sale of Obligations, with such changes, omissions, insertions and revisions as such officer shall deem advisable. The Issuer authorizes any of said officers to deliver a certification to the effect that such Preliminary Official Statement or Official Statement, if deemed necessary or appropriate, together with such other documents, if any, described in such certificate, was deemed final as of its date for purposes of Rule 15c2-12 of the Securities and Exchange Commission as applicable.

Each Authorized Officer is hereby authorized to make public and to authorize distribution of a final Official Statement in substantially the form of each Preliminary Official Statement or the most recently executed and delivered Official Statement if there is not a Preliminary Official Statement, with such changes, omissions, insertions and revisions as such officer shall deem advisable, to sign such Official Statement and to deliver such Official Statement to the purchasers of such issue of the Refunding Bonds, such execution being conclusive evidence of the approval of such changes, omissions, insertions and revisions.



Each Authorized Officer is hereby authorized to execute and deliver for and on behalf and in the name of the Issuer, to the extent determined by such Authorized Officer to be necessary or convenient, a Continuing Disclosure Agreement, substantially in the form appended to the Purchase Agreement or Notice of Sale, with such changes, omissions, insertions and revisions as such officer shall deem advisable (the "Continuing Disclosure Agreement"), said execution being conclusive evidence of the approval of such changes, omissions, insertions and revisions.

The proceeds of each good faith check, if any, received by the Issuer from the purchasers of each issue of Refunding Bonds under the terms of the related Purchase Agreement or Notice of Sale may be invested by the Issuer pending application of the proceeds of such good faith check for the purposes provided in Section 2.02 of this Supplemental Resolution at the time of the issuance and delivery of such Refunding Bonds.

Each Authorized Officer (including any Assistant Secretary of the Issuer) is hereby authorized and directed to execute, deliver, amend, replace or terminate any and all documents and instruments (including any remarketing agreements, tender agency agreements, dealer agreements, broker-dealer agreements, tender agent agreements, or auction agency agreements, any escrow agreements, any investment agreements or arrangements, or any reimbursement agreements or documents or instruments relating to a Credit Facility deemed appropriate to a given form or mode of an Obligation) and to do and cause to be done any and all acts necessary or proper for carrying out each Purchase Agreement or Notice of Sale, each Continuing Disclosure Agreement, the terms of any Credit Facility or other such agreement or arrangement, and the issuance, sale and delivery of each issue of the Refunding Bonds and for implementing the terms of each issue of the Refunding Bonds and the transactions contemplated hereby or thereby.

When reference is made in this Supplemental Resolution to the authorization of an Authorized Officer to do any act, such act may be accomplished by any of such officers individually.

**Section 2.11. Forms of Refunding Bonds and Trustee's Authentication Certificate.** Subject to the provisions of the Resolution, the form of registered Refunding Bonds, and the Trustee's certificate of authentication, shall be substantially in the form set forth in Exhibit One to the Resolution including, if necessary, any changes to comply with the requirements of DTC or the provisions of this Supplemental Resolution or any Certificate of Determination.

**Section 2.12. Appointment of Trustee and Paying Agent.** Unless otherwise provided by Certificate of Determination, The Bank of New York Mellon shall be the Trustee under the Resolution and the Paying Agent for the Refunding Bonds.

### **ARTICLE III**

#### **DISPOSITION OF REFUNDING BOND PROCEEDS**

**Section 3.01. Disposition of Refunding Bond Proceeds.** Any proceeds of the sale of the Refunding Bonds, other than accrued interest, if any, shall be deposited, simultaneously with the issuance and delivery of the Refunding Bonds, at one time or from time to time in one or more Series or subseries, in the Proceeds Account which is deemed to be established for each Series in the Proceeds Fund to be applied, or shall otherwise be applied pursuant to a Certificate of Determination to:

(a) the refunding of any Obligations, Parity Debt or Cross-Credit Obligations, or portions of any of them, in accordance with Section 2.02 hereof; and

(b) the balance of such proceeds, exclusive of accrued interest, shall be deposited in the COI Account and applied to the payment of Costs of Issuance or otherwise applied to the payment of Costs of Issuance.

Unless otherwise provided in a Certificate of Determination, the accrued interest and any capitalized interest, if any, received on the sale of the Refunding Bonds shall be deposited in the Debt Service Fund.

## **ARTICLE IV**

### **TAX COVENANTS AND DEFEASANCE**

**Section 4.01. Tax Covenants Relating to the Refunding Bonds.** The Issuer covenants that, in order to maintain the exclusion from gross income for Federal income tax purposes of the interest on the Refunding Bonds issued as Tax-Exempt Obligations, the Issuer will satisfy, or take such actions as are necessary to cause to be satisfied, each provision of the Code necessary to maintain such exclusion. In furtherance of this covenant, the Issuer agrees to comply with such written instructions as may be provided by Bond Counsel. In furtherance of the covenant contained in the preceding sentence, the Issuer agrees to continually comply with the provisions of any "Arbitrage and Use of Proceeds Certificate" or "Tax Certificate" to be executed by the Issuer in connection with the execution and delivery of any Refunding Bonds issued as Tax-Exempt Obligations, as amended from time to time.

Notwithstanding any other provision of the Resolution to the contrary, upon the Issuer's failure to observe, or refusal to comply with, the above covenant (a) the Owners of the Refunding Bonds, or the Trustee acting on their behalf, shall be entitled to the rights and remedies provided to Owners or the Trustee under Section 702 of the Resolution, other than the right (which is hereby abrogated solely as to the Issuer's failure to observe, or refusal to comply with the above covenant) to declare the principal of all Obligations then Outstanding, and the interest accrued thereon, to be due and payable pursuant to Section 567 of the Issuer Act, and (b) neither the Owners of the Obligations of any Series or holders of any Parity Debt (other than the Refunding Bonds or the Trustee acting on their behalf), nor the Trustee acting on their behalf, shall be entitled to exercise any right or remedy provided to the Owners, the Parity Debt holders or the Trustee under the Resolution based upon the Issuer's failure to observe, or refusal to comply with, the above covenant.

The provisions of the foregoing covenants set forth in this Section shall not apply to any Refunding Bonds, including any subseries thereof, which the Issuer determines pursuant to the applicable Certificate of Determination to issue as Taxable Obligations.

**Section 4.02. Additional Covenants.** 1. The Issuer covenants and agrees that it will not issue any Senior Obligations under the Senior Resolution (other than pursuant to Section 205 thereof) unless in addition to satisfying the requirements of the Senior Resolution, an Authorized Officer delivers to the trustee under the Senior Resolution a certificate demonstrating that for any period of 12 consecutive calendar months out of the 18 complete calendar months next preceding the date of authentication and delivery such issue of Senior Obligations, Net Revenues are at least equal to 1.10 times the Combined Maximum Annual Calculated Debt Service for all Subordinate Revenue Obligations, Parity Debt, Senior Obligations and Senior Parity Debt.

2. The Issuer covenants and agrees that in addition to complying with the provisions of Section 604 of the Bond Resolution, the Issuer shall at all times establish, levy, maintain and collect, or cause to be established, levied, maintained and collected, such tolls, rentals and other charges in connection with the TBTA Facilities as shall always be sufficient, together with other money available

therefor (including the anticipated receipt of proceeds of sale of Obligations or other bonds, notes or other obligations or evidences of indebtedness of the Issuer that will be used to pay the principal of Obligations issued in anticipation of such receipt, but not including any anticipated or actual proceeds from the sale of TBTA Facilities), to equal or exceed in each calendar year the greater of (a) an amount equal to the sum of amounts necessary in such calendar year (i) to pay all Operating Expenses of the Issuer, plus (ii) to pay the sum of Calculated Debt Service as defined in the Bond Resolution and Calculated Debt Service as defined in the Senior Resolution, plus (iii) to maintain any reserve established by the Issuer pursuant to the Senior Resolution, in such amount as may be determined from time to time by an Authorized Officer in his or her judgment, or (b) an amount such that Revenues less Operating Expenses shall equal at least 1.10 times the sum of Calculated Debt Service as defined in the Senior Resolution and Calculated Debt Service as defined in the Bond Resolution for such calendar year.

**Section 4.03. Defeasance.** In the event the Issuer shall seek, prior to the maturity or redemption date thereof, to pay or cause to be paid, within the meaning and with the effect expressed in the Resolution, all or less than all Outstanding Refunding Bonds issued as Tax-Exempt Obligations and the provisions of Section 4.01 hereof shall then be of any force or effect, then, notwithstanding the provisions of Article A-XI of the Resolution, the Refunding Bonds issued as Tax-Exempt Obligations which the Issuer then seeks to pay or cause to be paid shall not be deemed to have been paid within the meaning and with the effect expressed in Section A-1101 of the Resolution unless (i) the Issuer has confirmed in writing that the Owners of the Refunding Bonds issued as Tax-Exempt Obligations which the Issuer then seeks to pay or cause to be paid will continue, after such action, to have the benefit of a covenant to the effect of the covenant of the Issuer contained in Section 4.01 hereof or (ii) there shall have been delivered to the Trustee an Opinion of Bond Counsel to the effect that non-compliance thereafter with the applicable provisions of the Code will not affect the then current treatment of interest on the Refunding Bonds issued as Tax-Exempt Obligations in determining gross income for Federal income tax purposes.

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**TRIBOROUGH BRIDGE AND TUNNEL AUTHORITY**

**MULTIPLE SERIES  
GENERAL REVENUE REFUNDING BOND  
SUPPLEMENTAL RESOLUTION**

**Adopted January 25, 2012**

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**MULTIPLE SERIES  
GENERAL REVENUE REFUNDING BOND  
SUPPLEMENTAL RESOLUTION**

BE IT RESOLVED by the Triborough Bridge and Tunnel Authority (the "Issuer"), as follows:

**ARTICLE I**

**DEFINITIONS AND STATUTORY AUTHORITY**

**Section 1.01. Supplemental Resolution.** This resolution is supplemental to, and is adopted in accordance with Article II and Article A-VIII of, a resolution of the Issuer adopted on March 26, 2002, entitled "General Resolution Authorizing General Revenue Obligations" (the "Resolution").

**Section 1.02. Definitions.**

1. All capitalized terms which are used but not otherwise defined in this Multiple Series General Revenue Refunding Bond Supplemental Resolution (the "Supplemental Resolution") shall have the same meanings, respectively, as such terms are given by Section 102 of the Resolution.

2. In this Supplemental Resolution:

"Authorized Officer" shall include the officers designated as such in the Resolution, and the Chairman and Chief Executive Officer, the Chair of the Finance Committee, the Chief Financial Officer or the Director of Finance, MTA, as well as any officer duly designated as "Acting" in said officer's capacity, except that, for the purposes of any delegation set forth herein that does not expressly include any Assistant Secretary, "Authorized Officer" shall not include any Assistant Secretary of the Issuer.

"Board" shall mean, when used with respect to the Issuer, the board of the Issuer acting as such pursuant to the provisions of the Issuer Act, and when used with respect to the MTA, the members of the MTA acting as such pursuant to the provisions of the MTA Act.

"Bond Counsel" shall mean Hawkins Delafield & Wood LLP, Nixon Peabody LLP or any other attorney or firm of attorneys of nationally recognized standing in the field of law relating to the issuance of obligations by state and municipal entities, selected by the Issuer.

"Code" shall mean the Internal Revenue Code of 1986, as amended, and regulations thereunder.

"Cross-Credit Obligations" shall mean indebtedness or other obligations issued or incurred by the Issuer or any other Related Entity as described in clause (iii) of the definition of "Capital Costs", but excluding Obligations.

"Refunding Bonds" shall mean the General Revenue Bonds authorized by Article II of this Supplemental Resolution in one or more Series or subseries.

**Section 1.03. Authority for this Supplemental Resolution.** This Supplemental Resolution is adopted pursuant to the provisions of the Issuer Act and the Resolution.

## ARTICLE II

### AUTHORIZATION OF REFUNDING BONDS

**Section 2.01. Authorized Principal Amount, Designation and Series.** 1. Pursuant to the provisions of the Resolution and in order to issue (a) Refunding Obligations, and (b) Obligations for the purpose of refunding Cross-Credit Obligations, multiple Series of General Revenue Obligations (which may be issued at one time or from time to time in any number of Series or subseries, which for purposes of this Supplemental Resolution shall collectively be referred to herein as the "Refunding Bonds", subject to redesignation as hereinafter provided) entitled to the benefit, protection and security of such provisions are hereby authorized to be issued in an aggregate principal amount not exceeding the principal amount necessary so that, after giving effect to any net original issue discount or premium and underwriters' discount from the principal amount, the amount to be deposited in the Proceeds Account pursuant to, or otherwise applied to, effectuate the purposes of, Section 2.02 and Section 3.01 of this Supplemental Resolution (exclusive of the amount so deposited therein determined in any Certificate of Determination as estimated to be necessary to pay any Costs of Issuance of the Refunding Bonds payable from such Proceeds Account or otherwise applied to pay such Costs of Issuance), shall not exceed the amount or amounts determined in one or more Certificates of Determination to be necessary to effectuate the purposes set forth in Section 2.02 hereof; provided, however, that any Refunding Bonds issued pursuant to this Supplemental Resolution shall be issued in compliance with any Board policies relating to the issuance of refunding bonds as may be in effect from time to time.

2. Nothing in this Supplemental Resolution is intended to preclude the issuance of Refunding Bonds as refunding obligations in accordance with Section 204 of the Resolution.

Refunding Bonds shall be designated as, and shall be distinguished from the Obligations of all other Series by the title, "General Revenue Bonds, Series [insert calendar year of issuance]" or such other title or titles set forth in the related Certificate of Determination.

The authority to issue Obligations and take related actions granted under previous resolutions of the Issuer shall continue in full force and effect. The authorization to issue the Refunding Bonds and take other related actions hereunder shall continue in effect without any further action by the Issuer until February 28, 2013, unless the Issuer shall have modified or repealed this authorization.

**Section 2.02. Purposes.** The purposes for which the Refunding Bonds are issued shall be set forth in one or more Certificates of Determination and may include the refunding, restructuring or payment, including by purchasing, exchanging or tendering therefor, of all or any portion of any Outstanding Obligations or Parity Debt or Cross-Credit Obligations deemed advisable by an Authorized Officer in accordance with Section 203 or 204 of the Resolution, as applicable.

**Section 2.03. Dates, Maturities, Principal Amounts and Interest.** The Refunding Bonds, except as otherwise provided in the Resolution, shall be dated the date or dates determined in the related Certificate of Determination. The Refunding Bonds shall mature on the date or dates and in the year or years and principal amount or amounts, and shall bear interest at the rate or rates per annum, if any, specified in or determined in the manner provided in the related Certificate of Determination.

**Section 2.04. Interest Payments.** The Refunding Bonds shall bear interest from their date or dates and be payable on such date or dates as may be determined pursuant to the related Certificate of Determination. Except as otherwise provided in the related Certificate of Determination, interest on the Refunding Bonds shall be computed on the basis of twelve 30-day months and a 360-day year.

**Section 2.05. Denominations, Numbers and Letters.** Unless otherwise provided in the related Certificate of Determination, the Refunding Bonds shall be issued in fully registered form without coupons in the denomination of \$5,000 or any integral multiple thereof.

The Refunding Bonds shall be lettered and numbered as provided in the related Certificate of Determination.

**Section 2.06. Places of Payment and Paying Agent.** Except as otherwise provided in the related Certificate of Determination, principal and Redemption Price of the Refunding Bonds shall be payable to the registered owner of each Refunding Bond when due upon presentation of such Refunding Bond at the principal corporate trust office of the Trustee. Except as otherwise provided in the related Certificate of Determination, interest on the registered Refunding Bonds will be paid by check or draft mailed on the interest payment date by the Paying Agent, to the registered owner at his address as it appears on the registration books or, at the option of any Owner of at least one million dollars (\$1,000,000) in principal amount of the Refunding Bonds, by wire transfer in immediately available funds on each interest payment date to such Owner thereof upon written notice from such Owner to the Trustee, at such address as the Trustee may from time to time notify such Owner, containing the wire transfer address (which shall be in the continental United States) to which such Owner wishes to have such wire directed, if such written notice is received not less than twenty (20) days prior to the related interest payment date (such notice may refer to multiple interest payments).

**Section 2.07. Sinking Fund Installments.** The Refunding Bonds, if any, determined in the related Certificate of Determination shall be subject to redemption (a) in part, by lot, (b) pro rata (in the case of taxable Refunding Bonds), or (c) otherwise as determined in accordance with Section A-404 of the Resolution, as set forth in the Certificate of Determination, on each date in the year or years determined in the Certificate of Determination at the principal amount thereof plus accrued interest up to but not including the date of redemption thereof, from mandatory Sinking Fund Installments which are required to be made in amounts sufficient to redeem on each such date the principal amount of such Refunding Bonds.

**Section 2.08. Redemption Prices and Terms.** The Refunding Bonds may also be subject to redemption prior to maturity, at the option of the Issuer, upon notice as provided in Article A-IV of the Resolution, at any time as a whole or in part (and by lot within a maturity, or otherwise as determined in accordance with Section A-404 of the Resolution, if less than all of a maturity is to be redeemed), from maturities designated by the Issuer on and after the date and in the years and at the Redemption Prices (expressed as a percentage of principal amount) determined in the related Certificate of Determination, plus accrued interest up to but not including the redemption date. Notwithstanding the foregoing, in the case of taxable Refunding Bonds, if set forth in the Certificate of Determination, the taxable Refunding Bonds may be made subject to pro rata redemption and/or a make-whole redemption premium.

**Section 2.09. Delegation to an Authorized Officer.** 1. There is hereby delegated to each Authorized Officer, subject to the limitations contained in this Supplemental Resolution, the following powers with respect to the Refunding Bonds:

(a) to determine whether and when to issue any Refunding Bonds constituting Refunding Obligations or Obligations issued to refund Cross-Credit Obligations, and to determine the amount of the proceeds of the Refunding Bonds to be applied to refunding purposes as well as the specific Obligations or Parity Debt or Cross-Credit Obligations, or portions of either to be refunded and the date or dates, if any, on which such refunded obligations shall be redeemed, and the amount of the proceeds of the Refunding Bonds estimated to be necessary to pay the Costs of Issuance of the Refunding Bonds;



(b) to determine the purpose or purposes for which the Refunding Bonds are being issued, which shall be one or more of the purposes set forth in Section 2.02 of this Supplemental Resolution;

(c) to determine the principal amounts of the Refunding Bonds to be issued for the purposes set forth in Section 2.02 of this Supplemental Resolution and whether such principal amounts constitute a separate Series or a subseries of Refunding Bonds, and to determine Accreted Values and Appreciated Values, if applicable;

(d) to determine the maturity date and principal amount of each maturity of the Refunding Bonds and the amount and due date of each Sinking Fund Installment, if any;

(e) to determine the date or dates which the Refunding Bonds shall be dated and the interest rate or rates of the Refunding Bonds or the manner of determining such interest rate or rates; provided, however, that any Obligations issued as Tax-Exempt Obligations shall be subject to a maximum interest rate of not greater than 10% per annum, any Obligations issued as Taxable Obligations shall be subject to a maximum interest rate of not greater than 12% per annum, any Variable Interest Rate Obligations issued as Tax-Exempt Obligations shall be subject to a maximum interest rate of not greater than 15% per annum, any Variable Interest Rate Obligations issued as Taxable Obligations shall be subject to a maximum interest rate of not greater than 18% per annum and any Parity Reimbursement Obligations shall be subject to a maximum interest rate of not greater than 25% per annum, or, in each such case, such higher rate or rates as determined by the Issuer's Board;

(f) to determine the Redemption Price or Redemption Prices, if any, and the redemption terms, if any, for the Refunding Bonds; provided, however, that if the Refunding Bonds are to be redeemable at the election of the Issuer, the Redemption Price (except in the case of taxable Refunding Bonds) shall not be greater than one hundred three percent (103%) of the principal amount of the Refunding Bonds to be redeemed, plus accrued interest thereon up to but not including the date of redemption and in the case of taxable Refunding Bonds any provisions relating to pro rata redemption and/or make-whole redemption;

(g) to determine whether the sale of the Refunding Bonds shall be conducted on either a negotiated or competitive bid basis and, as applicable, to determine the purchase price for the Refunding Bonds to be paid by the purchasers referred to in the Purchase Agreement or the purchase price for the Refunding Bonds to be paid by the winning bidder, if such sale is conducted by competitive bid pursuant to a Notice of Sale, in either case as such document is described in Section 2.10 of this Supplemental Resolution, which may include such original issue discount and original issue premium as shall be determined in the related Certificate of Determination; provided, however, that the underwriters' discount reflected in such purchase price shall not exceed \$10.00 for each one thousand dollars (\$1,000) principal amount of the Refunding Bonds;

(h) to take all actions required for the Refunding Bonds to be eligible under the rules and regulations of The Depository Trust Company ("DTC") for investment and trading as uncertificated securities, to execute and deliver a standard form of letter of representation with DTC and, notwithstanding any provisions to the contrary contained in this Supplemental Resolution, to include in the related Certificate of Determination such terms and provisions as may be appropriate or necessary to provide for uncertificated securities in lieu of Refunding Bonds issuable in fully registered form;

(i) to determine whether to issue all or any portion of the Refunding Bonds as Tax-Exempt Obligations, Taxable Obligations, Put Obligations, Variable Interest Rate Obligations or as any other form of Obligations permitted by the Resolution and any matters related thereto, including

(i) the terms and provisions of any such Obligations, (ii) the selection of remarketing agents, tender agents, auction agents, dealers, bidding agents or any other agents or parties to ancillary arrangements and the terms of any such arrangements, and (iii) the methods for determining the accrual of Debt Service;

(j) to determine the advisability, as compared to an unenhanced transaction, of obtaining one or more Credit Facilities, to select a provider or providers thereof and to determine and accept the terms and provisions and price thereof, to determine such other matters related thereto as in the opinion of the officer executing the related Certificate of Determination shall be considered necessary or appropriate and to effect such determinations by making any changes in or additions to this Supplemental Resolution required by Credit Facility providers, if any, or required by a Rating Agency in order to attain, or maintain specific ratings on the Refunding Bonds, or relating to the mechanisms for the repayment of amounts advanced thereunder or payment of fees, premiums, expenses or any other amounts, notices, the provision of information, and such other matters of a technical, mechanical, procedural or descriptive nature necessary or appropriate to obtain or implement a Credit Facility with respect to the Refunding Bonds, and to make any changes in connection therewith;

(k) to make such changes in or from the form of this Supplemental Resolution as may be necessary or desirable in order to cure any ambiguities, inconsistencies or other defects;

(l) to determine whether to (i) enter into an escrow agreement or other arrangement in connection with the issuance of Refunding Bonds, including the selection of escrow agents, verification agents and the manner of determining specified matters relating to the defeasance of the refunded obligations and (ii) purchase SLGs or open market securities and the form and substance thereof and any related investment agreement, and to determine the application of any amounts released in connection with any such refunding;

(m) to determine that such Refunding Bonds comply with all Board policies relating to the issuance of refunding obligations in effect at the time of such determination; and

(n) to determine such other matters specified in or permitted by (i) Sections 202, 203, 204 and A-201 of the Resolution or (ii) this Supplemental Resolution, or to determine matters relating to the payment or defeasance of Obligation Anticipation Notes, including preparation of any documentation therefor.

2. Any Authorized Officer shall execute one or more Certificates of Determination evidencing the determinations made pursuant to this Supplemental Resolution and any such Certificate of Determination shall be conclusive evidence of the determinations of such Authorized Officer, as stated therein. More than one Certificate of Determination may be delivered to the extent more than one Series or subseries of Refunding Bonds are delivered from time to time, or other authority is exercised under this Supplemental Resolution from time to time and each such Certificate of Determination shall be delivered to the Trustee prior to the authentication and delivery of the respective Series or subseries of Refunding Bonds by the Trustee or other documentation. Determinations set forth in any Certificate of Determination shall have the same effect as if set forth in this Supplemental Resolution. Any such Authorized Officer may exercise any authority delegated under this Supplemental Resolution from time to time following issuance of any Refunding Bonds, as appropriate for any purposes, including, in order to change interest rate modes or auction periods, if any Refunding Bonds shall consist of multiple subseries, to change the principal amounts and number of the individual subseries or to combine all subseries into a single Series, if any Refunding Bonds consist of a single Series, to divide such Series into two or more subseries and to determine the principal amount of such subseries, obtain a substitute or additional Credit Facility or to appoint new or additional agents or other parties deemed appropriate to a particular form or mode of Obligation or manner of sale.

**Section 2.10. Sale of Refunding Bonds.** If it is determined that any sale of Bonds shall be conducted on a negotiated basis, each Authorized Officer is hereby authorized to sell and award the Refunding Bonds to the purchasers who shall be on the list of underwriters then approved by the Issuer and shall be referred to in the Purchase Agreement or Agreements, which Purchase Agreement or Agreements shall be substantially in the form most recently executed or delivered by the Issuer in connection with the sale of Obligations, with such revisions to reflect the terms and provisions of the Refunding Bonds as may be approved by the officer executing the Purchase Agreement (each, a "Purchase Agreement"). Each Authorized Officer is hereby authorized to agree to the selection of the representative of the underwriters as referred to in the Purchase Agreement or Agreements and to execute and deliver the Purchase Agreement or Agreements for and on behalf and in the name of the Issuer with such changes, omissions, insertions and revisions as may be approved by the officer executing the Purchase Agreement or Agreements, said execution being conclusive evidence of such approval and concurrence in the selection of the representative of the underwriters.

If it is determined that any sale of Bonds shall be conducted on a competitive bid basis, each Authorized Officer is hereby further authorized to conduct the sale and award of the Refunding Bonds on the basis of a competitive bid, pursuant to the terms of a notice of sale, including bid form (the "Notice of Sale"), in a form, including any limitations on permitted bidders and a description of the basis for determining the winning bidder or bidders, determined by such Authorized Officer. Each Authorized Officer is hereby authorized to conduct such competitive sale of the Refunding Bonds in a manner consistent with this Supplemental Resolution and to utilize the services of the Authority's financial advisor and the services of an electronic bidding service, as such Authorized Officer shall determine, and the execution by such Authorized Officer of a letter of award shall be conclusive evidence of such award.

Each Authorized Officer is hereby authorized to make public and to authorize the use and distribution by said purchasers or other appropriate parties of a preliminary official statement, offering circular, or other disclosure document (the "Preliminary Official Statement") in connection with each public offering or any private placement of the Refunding Bonds, in substantially the form most recently executed or delivered by the Issuer in connection with the sale of Obligations, with such changes, omissions, insertions and revisions as such officer shall deem advisable. The Issuer authorizes any of said officers to deliver a certification to the effect that such Preliminary Official Statement or Official Statement, if deemed necessary or appropriate, together with such other documents, if any, described in such certificate, was deemed final as of its date for purposes of Rule 15c2-12 of the Securities and Exchange Commission as applicable.

Each Authorized Officer is hereby authorized to make public and to authorize distribution of a final Official Statement in substantially the form of each Preliminary Official Statement or the most recently executed and delivered Official Statement if there is not a Preliminary Official Statement, with such changes, omissions, insertions and revisions as such officer shall deem advisable, to sign such Official Statement and to deliver such Official Statement to the purchasers of such issue of the Refunding Bonds, such execution being conclusive evidence of the approval of such changes, omissions, insertions and revisions.

Each Authorized Officer is hereby authorized to execute and deliver for and on behalf and in the name of the Issuer, to the extent determined by such Authorized Officer to be necessary or convenient, a Continuing Disclosure Agreement, substantially in the form appended to the Purchase Agreement or Notice of Sale, with such changes, omissions, insertions and revisions as such officer shall deem advisable (the "Continuing Disclosure Agreement"), said execution being conclusive evidence of the approval of such changes, omissions, insertions and revisions.

The proceeds of each good faith check, if any, received by the Issuer from the purchasers of each issue of Refunding Bonds under the terms of the related Purchase Agreement or Notice of Sale may be invested by the Issuer pending application of the proceeds of such good faith check for the purposes provided in Section 2.02 of this Supplemental Resolution at the time of the issuance and delivery of such Refunding Bonds.

Each Authorized Officer (including any Assistant Secretary of the Issuer) is hereby authorized and directed to execute, deliver, amend, replace or terminate any and all documents and instruments (including any remarketing agreements, tender agency agreements, dealer agreements, broker-dealer agreements, tender agent agreements, or auction agency agreements, any escrow agreements, any investment agreements or arrangements, or any reimbursement agreements or documents or instruments relating to a Credit Facility deemed appropriate to a given form or mode of an Obligation) and to do and cause to be done any and all acts necessary or proper for carrying out each Purchase Agreement or Notice of Sale, each Continuing Disclosure Agreement, the terms of any Credit Facility or other such agreement or arrangement, and the issuance, sale and delivery of each issue of the Refunding Bonds and for implementing the terms of each issue of the Refunding Bonds and the transactions contemplated hereby or thereby.

When reference is made in this Supplemental Resolution to the authorization of an Authorized Officer to do any act, such act may be accomplished by any of such officers individually.

**Section 2.11. Forms of Refunding Bonds and Trustee's Authentication Certificate.** Subject to the provisions of the Resolution, the form of registered Refunding Bonds, and the Trustee's certificate of authentication, shall be substantially in the form set forth in Exhibit One to the Resolution including, if necessary, any changes to comply with the requirements of DTC or the provisions of this Supplemental Resolution or any Certificate of Determination.

**Section 2.12. Appointment of Trustee and Paying Agent.** Unless otherwise provided by Certificate of Determination, U.S. Bank Trust National Association shall be the Trustee under the Resolution and the Paying Agent for the Refunding Bonds.

### ARTICLE III

#### DISPOSITION OF REFUNDING BOND PROCEEDS

**Section 3.01. Disposition of Refunding Bond Proceeds.** Any proceeds of the sale of the Refunding Bonds, other than accrued interest, if any, shall be deposited, simultaneously with the issuance and delivery of the Refunding Bonds, at one time or from time to time in one or more Series or subseries, in the Proceeds Account which is deemed to be established for each Series in the Proceeds Fund to be applied, or shall otherwise be applied pursuant to a Certificate of Determination to:

(a) the refunding of any Obligations, Parity Debt or Cross-Credit Obligations, or portions of any of them, in accordance with Section 2.02 hereof; and

(b) the balance of such proceeds, exclusive of accrued interest, shall be deposited in the COI Account and applied to the payment of Costs of Issuance or otherwise applied to the payment of Costs of Issuance.

Unless otherwise provided in a Certificate of Determination, the accrued interest, and any capitalized interest, if any, received on the sale of the Refunding Bonds shall be deposited in the Debt Service Fund.

## ARTICLE IV

### TAX COVENANTS AND DEFEASANCE

**Section 4.01. Tax Covenants Relating to the Refunding Bonds.** The Issuer covenants that, in order to maintain the exclusion from gross income for Federal income tax purposes of the interest on the Refunding Bonds issued as Tax-Exempt Obligations, the Issuer will satisfy, or take such actions as are necessary to cause to be satisfied, each provision of the Code necessary to maintain such exclusion. In furtherance of this covenant, the Issuer agrees to comply with such written instructions as may be provided by Bond Counsel. In furtherance of the covenant contained in the preceding sentence, the Issuer agrees to continually comply with the provisions of any "Arbitrage and Use of Proceeds Certificate" or "Tax Certificate" to be executed by the Issuer in connection with the execution and delivery of any Refunding Bonds issued as Tax-Exempt Obligations, as amended from time to time.

Notwithstanding any other provision of the Resolution to the contrary, upon the Issuer's failure to observe, or refusal to comply with, the above covenant (a) the Owners of the Refunding Bonds, or the Trustee acting on their behalf, shall be entitled to the rights and remedies provided to Owners or the Trustee under Section 702 of the Resolution, other than the right (which is hereby abrogated solely as to the Issuer's failure to observe, or refusal to comply with the above covenant) to declare the principal of all Obligations then Outstanding, and the interest accrued thereon, to be due and payable pursuant to Section 567 of the Issuer Act, and (b) neither the Owners of the Obligations of any Series or holders of any Parity Debt (other than the Refunding Bonds or the Trustee acting on their behalf), nor the Trustee acting on their behalf, shall be entitled to exercise any right or remedy provided to the Owners, the Parity Debt holders or the Trustee under the Resolution based upon the Issuer's failure to observe, or refusal to comply with, the above covenant.

The provisions of the foregoing covenants set forth in this Section shall not apply to any Refunding Bonds, including any subseries thereof, which the Issuer determines pursuant to the applicable Certificate of Determination to issue as Taxable Obligations.

**Section 4.02. Defeasance.** In the event the Issuer shall seek, prior to the maturity or redemption date thereof, to pay or cause to be paid, within the meaning and with the effect expressed in the Resolution, all or less than all Outstanding Refunding Bonds issued as Tax-Exempt Obligations and the provisions of Section 4.01 hereof shall then be of any force or effect, then, notwithstanding the provisions of Article A-XI of the Resolution, the Refunding Bonds issued as Tax-Exempt Obligations which the Issuer then seeks to pay or cause to be paid shall not be deemed to have been paid within the meaning and with the effect expressed in Section A-1101 of the Resolution unless (i) the Issuer has confirmed in writing that the Owners of the Refunding Bonds issued as Tax-Exempt Obligations which the Issuer then seeks to pay or cause to be paid will continue, after such action, to have the benefit of a covenant to the effect of the covenant of the Issuer contained in Section 4.01 hereof or (ii) there shall have been delivered to the Trustee an Opinion of Bond Counsel to the effect that non-compliance thereafter with the applicable provisions of the Code will not affect the then current treatment of interest on the Refunding Bonds issued as Tax-Exempt Obligations in determining gross income for Federal income tax purposes.

**METROPOLITAN TRANSPORTATION AUTHORITY**

**MULTIPLE SERIES  
STATE SERVICE CONTRACT REFUNDING BOND  
SUPPLEMENTAL RESOLUTION**

**Adopted January 25, 2012**

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**MULTIPLE SERIES  
STATE SERVICE CONTRACT REFUNDING BOND  
SUPPLEMENTAL RESOLUTION**

BE IT RESOLVED by the Metropolitan Transportation Authority (the "Issuer"), as follows:

**ARTICLE I**

**DEFINITIONS AND STATUTORY AUTHORITY**

**Section 1.01. Supplemental Resolution.** This resolution is supplemental to, and is adopted in accordance with Article II and Article A-VIII of, a resolution of the Issuer adopted on March 26, 2002, entitled "State Service Contract Obligation Resolution" (the "Resolution").

**Section 1.02. Definitions.**

1. All capitalized terms which are used but not otherwise defined in this Multiple Series State Service Contract Refunding Bond Supplemental Resolution (the "Supplemental Resolution") shall have the same meanings, respectively, as such terms are given by Section 102 of the Resolution.

2. In this Supplemental Resolution:

"Authorized Officer" shall include the officers designated as such in the Resolution, and the Chairman and Chief Executive Officer, the Chair of the Finance Committee, the Chief Financial Officer or the Director of Finance, as well as any officer duly designated as "Acting" in said officer's capacity, except that, for the purposes of any delegation set forth herein that does not expressly include any Assistant Secretary, "Authorized Officer" shall not include any Assistant Secretary of the Issuer.

"Board" shall mean the members of the Issuer acting as such pursuant to the provisions of the Issuer Act.

"Bond Counsel" shall mean Hawkins Delafield & Wood LLP, Nixon Peabody LLP or any other attorney or firm of attorneys of nationally recognized standing in the field of law relating to the issuance of obligations by state and municipal entities, selected by the Issuer.

"Code" shall mean the Internal Revenue Code of 1986, as amended, and regulations thereunder.

"Refunding Bonds" shall mean the State Service Contract Bonds authorized by Article II of this Supplemental Resolution in one or more Series or subseries.

**Section 1.03. Authority for this Supplemental Resolution.** This Supplemental Resolution is adopted pursuant to the provisions of the Issuer Act and the Resolution.

## ARTICLE II

### AUTHORIZATION OF REFUNDING BONDS

**Section 2.01. Authorized Principal Amount, Designation and Series.** 1. Pursuant to the provisions of the Resolution and Section 3.9 of the State Service Contract, and in order to issue Obligations for the purpose of refunding Outstanding Obligations (which may be issued at one time or from time to time in any number of Series or subseries, which for purposes of this Supplemental Resolution shall collectively be referred to herein as the "Refunding Bonds", subject to redesignation as hereinafter provided) entitled to the benefit, protection and security of such provisions are hereby authorized to be issued in an aggregate principal amount not exceeding the principal amount necessary so that, after giving effect to any net original issue discount or premium and underwriters' discount from the principal amount, the amount to be deposited in the Proceeds Account pursuant to, or otherwise applied to effectuate the purposes of, Section 2.02 and Section 3.01 of this Supplemental Resolution (exclusive of the amount so deposited therein determined in any Certificate of Determination as estimated to be necessary to pay any Costs of Issuance of the Refunding Bonds payable from such Proceeds Account or otherwise applied to pay such Costs of Issuance), shall not exceed the amount or amounts determined in one or more Certificates of Determination to be necessary to effectuate the purposes set forth in Section 2.02 hereof; provided, however, that any Refunding Bonds issued pursuant to this Supplemental Resolution shall be issued in compliance with any Board policies relating to the issuance of refunding bonds as may be in effect from time to time.

2. Nothing in this Supplemental Resolution is intended to preclude the issuance of Refunding Bonds for the purpose of refunding Outstanding Obligations in accordance with Section 202 of the Resolution. In no event shall the amount of Obligations, upon the issuance of the Refunding Bonds, exceed the amount of Obligations authorized pursuant to the terms of the State Service Contracts, nor shall the aggregate amount of debt service on all State Service Contract Obligations exceed the limitations for such debt service under State law at the time of issuance thereof.

Refunding Bonds shall be designated as, and shall be distinguished from the Obligations of all other Series by the title, "State Service Contract Bonds, Series [insert calendar year of issuance]" or such other title or titles set forth in the related Certificate of Determination.

The authority to issue Obligations and take related actions granted under previous resolutions of the Issuer shall continue in full force and effect. The authorization to issue the Refunding Bonds and take other related actions hereunder shall continue in effect without any further action by the Issuer until February 28, 2013, unless the Issuer shall have modified or repealed this authorization.

**Section 2.02. Purposes.** The purposes for which the Refunding Bonds are issued shall be set forth in one or more Certificates of Determination and may include the refunding, restructuring or payment, including by purchasing, exchanging or tendering therefor, of all or any portion of any Outstanding Obligations deemed advisable by an Authorized Officer in accordance with Section 202 or 203 of the Resolution, as applicable.

**Section 2.03. Dates, Maturities, Principal Amounts and Interest.** The Refunding Bonds, except as otherwise provided in the Resolution, shall be dated the date or dates determined in the related Certificate of Determination. The Refunding Bonds shall mature on the date or dates and in the year or years and principal amount or amounts, and shall bear interest at the rate or rates per annum, if any, specified in or determined in the manner provided in the related Certificate of Determination.

**Section 2.04. Interest Payments.** The Refunding Bonds shall bear interest from their date or dates and be payable on such date or dates as may be determined pursuant to the related Certificate of Determination. Except as otherwise provided in the related Certificate of Determination, interest on the Refunding Bonds shall be computed on the basis of twelve 30-day months and a 360-day year.

**Section 2.05. Denominations, Numbers and Letters.** Unless otherwise provided in the related Certificate of Determination, the Refunding Bonds shall be issued in fully registered form without coupons in the denomination of \$5,000 or any integral multiple thereof.

The Refunding Bonds shall be lettered and numbered as provided in the related Certificate of Determination.

**Section 2.06. Places of Payment and Paying Agent.** Except as otherwise provided in the related Certificate of Determination, principal and Redemption Price of the Refunding Bonds shall be payable to the registered owner of each Refunding Bond when due upon presentation of such Refunding Bond at the principal corporate trust office of the Trustee. Except as otherwise provided in the related Certificate of Determination, interest on the registered Refunding Bonds will be paid by check or draft mailed on the interest payment date by the Paying Agent, to the registered owner at his address as it appears on the registration books or, at the option of any Owner of at least one million dollars (\$1,000,000) in principal amount of the Refunding Bonds, by wire transfer in immediately available funds on each interest payment date to such Owner thereof upon written notice from such Owner to the Trustee, at such address as the Trustee may from time to time notify such Owner, containing the wire transfer address (which shall be in the continental United States) to which such Owner wishes to have such wire directed, if such written notice is received not less than twenty (20) days prior to the related interest payment date (such notice may refer to multiple interest payments).

**Section 2.07. Sinking Fund Installments.** The Refunding Bonds, if any, determined in the related Certificate of Determination shall be subject to redemption (a) in part, by lot, (b) pro rata (in the case of taxable Refunding Bonds), or (c) otherwise as determined in accordance with Section A-404 of the Resolution, as set forth in the Certificate of Determination, on each date in the year or years determined in the Certificate of Determination at the principal amount thereof plus accrued interest up to but not including the date of redemption thereof, from mandatory Sinking Fund Installments which are required to be made in amounts sufficient to redeem on each such date the principal amount of such Refunding Bonds.

**Section 2.08. Redemption Prices and Terms.** The Refunding Bonds may also be subject to redemption prior to maturity, at the option of the Issuer, upon notice as provided in Article A-IV of the Resolution, at any time as a whole or in part (and by lot within a maturity, or otherwise as determined in accordance with Section A-404 of the Resolution, if less than all of a maturity is to be redeemed), from maturities designated by the Issuer on and after the date and in the years and at the Redemption Prices (expressed as a percentage of principal amount) determined in the related Certificate of Determination, plus accrued interest up to but not including the redemption date. Notwithstanding the foregoing, in the case of taxable Refunding Bonds, if set forth in the Certificate of Determination, the taxable Refunding Bonds may be made subject to pro rata redemption and/or a make-whole redemption premium.

**Section 2.09. Delegation to an Authorized Officer.** 1. There is hereby delegated to each Authorized Officer, subject to the limitations contained in this Supplemental Resolution, the following powers with respect to the Refunding Bonds:

(a) to determine whether and when to issue any Refunding Bonds and to determine the amount of the proceeds of the Refunding Bonds to be applied to refunding purposes as well as the specific Obligations or portions of either to be refunded and the date or dates, if any, on which such refunded obligations shall be redeemed, and the amount of the proceeds of the Refunding Bonds estimated to be necessary to pay the Costs of Issuance of the Refunding Bonds;

(b) to determine the purpose or purposes for which the Refunding Bonds are being issued, which shall be one or more of the purposes set forth in Section 2.02 of this Supplemental Resolution;

(c) to determine the principal amounts of the Refunding Bonds to be issued for the purposes set forth in Section 2.02 of this Supplemental Resolution and whether such principal amounts constitute a separate Series or a subseries of Refunding Bonds, and to determine Accreted Values and Appreciated Values, if applicable;

(d) to determine the maturity date and principal amount of each maturity of the Refunding Bonds and the amount and due date of each Sinking Fund Installment, if any;

(e) to determine the date or dates which the Refunding Bonds shall be dated and the interest rate or rates of the Refunding Bonds or the manner of determining such interest rate or rates; provided, however, that any Obligations issued as Tax-Exempt Obligations shall be subject to a maximum interest rate of not greater than 10% per annum, any Obligations issued as Taxable Obligations shall be subject to a maximum interest rate of not greater than 12% per annum, any Variable Interest Rate Obligations issued as Tax-Exempt Obligations shall be subject to a maximum interest rate of not greater than 15% per annum, any Variable Interest Rate Obligations issued as Taxable Obligations shall be subject to a maximum interest rate of not greater than 18% per annum and any Parity Reimbursement Obligations shall be subject to a maximum interest rate of not greater than 25% per annum, or, in each such case, such higher rate or rates as determined by the Issuer's Board;

(f) to determine the Redemption Price or Redemption Prices, if any, and the redemption terms, if any, for the Refunding Bonds; provided, however, that if the Refunding Bonds are to be redeemable at the election of the Issuer, the Redemption Price (except in the case of taxable Refunding Bonds) shall not be greater than one hundred three percent (103%) of the principal amount of the Refunding Bonds to be redeemed, plus accrued interest thereon up to but not including the date of redemption, and in the case of taxable Refunding Bonds, any provisions relating to pro rata redemption and/or make-whole redemption;

(g) to determine whether the sale of the Refunding Bonds shall be conducted on either a negotiated or competitive bid basis and, as applicable, to determine the purchase price for the Refunding Bonds to be paid by the purchasers referred to in the Purchase Agreement or the purchase price for the Refunding Bonds to be paid by the winning bidder, if such sale is conducted by competitive bid pursuant to a Notice of Sale, in either case as such document is described in Section 2.10 of this Supplemental Resolution, which may include such original issue discount and original issue premium as shall be determined in the related Certificate of Determination; provided, however, that the underwriters' discount reflected in such purchase price shall not exceed \$10.00 for each one thousand dollars (\$1,000) principal amount of the Refunding Bonds;

(h) to take all actions required for the Refunding Bonds to be eligible under the rules and regulations of The Depository Trust Company ("DTC") for investment and trading as uncertificated securities, to execute and deliver a standard form of letter of representation with DTC and, notwithstanding any provisions to the contrary contained in this Supplemental Resolution, to include in

the related Certificate of Determination such terms and provisions as may be appropriate or necessary to provide for uncertificated securities in lieu of Refunding Bonds issuable in fully registered form;

(i) to determine whether to issue all or any portion of the Refunding Bonds as Tax-Exempt Obligations, Taxable Obligations, Put Obligations, Variable Interest Rate Obligations or as any other form of Obligations permitted by the Resolution and any matters related thereto, including (i) the terms and provisions of any such Obligations, (ii) the selection of remarketing agents, tender agents, auction agents, dealers, bidding agents or any other agents or parties to ancillary arrangements and the terms of any such arrangements, and (iii) the methods for determining the accrual of Debt Service;

(j) to determine the advisability, as compared to an unenhanced transaction, of obtaining one or more Credit Facilities, to select a provider or providers thereof and to determine and accept the terms and provisions and price thereof, to determine such other matters related thereto as in the opinion of the officer executing the related Certificate of Determination shall be considered necessary or appropriate and to effect such determinations by making any changes in or additions to this Supplemental Resolution required by Credit Facility providers, if any, or required by a Rating Agency in order to attain or maintain specific ratings on the Refunding Bonds, or relating to the mechanisms for the repayment of amounts advanced thereunder or payment of fees, premiums, expenses or any other amounts, notices, the provision of information, and such other matters of a technical, mechanical, procedural or descriptive nature necessary or appropriate to obtain or implement a Credit Facility with respect to the Refunding Bonds, and to make any changes in connection therewith;

(k) to make such changes in or from the form of this Supplemental Resolution as may be necessary or desirable in order to cure any ambiguities, inconsistencies or other defects; or to enter into any new or amended State Service Contract necessary or advisable to effectuate the purposes of this Supplemental Resolution.

(l) to determine whether to (i) enter into an escrow agreement or other arrangement in connection with the issuance of Refunding Bonds, including the selection of escrow agents, verification agents and the manner of determining specified matters relating to the defeasance of the refunded obligations and (ii) purchase SLGs or open market securities and the form and substance thereof and any related investment agreement, and to determine the application of any amounts released in connection with any such refunding;

(m) to determine that such Refunding Bonds comply with all Board policies relating to the issuance of refunding obligations in effect at the time of such determination; and

(n) to determine such other matters specified in or permitted by (i) Sections 201, 202, 203, and A-201 of the Resolution or (ii) this Supplemental Resolution.

Any Authorized Officer shall execute one or more Certificates of Determination evidencing the determinations made pursuant to this Supplemental Resolution and any such Certificate of Determination shall be conclusive evidence of the determinations of such Authorized Officer, as stated therein. More than one Certificate of Determination may be delivered to the extent more than one Series or subseries of Refunding Bonds are delivered from time to time, or other authority is exercised under this Supplemental Resolution from time to time and each such Certificate of Determination shall be delivered to the Trustee prior to the authentication and delivery of the respective Series or subseries of Refunding Bonds by the Trustee or other documentation. Determinations set forth in any Certificate of Determination shall have the same effect as if set forth in this Supplemental Resolution. Any such Authorized Officer may exercise any authority delegated under this Supplemental Resolution from time to time following issuance of any Refunding Bonds, as appropriate for any purposes, including, in order to change interest rate modes or

auction periods; if any Refunding Bonds shall consist of multiple subseries, to change the principal amounts of the individual subseries or to combine all subseries into a single Series, if any Refunding Bonds consist of a single Series, to divide such Series into two or more subseries and to determine the principal amount of each such subseries, obtain a substitute or additional Credit Facility or to appoint new or additional agents or other parties deemed appropriate to a particular form or mode of Obligation or manner of sale.

**Section 2.10. Sale of Refunding Bonds.** If it is determined that any sale of Bonds shall be conducted on a negotiated basis, each Authorized Officer is hereby authorized to sell and award the Refunding Bonds to the purchasers who shall be on the list of underwriters then approved by the Issuer and shall be referred to in the Purchase Agreement or Agreements, which Purchase Agreement or Agreements shall be substantially in the form most recently executed or delivered by the Issuer in connection with the sale of Obligations, with such revisions to reflect the terms and provisions of the Refunding Bonds as may be approved by the officer executing the Purchase Agreement (each, a "Purchase Agreement"). Each Authorized Officer is hereby authorized to agree to the selection of the representative of the underwriters as referred to in the Purchase Agreement or Agreements and to execute and deliver the Purchase Agreement or Agreements for and on behalf and in the name of the Issuer with such changes, omissions, insertions and revisions as may be approved by the officer executing the Purchase Agreement or Agreements, said execution being conclusive evidence of such approval and concurrence in the selection of the representative of the underwriters.

If it is determined that any sale of Bonds shall be conducted on a competitive bid basis, each Authorized Officer is hereby further authorized to conduct the sale and award of the Refunding Bonds on the basis of a competitive bid, pursuant to the terms of a notice of sale, including bid form (the "Notice of Sale"), in a form, including any limitations on permitted bidders and a description of the basis for determining the winning bidder or bidders, determined by such Authorized Officer. Each Authorized Officer is hereby authorized to conduct such competitive sale of the Refunding Bonds in a manner consistent with this Supplemental Resolution and to utilize the services of the Authority's financial advisor and the services of an electronic bidding service, as such Authorized Officer shall determine, and the execution by such Authorized Officer of a letter of award shall be conclusive evidence of such award.

Each Authorized Officer is hereby authorized to make public and to authorize the use and distribution by said purchasers or other appropriate parties of a preliminary official statement, offering circular, or other disclosure document (the "Preliminary Official Statement") in connection with each public offering or any private placement of the Refunding Bonds, in substantially the form most recently executed or delivered by the Issuer in connection with the sale of Obligations, with such changes, omissions, insertions and revisions as such officer shall deem advisable. The Issuer authorizes any of said officers to deliver a certification to the effect that such Preliminary Official Statement or Official Statement, if deemed necessary or appropriate, together with such other documents, if any, described in such certificate, was deemed final as of its date for purposes of Rule 15c2-12 of the Securities and Exchange Commission as applicable.

Each Authorized Officer is hereby authorized to make public and to authorize distribution of a final Official Statement in substantially the form of each Preliminary Official Statement or the most recently executed and delivered Official Statement if there is not a Preliminary Official Statement, with such changes, omissions, insertions and revisions as such officer shall deem advisable, to sign such Official Statement and to deliver such Official Statement to the purchasers of such issue of the Refunding Bonds, such execution being conclusive evidence of the approval of such changes, omissions, insertions and revisions.

Each Authorized Officer is hereby authorized to execute and deliver for and on behalf and in the name of the Issuer, to the extent determined by such Authorized Officer to be necessary or

convenient, a Continuing Disclosure Agreement, substantially in the form appended to the Purchase Agreement or Notice of Sale, with such changes, omissions, insertions and revisions as such officer shall deem advisable (the "Continuing Disclosure Agreement"), said execution being conclusive evidence of the approval of such changes, omissions, insertions and revisions.

The proceeds of each good faith check, if any, received by the Issuer from the purchasers of each issue of Refunding Bonds under the terms of the related Purchase Agreement or Notice of Sale may be invested by the Issuer pending application of the proceeds of such good faith check for the purposes provided in Section 2.02 of this Supplemental Resolution at the time of the issuance and delivery of such Refunding Bonds.

Each Authorized Officer (including any Assistant Secretary of the Issuer) is hereby authorized and directed to execute, deliver, amend, replace or terminate any and all documents and instruments (including any remarketing agreements, tender agency agreements, dealer agreements, broker-dealer agreements, tender agent agreements, or auction agency agreements, any escrow agreements, any investment agreements or arrangements, or any reimbursement agreements or documents or instruments relating to a Credit Facility deemed appropriate to a given form or mode of an Obligation) and to do and cause to be done any and all acts necessary or proper for carrying out each Purchase Agreement or Notice of Sale, each Continuing Disclosure Agreement, the terms of any Credit Facility or other such agreement or arrangement, and the issuance, sale and delivery of each issue of the Refunding Bonds and for implementing the terms of each issue of the Refunding Bonds and the transactions contemplated hereby or thereby.

When reference is made in this Supplemental Resolution to the authorization of an Authorized Officer to do any act, such act may be accomplished by any of such officers individually.

**Section 2.11. Forms of Refunding Bonds and Trustee's Authentication Certificate.** Subject to the provisions of the Resolution, the form of registered Refunding Bonds, and the Trustee's certificate of authentication, shall be substantially in the form set forth in Exhibit One to the Resolution including, if necessary, any changes to comply with the requirements of DTC or the provisions of this Supplemental Resolution or any Certificate of Determination.

**Section 2.12. Appointment of Trustee and Paying Agent.** Unless otherwise provided by Certificate of Determination, The Bank of New York Mellon, as successor in interest to JPMorgan Chase Bank, N.A. shall be the Trustee under the Resolution and the Paying Agent for the Refunding Bonds.

### ARTICLE III

#### DISPOSITION OF REFUNDING BOND PROCEEDS

**Section 3.01. Disposition of Refunding Bond Proceeds.** Any proceeds of the sale of the Refunding Bonds, other than accrued interest and capitalized interest, if any, shall be deposited, simultaneously with the issuance and delivery of the Refunding Bonds, at one time or from time to time in one or more Series or subseries, in the Proceeds Account which is deemed to be established for each Series in the Proceeds Fund to be applied, or shall otherwise be applied pursuant to a Certificate of Determination to:

- (a) the refunding of any Obligations in accordance with Section 2.02 hereof; and
- (b) the balance of such proceeds, exclusive of accrued interest, shall be deposited in the Costs of Issuance Account and applied to the payment of Costs of Issuance or otherwise applied to the payment of Costs of Issuance.

Unless otherwise provided in a Certificate of Determination, the accrued interest, if any, and any capitalized interest, received on the sale of the Refunding Bonds shall be deposited in the Debt Service Fund.



## ARTICLE IV

### TAX COVENANTS AND DEFEASANCE

**Section 4.01. Tax Covenants Relating to the Refunding Bonds.** The Issuer covenants that, in order to maintain the exclusion from gross income for Federal income tax purposes of the interest on the Refunding Bonds issued as Tax-Exempt Obligations, the Issuer will satisfy, or take such actions as are necessary to cause to be satisfied, each provision of the Code necessary to maintain such exclusion. In furtherance of this covenant, the Issuer agrees to comply with such written instructions as may be provided by Bond Counsel. In furtherance of the covenant contained in the preceding sentence, the Issuer agrees to continually comply with the provisions of any "Arbitrage and Use of Proceeds Certificate" or "Tax Certificate" to be executed by the Issuer in connection with the execution and delivery of any Refunding Bonds issued as Tax-Exempt Obligations, as amended from time to time.

Notwithstanding any other provision of the Resolution to the contrary, upon the Issuer's failure to observe, or refusal to comply with, the above covenant (a) the Owners of the Refunding Bonds, or the Trustee acting on their behalf, shall be entitled to the rights and remedies provided to Owners or the Trustee under Section 702 of the Resolution, and (b) neither the Owners of the Obligations of any Series or holders of any Parity Debt (other than the Refunding Bonds or the Trustee acting on their behalf), nor the Trustee acting on their behalf, shall be entitled to exercise any right or remedy provided to the Owners, the Parity Debt holders or the Trustee under the Resolution based upon the Issuer's failure to observe, or refusal to comply with, the above covenant.

The provisions of the foregoing covenants set forth in this Section shall not apply to any Refunding Bonds, including any subseries thereof, which the Issuer determines pursuant to the applicable Certificate of Determination to issue as Taxable Obligations.

**Section 4.02. Defeasance.** In the event the Issuer shall seek, prior to the maturity or redemption date thereof, to pay or cause to be paid, within the meaning and with the effect expressed in the Resolution, all or less than all Outstanding Refunding Bonds issued as Tax-Exempt Obligations and the provisions of Section 4.01 hereof shall then be of any force or effect, then, notwithstanding the provisions of Article A-XI of the Resolution, the Refunding Bonds issued as Tax-Exempt Obligations which the Issuer then seeks to pay or cause to be paid shall not be deemed to have been paid within the meaning and with the effect expressed in Section A-1101 of the Resolution unless (i) the Issuer has confirmed in writing that the Owners of the Refunding Bonds issued as Tax-Exempt Obligations which the Issuer then seeks to pay or cause to be paid will continue, after such action, to have the benefit of a covenant to the effect of the covenant of the Issuer contained in Section 4.01 hereof or (ii) there shall have been delivered to the Trustee an Opinion of Bond Counsel to the effect that non-compliance thereafter with the applicable provisions of the Code will not affect the then current treatment of interest on the Refunding Bonds issued as Tax-Exempt Obligations in determining gross income for Federal income tax purposes.

# Staff Summary



<b>Subject</b>
Authorization to Issue Transportation Revenue Bonds, Series 2012A
<b>Department</b>
Finance
<b>Department Head Name</b>
Robert E. Foran, Chief Financial Officer
<b>Department Head Signature</b>
<b>Project Manager Name</b>
Patrick J. McCoy, Director of Finance

<b>Date</b>
January 25, 2012
<b>Vendor Name</b>
<b>Contract Number</b>
<b>Contract Manager Name</b>
<b>Table of Contents Ref #</b>

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance Comm.	1/23	X		
2	Board	1/25	X		

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

In connection with the proposed issuance of Transportation Revenue Bonds, the MTA Finance Department is seeking MTA Board authorization and approval of the necessary documentation to issue new money bonds, notes or other obligations to provide net proceeds (exclusive of premiums) sufficient to fund up to \$1 billion of capital projects contained in approved capital programs of the transit, bus, and commuter systems.

## PURPOSE:

1. To obtain MTA Board approval of the following resolution, documents and activities in connection with the issuance of bonds in an aggregate principal amount necessary to provide net proceeds (exclusive of premiums) sufficient to fund up to \$1 billion of capital projects of the transit, bus, and commuter systems:

- Series 2012A Supplemental Resolution authorizing Metropolitan Transportation Authority Transportation Revenue Obligations, including providing for the issuance of the following:
  - o An aggregate principal amount of Transportation Revenue Bonds in one or more series necessary to finance capital projects of the transit, bus, and commuter systems, plus applicable issuance costs, and any original issue discount, and
  - o Parity Reimbursement Obligations and other Parity Debt in an amount sufficient to secure any Credit Facilities entered into in connection with the issuance of the Transportation Revenue Bonds.

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

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

Any such documents will be in substantially the form of any document previously entered into by MTA for previous issues and programs, with such changes as approved by any one or more of the foregoing officers. In addition, such officers are hereby authorized to terminate, amend, supplement, replace or extend any such documents related thereto, as they shall deem

## Staff Summary



advisable. The MTA Board hereby further delegates to such officers authority to take such other actions as may be necessary or desirable to effectuate the foregoing transaction.

3. On behalf of MTA and its subsidiaries and affiliates, to authorize the Chairman and Chief Executive Officer, the Vice-Chairman, and in each case, on behalf of MTA, the Chief Financial Officer of MTA, and the Director of Finance of MTA to take such other actions as may be necessary or desirable to effectuate the issuance of the new money bonds.

### ALTERNATIVES:

There are no alternative sources of funds to provide for the Capital Program Review Board approved bond financed capital needs of the MTA agencies' capital programs.

### RECOMMENDATION:

The MTA Board approve the above-referenced resolutions and documents and all other actions described above, including the execution and delivery of such other documents, and the taking of all other actions, from time to time deemed necessary or desirable by such officers in connection therewith.

**METROPOLITAN TRANSPORTATION AUTHORITY**

**SERIES 2012A  
TRANSPORTATION REVENUE BOND  
SUPPLEMENTAL RESOLUTION**

**Adopted January 25, 2012**

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**SERIES 2012A  
TRANSPORTATION REVENUE FUND BOND  
SUPPLEMENTAL RESOLUTION**

BE IT RESOLVED by the Metropolitan Transportation Authority (the "Issuer"),  
as follows:

**ARTICLE I**

**DEFINITIONS AND STATUTORY AUTHORITY**

**Section 1.01. Supplemental Resolution.** This resolution is supplemental to, and is adopted, in accordance with Article II and Article A-VIII of, a resolution of the Issuer adopted on March 26, 2002, entitled "General Resolution Authorizing Transportation Revenue Obligations" (the "Resolution").

**Section 1.02. Definitions.**

1. All capitalized terms which are used but not otherwise defined in this Series 2012A Transportation Revenue Bond Supplemental Resolution (the "Supplemental Resolution") shall have the same meanings, respectively, as such terms are given by Section 102 of the Resolution.

2. In this Supplemental Resolution:

"Authorized Officer" shall include the officers designated as such in the Resolution, as well as any officer duly designated as "Acting" in said officer's capacity, except that, for the purposes of any delegation set forth herein that does not expressly include any Assistant Secretary, "Authorized Officer" shall not include any Assistant Secretary of the Issuer.

"Board" shall mean the members of the Issuer acting as such pursuant to the provisions of the Issuer Act.

"Bond Counsel" shall mean Hawkins Delafield & Wood LLP, Nixon Peabody LLP or any other attorney or firm of attorneys of nationally recognized standing in the field of law relating to the issuance of obligations by state and municipal entities selected by the Issuer.

"Code" shall mean the Internal Revenue Code of 1986, as amended, and regulations thereunder.

**Section 1.03. Authority for this Supplemental Resolution.** This Supplemental Resolution is adopted pursuant to the provisions of the Issuer Act and the Resolution.

## ARTICLE II

### AUTHORIZATION OF SERIES 2012A BONDS

**Section 2.01. Authorized Principal Amount, Designation and Series.** Pursuant to the provisions of the Resolution and in order to finance Capital Costs, a Series of Transportation Revenue Obligations (which may be issued in one or more Series or subseries, which for purposes of this Supplemental Resolution shall collectively be referred to herein as the "Series 2012A Bonds", constituting Capital Cost Obligations, subject to redesignation as hereinafter provided) entitled to the benefit, protection and security of such provisions are hereby authorized to be issued in an aggregate principal amount not exceeding the principal amount necessary so that, after giving effect to any net original issue discount and underwriters' discount from the principal amount, the amount to be deposited in the Proceeds Account pursuant to, or otherwise applied to effectuate the purposes of, Section 2.02 and Section 3.01 of this Supplemental Resolution (exclusive of the amount so deposited therein determined in any Certificate of Determination as estimated to be necessary to pay capitalized interest or to pay any Costs of Issuance of the Series 2012A Bonds), shall not exceed the amount or amounts determined in a Certificate of Determination to be necessary to effectuate the purposes set forth in Section 2.02 hereof; provided, however, that the Series 2012A Bonds issued to finance Capital Costs shall not exceed \$1,000,000,000 (excluding all amounts excluded above, such as net original issue discount, underwriters' discount, capitalized interest and Costs of Issuance). For all purposes of this Section 2.01, net original issue premium as determined to be advisable by an Authorized Officer in connection with the marketing of the Series 2012A Bonds shall not be counted.

Series 2012A Bonds shall be designated as, and shall be distinguished from the Obligations of all other Series by the title, "Transportation Revenue Bonds, Series 2012A" or such other title or titles set forth in one or more Certificates of Determination.

**Section 2.02. Purposes.** The purposes for which the Series 2012A Bonds are issued shall be set forth in one or more Certificates of Determination and may include the payment of all or any part of the Capital Costs, all to the extent and in the manner provided in this Supplemental Resolution.

**Section 2.03. Dates, Maturities, Principal Amounts and Interest.** The Series 2012A Bonds, except as otherwise provided in the Resolution, shall be dated the date or dates determined in any Certificate of Determination. The Series 2012A Bonds shall mature on the date or dates and in the year or years and principal amount or amounts, and shall bear interest at the rate or rates per annum, if any, specified in or determined in the manner provided in any Certificate of Determination.

**Section 2.04. Interest Payments.** The Series 2012A Bonds shall bear interest from their date or dates and be payable on such date or dates as may be determined pursuant to any Certificate of Determination. Except as otherwise provided in any Certificate of Determination, interest on the Series 2012A Bonds shall be computed on the basis of twelve 30-day months and a 360-day year.

**Section 2.05. Denominations, Numbers and Letters.** Unless otherwise provided in any Certificate of Determination, the Series 2012A Bonds shall be issued in fully registered form without coupons in the denomination of \$5,000 or any integral multiple thereof.

The Series 2012A Bonds shall be lettered and numbered as provided in any Certificate of Determination.

**Section 2.06. Places of Payment and Paying Agent.** Except as otherwise provided in any Certificate of Determination, principal and Redemption Price of the Series 2012A Bonds shall be payable to the registered owner of each Series 2012A Bond when due upon presentation of such Series 2012A Bond at the principal corporate trust office of the Trustee. Except as otherwise provided in any Certificate of Determination, interest on the registered Series 2012A Bonds will be paid by check or draft mailed on the interest payment date by the Paying Agent, to the registered owner at his address as it appears on the registration books or, at the option of any Owner of at least one million dollars (\$1,000,000) in principal amount of the Series 2012A Bonds, by wire transfer in immediately available funds on each interest payment date to such Owner thereof upon written notice from such Owner to the Trustee, at such address as the Trustee may from time to time notify such Owner, containing the wire transfer address (which shall be in the continental United States) to which such Owner wishes to have such wire directed, if such written notice is received not less than twenty (20) days prior to the related interest payment date (such notice may refer to multiple interest payments).

**Section 2.07. Sinking Fund Installments.** The Series 2012A Bonds, if any, determined in any Certificate of Determination shall be subject to redemption in part, by lot, or otherwise as determined in accordance with Section A-404 of the Resolution, on each date in the year or years determined in any Certificate of Determination at the principal amount thereof plus accrued interest up to but not including the date of redemption thereof, from mandatory Sinking Fund Installments which are required to be made in amounts sufficient to redeem on each such date the principal amount of such Series 2012A Bonds.

**Section 2.08. Redemption Prices and Terms.** The Series 2012A Bonds may also be subject to redemption prior to maturity, at the option of the Issuer, upon notice as provided in Article A-IV of the Resolution, at any time as a whole or in part (and by lot within a maturity, or otherwise as determined in accordance with Section A-404 of the Resolution, if less than all of a maturity is to be redeemed), from maturities designated by the Issuer on and after the date and in the years and at the Redemption Prices (expressed as a percentage of principal amount as determined pursuant to Section 2.09.1(f)) determined in any Certificate of Determination, plus accrued interest up to but not including the redemption date.

**Section 2.09. Delegation to an Authorized Officer.** 1. There is hereby delegated to each Authorized Officer, subject to the limitations contained in this Supplemental Resolution, the following powers with respect to the Series 2012A Bonds:

(a) to determine whether and when to issue any Series 2012A Bonds constituting Capital Cost Obligations, the amount of the Series 2012A Bonds to be applied to finance Capital Costs, and the amount of the proceeds of the Series 2012A Bonds estimated to be necessary to pay the Costs of Issuance of the Series 2012A Bonds and capitalized interest, if any;



(b) to determine the purpose or purposes for which the Series 2012A Bonds are being issued, which shall be one or more of the purposes set forth in Section 2.02 of this Supplemental Resolution;

(c) to determine the principal amounts of the Series 2012A Bonds to be issued for the purposes set forth in Section 2.02 of this Supplemental Resolution and whether such principal amounts constitute a separate Series or a subseries of Series 2012A Bonds, which principal amounts (and the aggregate of all such Series and subseries) shall not exceed the principal amounts permitted by Section 2.01 of this Supplemental Resolution, and to determine Accreted Values and Appreciated Values, if applicable;

(d) to determine the maturity date and principal amount of each maturity of the Series 2012A Bonds and the amount and due date of each Sinking Fund Installment, if any;

(e) to determine the date or dates which the Series 2012A Bonds shall be dated and the interest rate or rates of the Series 2012A Bonds or the manner of determining such interest rate or rates; provided, however, that any Series 2012A Bonds issued as Tax-Exempt Obligations shall be subject to a maximum interest rate of not greater than 10% per annum, any Series 2012A Bonds issued as Taxable Obligations shall be subject to a maximum interest rate of not greater than 12% per annum, any Variable Interest Rate Obligations issued as Tax-Exempt Obligations shall be subject to a maximum interest rate of not greater than 15% per annum, any Variable Interest Rate Obligations issued as Taxable Obligations shall be subject to a maximum interest rate of not greater than 18% per annum and any Parity Reimbursement Obligations shall be subject to a maximum interest rate of not greater than 25% per annum, or, in each such case, such higher rate or rates as determined by the Issuer's Board;

(f) to determine the Redemption Price or Redemption Prices, if any, and the redemption terms, if any, for the Series 2012A Bonds; provided, however, that if the Series 2012A Bonds are to be redeemable at the election of the Issuer, the Redemption Price shall not be greater than one hundred three percent (103%) of the principal amount of the Series 2012A Bonds to be redeemed, plus accrued interest thereon up to but not including the date of redemption;

(g) to determine whether the sale of the Series 2012A Bonds shall be conducted on either a negotiated or competitive bid basis and, as applicable, to determine the purchase price for the Series 2012A Bonds to be paid by the purchasers referred to in one or more Purchase Agreements or the purchase price for the Series 2012A Bonds to be paid by the winning bidder, if such sale is conducted by competitive bid pursuant to a Notice of Sale (as hereinafter defined), in either case as such document is described in Section 2.10 of this Supplemental Resolution, which may include such original issue discount and original issue premium as shall be determined in the related Certificate of Determination; provided, however, that the underwriters' discount reflected in such purchase price shall not exceed \$10.00 for each one thousand dollars (\$1,000) principal amount of the Series 2012A Bonds;

(h) to take all actions required for the Series 2012A Bonds to be eligible under the rules and regulations of The Depository Trust Company ("DTC") for investment and trading as uncertificated securities, to execute and deliver a standard form of letter of representation with

DTC and, notwithstanding any provisions to the contrary contained in this Supplemental Resolution, to include in any Certificate of Determination such terms and provisions as may be appropriate or necessary to provide for uncertificated securities in lieu of Series 2012A Bonds issuable in fully registered form;

(i) to determine whether to issue all or any portion of the Series 2012A Bonds as Tax Exempt Obligations, Taxable Obligations, Put Obligations, Variable Interest Rate Obligations or as any other form of Obligations permitted by the Resolution and any matters related thereto, including (i) the terms and provisions of any such Series 2012A Bonds, (ii) the selection of remarketing agents, tender agents, calculation agents, auction agents, dealers, bidding agents or any other agents or parties to ancillary arrangements and the terms of any such arrangements, and (iii) the methods for determining the accrual of Debt Service;

(j) to determine the advisability, as compared to an unenhanced transaction, of obtaining one or more Credit Facilities, to select a provider or providers thereof and to determine and accept the terms and provisions and price thereof, to determine such other matters related thereto as in the opinion of the officer executing any Certificate of Determination shall be considered necessary or appropriate and to effect such determinations by making any changes in or additions to this Supplemental Resolution required by Credit Facility providers, if any, or required by a Rating Agency in order to attain or maintain specific ratings on the Series 2012A Bonds, or relating to the mechanisms for the repayment of amounts advanced thereunder or payment of fees, premiums, expenses or any other amounts, notices, the provision of information, and such other matters of a technical, mechanical, procedural or descriptive nature necessary or appropriate to obtain or implement a Credit Facility with respect to the Series 2012A Bonds, and to make any changes in connection therewith;

(k) to make such changes in or from the form of this Supplemental Resolution as may be necessary or desirable in order to cure any ambiguities, inconsistencies or other defects; and

(l) to determine such other matters specified in or permitted by (i) Sections 202, 203, and A-201 of the Resolution or (ii) this Supplemental Resolution, including preparation of any documentation therefor.

2. Any Authorized Officer shall execute any Certificate of Determination evidencing the determinations made pursuant to this Supplemental Resolution and such Certificate of Determination shall be conclusive evidence of the determinations of such Authorized Officer, as stated therein. More than one Certificate of Determination may be delivered to the extent more than one Series or subseries of Series 2012A Bonds are delivered, or other authority is exercised under this Supplemental Resolution from time to time and each such Certificate of Determination shall be delivered to the Trustee prior to the authentication and delivery of the respective Series or subseries of Series 2012A Bonds by the Trustee or other documentation. Determinations set forth in any Certificate of Determination shall have the same effect as if set forth in this Supplemental Resolution. Any such Authorized Officer may exercise any authority delegated under this Supplemental Resolution from time to time following issuance of any Series 2012A Bonds, as appropriate for any purposes, including, in order to change interest rate modes or auction periods, obtain a substitute or additional Credit Facility or to

appoint new or additional agents or other parties deemed appropriate to a particular form or mode of Obligation or manner of sale.

**Section 2.10. Sale of Series 2012A Bonds.** If it is determined that any sale of Bonds shall be conducted on a negotiated basis, each Authorized Officer is hereby authorized to sell and award the Series 2012A Bonds to the purchasers who shall be on the list of underwriters then approved by the Issuer and shall be referred to in the Purchase Agreement or Agreements, which Purchase Agreement or Agreements shall be substantially in the form most recently executed or delivered by the Issuer in connection with the sale of Obligations, with such revisions to reflect the terms and provisions of the Series 2012A Bonds as may be approved by the officer executing the Purchase Agreement (each, a "Purchase Agreement"). Each Authorized Officer is hereby authorized to agree to the selection of the representative of the underwriters as referred to in the Purchase Agreement or Agreements and to execute and deliver the Purchase Agreement or Agreements for and on behalf and in the name of the Issuer with such changes, omissions, insertions and revisions as may be approved by the officer executing the Purchase Agreement or Agreements, said execution being conclusive evidence of such approval and concurrence in the selection of the representative of the underwriters.

If it is determined that any sale of Series 2012A Bonds shall be conducted on a competitive bid basis, each Authorized Officer is hereby further authorized to conduct the sale and award of the Series 2012A Bonds on the basis of a competitive bid, pursuant to the terms of a notice of sale, including bid form (the "Notice of Sale"), in a form, including any limitations on permitted bidders and a description of the basis for determining the winning bidder or bidders, determined by such Authorized Officer. Each Authorized Officer is hereby authorized to conduct such competitive sale of the Series 2012A Bonds in a manner consistent with this Supplemental Resolution and to utilize the services of the Authority's financial advisor and the services of an electronic bidding service, as such Authorized Officer shall determine, and the execution by such Authorized Officer of a letter of award shall be conclusive evidence of such award.

Each Authorized Officer is hereby authorized to make public and to authorize the use and distribution by said purchasers or other appropriate parties of a preliminary official statement, offering circular, or other disclosure document (the "Preliminary Official Statement") in connection with each public offering or any private placement of the Series 2012A Bonds, in substantially the form most recently executed or delivered by the Issuer in connection with the sale of Obligations, with such changes, omissions, insertions and revisions as such officer shall deem advisable. The Issuer authorizes any of said officers to deliver a certification to the effect that such Preliminary Official Statement or Official Statement, if deemed necessary or appropriate, together with such other documents, if any, described in such certificate, was deemed final as of its date for purposes of Rule 15c2-12 of the Securities and Exchange Commission as applicable.

Each Authorized Officer is hereby authorized to make public and to authorize distribution of a final Official Statement in substantially the form of each Preliminary Official Statement or the most recently executed and delivered Official Statement if there is not a Preliminary Official Statement, with such changes, omissions, insertions and revisions as such officer shall deem advisable, to sign such Official Statement and to deliver such Official

Statement to the purchasers of the Series 2012A Bonds, such execution being conclusive evidence of the approval of such changes, omissions, insertions and revisions.

Each Authorized Officer is hereby authorized to execute and deliver for and on behalf and in the name of the Issuer, to the extent determined by such Authorized Officer to be necessary or convenient, a Continuing Disclosure Agreement, substantially in the form appended to the Purchase Agreement or Notice of Sale, with such changes, omissions, insertions and revisions as such officer shall deem advisable (the "Continuing Disclosure Agreement"), said execution being conclusive evidence of the approval of such changes, omissions, insertions and revisions.

The proceeds of a good faith check, if any, received by the Issuer from the purchasers of the Series 2012A Bonds under the terms of the related Purchase Agreement or Notice of Sale may be invested by the Issuer pending application of the proceeds of such good faith check for the purposes provided in Section 2.02 of this Supplemental Resolution at the time of the issuance and delivery of such Series 2012A Bonds.

Each Authorized Officer (including any Assistant Secretary of the Issuer) is hereby authorized and directed to execute, deliver, amend, replace or terminate any and all documents and instruments (including any remarketing agreements, tender agency agreements, dealer agreements, broker dealer agreements, tender agent agreements, or auction agency agreements, any investment agreements or arrangements, or any reimbursement agreements or documents or instruments relating to a Credit Facility deemed appropriate to a given form or mode of an Obligation) and to do and cause to be done any and all acts necessary or proper for carrying out each Purchase Agreement or Notice of Sale, the Continuing Disclosure Agreement, the terms of any Credit Facility or other such agreement or arrangement, and the issuance, sale and delivery of the Series 2012A Bonds and for implementing the terms of the Series 2012A Bonds and the transactions contemplated hereby or thereby.

When reference is made in this Supplemental Resolution to the authorization of an Authorized Officer to do any act, such act may be accomplished by any of such officers individually.

**Section 2.11. Forms of Series 2012A Bonds and Trustee's Authentication Certificate.** Subject to the provisions of the Resolution, the form of registered Series 2012A Bonds, and the Trustee's certificate of authentication, shall be substantially in the form set forth in Exhibit One to the Resolution including, if necessary, any changes to comply with the requirements of DTC or the provisions of this Supplemental Resolution or any Certificate of Determination.

**Section 2.12. Appointment of Trustee and Paying Agent.** Unless otherwise provided by Certificate of Determination, The Bank of New York Mellon, as successor in interest to JPMorgan Chase Bank, N.A., shall be the Trustee under the Resolution and the Paying Agent for the Series 2012A Bonds.

### ARTICLE III

#### DISPOSITION OF SERIES 2012A BOND PROCEEDS

**Section 3.01. Disposition of Series 2012A Bond Proceeds.** Any proceeds of the sale of the Series 2012A Bonds, other than accrued interest and capitalized interest, if any, shall be deposited, simultaneously with the issuance and delivery of the Series 2012A Bonds, in the Proceeds Account which is deemed to be established for such Series in the Proceeds Fund to be applied, or shall otherwise be applied pursuant to any Certificate of Determination to:

- (a) the payment of all or any part of the Capital Costs; and
- (b) the balance of such proceeds, exclusive of accrued interest, shall be deposited in the Costs of Issuance Account and applied to the payment of Costs of Issuance or otherwise applied to the payment of Costs of Issuance.

Unless otherwise provided in any Certificate of Determination, the accrued interest and any capitalized interest, if any, received on the sale of the Series 2012A Bonds shall be deposited in the Debt Service Fund.

### ARTICLE IV

#### TAX COVENANTS AND DEFEASANCE



**Section 4.01. Tax Covenants Relating to the Series 2012A Bonds.** The Issuer covenants that, in order to maintain the exclusion from gross income for Federal income tax purposes of the interest on the Series 2012A Bonds issued as Tax Exempt Obligations, the Issuer will satisfy, or take such actions as are necessary to cause to be satisfied, each provision of the Code necessary to maintain such exclusion. In furtherance of this covenant, the Issuer agrees to comply with such written instructions as may be provided by Bond Counsel. In furtherance of the covenant contained in the preceding sentence, the Issuer agrees to continually comply with the provisions of any "Arbitrage and Use of Proceeds Certificate" or "Tax Certificate" to be executed by the Issuer in connection with the execution and delivery of any Series 2012A Bonds issued as Tax Exempt Obligations, as amended from time to time.

Notwithstanding any other provision of the Resolution to the contrary, upon the Issuer's failure to observe, or refusal to comply with, the above covenant (a) the Owners of the Series 2012A Bonds, or the Trustee acting on their behalf, shall be entitled to the rights and remedies provided to Owners or the Trustee under Section 702 of the Resolution, and (b) neither the Owners of the Obligations of any Series or holders of any Parity Debt (other than the Series 2012A Bonds or the Trustee acting on their behalf), nor the Trustee acting on their behalf, shall be entitled to exercise any right or remedy provided to the Owners, the Parity Debt holders or the Trustee under the Resolution based upon the Issuer's failure to observe, or refusal to comply with, the above covenant.

The provisions of the foregoing covenants set forth in this Section shall not apply to any Series 2012A Bonds, including any subseries thereof, which the Issuer determines pursuant to the applicable Certificate of Determination to issue as Taxable Obligations.


**Section 4.02. Defeasance.** In the event the Issuer shall seek, prior to the maturity or redemption date thereof, to pay or cause to be paid, within the meaning and with the effect expressed in the Resolution, all or less than all Outstanding Series 2012A Bonds issued as Tax Exempt Obligations and the provisions of Section 4.01 hereof shall then be of any force or effect, then, notwithstanding the provisions of Article A-XI of the Resolution, the Series 2012A Bonds issued as Tax Exempt Obligations which the Issuer then seeks to pay or cause to be paid shall not be deemed to have been paid within the meaning and with the effect expressed in Section A-1101 of the Resolution unless (i) the Issuer has confirmed in writing that the Owners of the Series 2012A Bonds issued as Tax Exempt Obligations which the Issuer then seeks to pay or cause to be paid will continue, after such action, to have the benefit of a covenant to the effect of the covenant of the Issuer contained in Section 4.01 hereof or (ii) there shall have been delivered to the Trustee an Opinion of Bond Counsel to the effect that non compliance thereafter with the applicable provisions of the Code will not affect the then current treatment of interest on the Series 2012A Bonds issued as Tax Exempt Obligations in determining gross income for Federal income tax purposes.

# Staff Summary

<b>Subject</b>
Transportation Revenue Bonds, Series 2002B Tender and Refunding Authorization
<b>Department</b>
Finance
<b>Department Head Name</b>
Robert E. Foran, Chief Financial Officer
<b>Department Head Signature</b>

<b>Project Manager Name</b>
Patrick J. McCoy, Director of Finance 

<b>Date</b>
January 25, 2012
<b>Vendor Name</b>
<b>Contract Number</b>
<b>Contract Manager Name</b>
<b>Table of Contents Ref #</b>

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance Comm.	1/23	X		
2	Board	1/25	X		

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

## PURPOSE:

To obtain MTA Board approval for a purchase pursuant to a public tender offer of all or a portion of \$210.5 million of Transportation Revenue Variable Rate Refunding Bonds, Series 2002B ("Series 2002B Bonds") currently outstanding in the auction rate mode. The payment of the purchase price of Series 2002B Bonds would be funded from the proceeds of fixed rate MTA Transportation Revenue Refunding Bonds, Series 2012B (the "Series 2012B Bonds") to be issued pursuant to the MTA Multiple Series Transportation Revenue Refunding Bond Supplemental Resolution adopted by the Board on January 25, 2012 ("Multiple Series Supplemental Resolution").

Board approval is being requested for the aforementioned transaction, including approval of the following:

- (1) a public tender offer, including all documents required to accomplish such tender offer, for the Series 2002B Bonds at a price not to exceed 100% plus accrued interest; and
- (2) the issuance of the Series 2012B Bonds pursuant to the Multiple Series Supplemental Resolution upon compliance with the present value savings standard described below.

This Board approval is conditioned upon the MTA Chief Financial Officer, the Director of Finance or other Authorized Officer of the MTA determining that, based on such assumptions as are determined by such officer to be reasonable including future variable rates assumed to be the lesser of implied forward rates for the one-month LIBOR Index or its 20-year average and adjusted by the applicable multiple, such refunding is expected to generate overall present value savings of not less than 5% of the Series 2012B Bonds principal amount.

## DISCUSSION:

The Series 2002B Bonds are currently outstanding in a failed auction rate mode. The auction fail rate is 200% of one-month LIBOR, a relatively low rate currently, but one that exposes MTA to a significant potential cost increase if and when short-term interest rates increase.

Given currently attractive fixed-rate market conditions, staff proposes to refund all or a portion of the Series 2002B Bonds tendered pursuant to a tender offer. This proposed strategy is expected to: (1) further reduce MTA's leveraged LIBOR risk exposure in the failing auction-rate market, (2) generate present value savings of at least 5% of the Series 2012B Bonds (compared to the assumed interest cost of the Series 2002B Bonds), and (3) result in level debt service savings.

The expected aggregate present value savings (based on assumed future interest rates of the Series 2002B Bonds) exceed the overall 3% minimum present value savings set forth in the Board Refunding Policy, which Policy does not apply to the issuance of fixed rate refunding bonds to refund variable rate bonds. In addition, this proposed refunding is expected to generate level debt service savings.

## ALTERNATIVES:

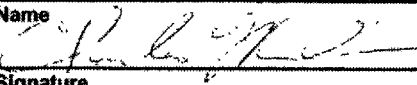
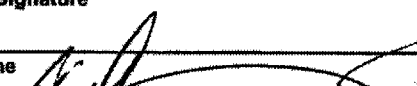
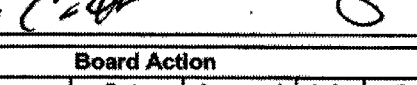
The Board could determine to either: (1) leave the Series 2002B Bonds outstanding until short term interest rates rise to a higher level (and assume the risk of the refinancing rate at such time); (2) remarket the Series 2002B Bonds into another mode, such as fixed or bank-supported variable rate mode, however, such a remarketing would prevent MTA from taking advantage of the additional savings provided by the discounted tender purchase price.

## RECOMMENDATION:

The MTA Board to approve the public tender offer of the Series 2002B Bonds and the issuance of the Series 2012B Bonds pursuant to the MTA Multiple Series Transportation Revenue Refunding Bond Supplemental Resolution adopted on January 25, 2012 to fund the purchase of all or a portion of the tendered Series 2002B Bonds subject to compliance with the present value savings test described herein, as well as all actions related to the public tender and the issuance of the refunding bonds described above, including without limitation, the dissemination of tender documents and the completion of any purchase of the Series 2002B Bonds pursuant thereto, the issuance of the Series 2012B Bonds to fund the aforementioned purchase, the payment of legal and advisor fees related to the public tender, if any, and other costs of issuance and transaction costs, from time to time deemed necessary or desirable in connection therewith.






# Staff Summary

<b>Subject</b> Request for Authorization to Award Various Procurements
<b>Department</b> Strategic Initiative
<b>Department Head Name</b> Charlie Monheim 
<b>Department Head Signature</b> 
<b>Division Head Name</b> Clifford Shockley 

<b>Date</b> January 9, 2012
<b>Vendor Name</b> Various
<b>Contract Number</b> Various
<b>Contract Manager Name</b> Various
<b>Table of Contents Ref #</b>

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance	1/23/12			
2	Board	1/25/12			

Internal Approvals			
Order	Approval	Order	Approval
			Office of Civil Rights
		2	Legal 
4	CFO 		EITG
1	Procurement 	3	Strategic Initiative

## 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:    None    None

MTAHQ proposes to award Competitive procurements in the following categories:

### Schedules Requiring Majority Vote

Schedule F: Personal Services Contracts	1	\$ 548,806.00
Schedule G: Miscellaneous Service Contracts	1	\$1,350,000.00
<b>SUBTOTAL</b>	<b>2</b>	<b>\$1,898,806.00</b>

### MTAHQ presents the following procurement actions for Ratification:

Schedule K: Ratifications of Completed Procurement Actions (Schedules E-J)	1	\$ 780,000.00
<b>TOTAL</b>	<b>3</b>	<b>\$2,678,806.00</b>

**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, JANUARY 2012**  
**COMPETITIVE PROCUREMENTS**

**METROPOLITAN TRANSPORTATION AUTHORITY**

*Procurements Requiring Majority Vote:*

**F. Personal Service Contracts**

Staff Summaries required for items greater than: \$100k Sole Source; \$250 other Non-Competitive, \$1 million Competitive

**1. Stantec Corporation**

**\$548,806**

**Independent Engineer's Report in Connection  
With MTA Bridges and Tunnels Bond Issues**

(Not-to-exceed)

**Contract No. 11170-0100**

Competitively negotiated – 2 proposals – 60 months

Contractor to provide consulting services as an Independent Engineer, as required by the Triborough Bridge and Tunnel Authority (TBTA) General Revenue Bond Resolution. Contractor will prepare an annual report of the financial condition of TBTA including projections of traffic, toll revenues and expenses, as well as a review of the physical condition of the bridge and tunnel facilities. The report of the Independent Engineer will be included in disclosure documents used in the issuance from time to time of TBTA's bonds. The negotiated not-to-exceed cost of \$513,565 represents a reduction of \$81,933 or 13.8% off of the Contractor's initial cost proposal of \$595,498. The five-year negotiated not-to-exceed amount of \$513,565 represents an annual escalation of 3.1% compared to the current contract. A contingency amount of \$35,241 is included for additional bring down letters, if required.

**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. As-Needed Multi-Agency Collision Repair Services**

**\$1,350,000**

**Staff Summary Attached**

**Contract Nos.: 11044-0100 thru 1200**

(Not-to-exceed)

- a. Central Auto Repair and Body, Inc.
- b. Deville Auto Collision, Inc.
- c. The Gillette Auto Body, Inc.
- d. Knights Collision Repair
- e. Mann's Paint & Body Shop North, Inc.
- f. Nationwide Auto Painting, Inc.
- g. Nunes Auto Sales & Body Shop, Inc.
- h. Stiloski's Automotive Corporation
- i. Tip Top Auto Body, Inc.
- j. 54<sup>th</sup> Street Auto Care, Inc.
- k. Ultra Advanced Collision Limited
- l. Wayside Auto Body, Inc.

Competitively negotiated – 13 proposals – 36 months

Vendors to provide as-needed collision repair services for the MTA Police Department (MTAPD) and New York City Transit (NYCT) non-revenue fleet of vehicles. Currently other MTA agencies utilize a multi-agency, full service, fleet management services contract which

**METROPOLITAN TRANSPORTATION AUTHORITY**  
**COMPETITIVE PROCUREMENTS**

include collision, maintenance, warranty, quality control and administrative functions. MTAPD and NYCT do not require all of these services. Due to the MTAPD's and NYCT's geographical locations, the award of these twelve (12) contracts is necessary to ensure adequate coverage for the required services. As a result of negotiations, the proposed labor rates ranging from \$14 to \$75 were negotiated down to rates ranging from \$14 to \$46, representing savings ranging from \$0 to \$29 or 0% to 38%. These rates compare favorably to the current rates which range from \$10 to \$45. As well, the negotiated discount for parts ranging from 10% to 25% remains the same as the current contract. Based on the above, the negotiated pricing is deemed fair and reasonable.

# Staff Summary

## Schedule G: Miscellaneous Service Contracts

Page 1 of 1

Item Number:

<b>Vendor Name (&amp; Location):</b> Various
<b>Description:</b> As Needed Multi-Agency Collision Repair Services
<b>Contract Term (Including Options, if any):</b> March 1, 2012 through February 28, 2015
<b>Option(s) included in Total Amount?</b> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<b>Procurement Type:</b> <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Non-competitive
<b>Solicitation Type:</b> <input checked="" type="checkbox"/> RFP <input type="checkbox"/> Bid <input type="checkbox"/> Other:

<b>Contract Number:</b> 11044-0100 thru 1200	<b>Renewal?</b> <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
<b>Total Amount:</b> \$1,350,000	
<b>Funding Source:</b> <input checked="" type="checkbox"/> Operating <input type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:	
<b>Requesting Dept/Div &amp; Dept/Div Head Name:</b> Security/MTA Police; Douglas Zeigler/Michael Coan	
<b>Contract Manager:</b> Caron Christian	

### DISCUSSION:

To recommend that the Board approve the award of the following twelve (12) multi-agency, competitively negotiated, miscellaneous services contracts to provide as-needed collision repair services for the MTA Police Department (MTAPD) and New York City Transit (NYCT) non-revenue fleet of vehicles for a period of three (3) years from March 1, 2012 through February 25, 2015 for a total of \$450,000 for MTAPD and \$900,000 for NYCT for a combined, not-to-exceed total of \$1,350,000.

- |   |   |                                   |
|---|---|-----------------------------------|
| 1. Central Auto Repair and Body, Inc.       | 2. Deville Auto Collision, Inc.         | 3. The Gillette Auto Body, Inc.   |
| 4. Knights Collision Repair                 | 5. Mann's Paint & Body Shop North, Inc. | 6. Nationwide Auto Painting, Inc. |
| 7. Nunes Auto Sales & Body Shop, Inc.       | 8. Stiloski's Automotive Corporation    | 9. Tip Top Auto Body, Inc.        |
| 10. 54 <sup>th</sup> Street Auto Care, Inc. | 11. Ultra Advanced Collision Limited    | 12. Wayside Auto Body, Inc.       |

The current Board-approved competitively awarded contracts for these services for MTAPD vehicles will expire on February 29, 2012. In order to continue these required services, a Request for Proposals (RFP), including NYCT's requirements, was publicly advertised and copies of the RFP were mailed to a total of twenty-nine (29) vendors. Thirteen proposals were received. Currently other MTA agencies utilize a multi-agency, full service, fleet management services contract which include collision, maintenance, warranty, quality control and administrative functions. MTAPD and NYCT do not require all of these services.

The Selection Committee, consisting of representatives from MTAPD Fleet and Administration Divisions and NYCT evaluated the proposals and determined that the twelve (12) firms listed above were most technically qualified and best suited to perform the services identified by the RFP. Due to MTAPD's and NYCT's geographical locations, the award of these twelve (12) contracts is necessary to ensure adequate coverage for the required services. MTA has conducted a responsibility review and other due diligence on these firms and has deemed them to be responsible for award.

As a result of negotiations, the proposed labor rates ranging from \$14 to \$75 were negotiated down to rates ranging from \$14 to \$46, representing savings ranging from \$0 to \$29 or 0% to 38%. These rates compare favorably to the current rates which range from \$10 to \$45. As well, the negotiated discount for parts ranging from 10% to 25% remains the same as the current contract. Based on the above, the negotiated pricing is deemed fair and reasonable.

**LIST OF PROCUREMENTS FOR BOARD APPROVAL, JANUARY 2012**  
**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)*

- |   |  |                                      |
|---|--|--------------------------------------|
| <b>1. TDX Construction Corporation</b><br><b>SBMP Construction Mentoring Services</b><br><b>Contract No. 10009-0100</b> | <b>\$780,000</b><br><i>(Not-to-exceed)</i> | <b><u>Staff Summary Attached</u></b> |
|---|--|--------------------------------------|

To recommend that the Board ratify a supplemental agreement to the Board-approved Personal Services Contract with TDX for Construction Management Services (CM) for the Small Business Mentoring Program (SBMP). The supplemental agreement to HAKS Engineers, Architects and Land Surveyors, P.C. (HAKS) is for code required construction testing and inspection services at a not-to-exceed value of \$780,000. HAKS was selected after a competitive process that resulted in the firm receiving the highest score based on criteria such as expertise, responsibility, and cost. The rates in Haks' proposal are comparable to those for similar tasks in an NYCT Technical Services contract with Haks. It is expected that the cost of these services will be fully offset by a reduction in SBMP contract costs to reflect the SBMP contractors' avoidance of code-required inspection costs.

# Staff Summary

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

Page 1 of 1

Item Number:

<b>Vendor Name (&amp; Location):</b> TDX Construction Corporation
<b>Description:</b> SBMP Construction Mentoring Services
<b>Contract Term (Including Options, if any):</b> July 30, 2010 thru July 29, 2014 (Base) plus 2-one year options
<b>Option(s) included in Total Amount?</b> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<b>Procurement Type:</b> <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Non-competitive
<b>Solicitation Type:</b> <input checked="" type="checkbox"/> RFP <input type="checkbox"/> Bid <input type="checkbox"/> Other:

<b>Contract Number:</b> 10009-0100	<b>Renewal?</b> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<b>Total Amount:</b> \$ 780,000	
<b>Funding Source:</b> <input type="checkbox"/> Operating <input checked="" type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:	
<b>Requesting Dept/Div &amp; Dept/Div Head Name:</b> R. Saporita/OCO + L. Kleinbaum/Admin	
<b>Contract Manager:</b> Paul Fallon	

### DISCUSSION:

To recommend that the Board approve a Supplemental Agreement to the Board-approved personal services contract with TDX for construction management (CM) services for the Small Business Mentoring Program ("SBMP"). The Board approved the TDX contract in June 2010 for a base (four year) contract of \$12,416,447. Subsequently TDX received a change order to consolidate program wide training increasing the base contract by \$376,400. This Supplemental Agreement adds code required construction testing and inspection services to the current contract value of \$12,792,847; increasing this by \$780,000 for such services. It is expected that the cost of these services will be fully offset by a reduction in SBMP contract costs to reflect the SBMP contractors' avoidance of inspection costs. These testing and inspection services are performed by a TDX sub-consultant, Haks Engineers, Architects and Land Surveyors, P.C. ("Haks"). Haks was selected as a result of a competitive process conducted by the Director of the Office of Construction Oversight in collaboration with TDX. Haks was the highest scoring firm and was selected based on its score, expertise, responsibility, and cost. Haks' average weighted unit price of \$76.54 was the second lowest price of the proposals and its qualifications, experience and proposed approach and methodology were scored higher than the other firms. The rates in Haks' proposal are comparable to those for similar tasks in an NYCT Technical Inspection Services contract with Haks. Haks is a New York State certified MBE.

As background, the goal of the MTA's Small Business Mentoring Program (SBMP) is to expand the pool of qualified and diverse contractors who compete for MTA's capital projects by addressing the major impediments small businesses face. TDX is assisting the MTA to evaluate and enroll applicants into the program and to mentor and train the firms accepted into the program. TDX, as part of its responsibilities, ensures that the SBMP contractors, who are competitively awarded these projects, will complete the required scope and quality safely, on-time, and on budget.

After TDX was selected, and as the standard bid documents were being developed, the MTA determined that assigning TDX the responsibility for testing and inspection was in the best interest of the SBMP. The purpose of shifting inspection responsibilities from the contractors to a construction manager is to allow the MTA to control inspection and testing activities, to provide for a uniform approach, and to avoid the potential for actual and apparent conflicts of interest when the inspections are performed by a firm retained by the contractor. TDX, as MTA's construction manager, is fully accountable to the MTA for this work and will integrate the testing and inspection activities with its construction management role. Ordinarily, the required testing and inspections work is included in the contractor's bid price. Instead, this cost is eliminated from the contractor's bid price and should be equal to the cost transferred to the TDX contract.

Since the specifications for the SBMP contracts did not include this work, and this change order work was critical to our ability to bid projects to achieve our legislative commitment, Haks was authorized to begin work prior to Board authorization. To date, \$27,084 has been invoiced. TDX staff are closely monitoring on-going costs and supervising all controlled inspection work to ensure all inspection standards are met.

An alternative, originally planned for the SBMP, is for the contractors to provide their own testing firms. This is not recommended as it presents the potential conflict of interest risk noted above as well as the added risk of a SBMP contractor selecting a firm in an industry with known integrity issues. Another alternate was to have the agencies or their consultants perform this work. However, no existing agency contract contains the needed scope of service.

**JANUARY 2012**  
**MTA REAL ESTATE**  
**LIST OF REAL ESTATE ACTION ITEMS FOR BOARD APPROVAL**

**ACTION ITEMS**

**MTA METRO-NORTH RAILROAD**

License Agreement with Marc Hiltley for the operation of a coffee concession at Metro-North's Cortlandt Station

License Agreement with Westchester County for the operation of a commuter parking facility at the North White Plains Station in White Plains, New York

Approval of easement related actions with WB Pinebrook Associates, LLC and Westchester County, for the termination, relocation and grant of easement rights in Larchmont, New York

**MTA LONG ISLAND RAIL ROAD**

License Agreement with VPCT Realty LLC for commercial parking on a portion of Block 2974 Lot 162, Brooklyn, New York

License agreements with Gonias Caterers Inc. for the coffee truck concession at Wantagh Station, Wantagh, New York; with Valeo Associates Ltd for the coffee truck concession at Ronkonkoma Station, Ronkonkoma, New York; and Mohamed Shah for the coffee truck concessions at Huntington Station, Huntington, New York, and Port Washington Station, Port Washington, New York

License agreement with Choice Treats Inc. for the operation of a café kiosk at the pavilion at LIRR Atlantic Terminal in Brooklyn, New York

**MTA NEW YORK CITY TRANSIT**

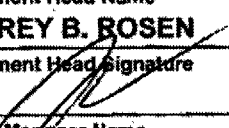
Reservation of Easement Rights with Arverne Community Center Corp. for a permanent easement between Beach 73 Street and Beach 75 Street for continuing operation of the Far Rockaway Branch of the New York City Subway System in Rockaway Peninsula, Queens, New York

License Agreement for the Operation of a Newsstand at DeKalb Avenue Subway Station, Fourth Avenue Line, Brooklyn, NY

License with Champion Vending USA Corp. to operate coffee, snack and beverage vending machines at NYCT's offices located at 130 Livingston Street, Bklyn NY 11201

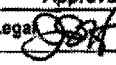
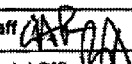



# Staff Summary

Subject <b>LICENSE AGREEMENT</b>
Department <b>REAL ESTATE</b>
Department Head Name <b>JEFFREY B. ROSEN</b>
Department Head Signature 
Project Manager Name <b>BENSON GOODWYN</b>

Date <b>JANUARY 23, 2012</b>
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref. #

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance Committee	1/23/12	X		
2	Board	1/25/12	X		

Internal Approvals			
Order	Approval	Order	Approval
		1	Legal 
3	Chief of Staff 		
2	Chief Financial Officer 		

AGENCY: MTA Metro-North Commuter Railroad ("Metro-North")  
 LICENSEE: Marc Hiltzley, as sole proprietor  
 LOCATION: New Cortlandt Station overpass, Cortlandt Manor, NY  
 ACTIVITY: Retail food and beverage service  
 ACTION REQUESTED: Approval of terms  
 TERM: 10 Years  
 TERMINATION: By Metro-North at will on 60 days' notice.  
 SPACE: Approximately 238 sq. ft.

COMPENSATION:	Period	Annual	Monthly	Increase
	Year 1	\$9,600.00	\$800.00	5%
	Year 2	\$10,080.00	\$840.00	5%
	Year 3	\$10,584.00	\$882.00	5%
	Year 4	\$11,113.20	\$926.10	5%
	Year 5	\$11,668.86	\$972.40	5%
	Year 6	\$12,252.30	\$1,021.03	5%
	Year 7	\$12,864.91	\$1,072.07	5%
	Year 8	\$13,508.16	\$1,125.68	5%
	Year 9	\$14,183.57	\$1,181.96	5%
	Year 10	\$14,892.74	\$1,241.06	5%

## COMMENTS:

In October 2011, MTA Real Estate issued a request for proposal for a ten year license to fit out and operate a concession in the new portion of the overpass at Metro-North's Cortlandt Station. Said concession will replace the existing concession space, which will be re-offered as a taxi dispatch office. Three proposals were received.

Marc Hiltzley submitted a comprehensive and well-organized proposal with a present value over 10 years, discounted at 9%, of \$73,014.04. Mr. Hiltzley has successfully operated the current concession at Cortlandt Station on behalf of the current licensee, Mario Furtado, for the past eight years. Mr. Furtado is currently paying \$3,780 per annum.

## Staff Summary

### FINANCE COMMITTEE MEETING

Marc Hiltzley (Cont'd.)



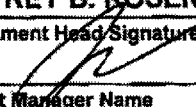
Metropolitan Transportation Authority

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Two other proposals were submitted: one by Mr. Furtado, the incumbent, with a present value of \$49,617.64; and one by Baked By Susan, Inc., with a present value of \$43,321.17.




Based on the foregoing, MTA Real Estate requests authorization to grant a license to Marc Hiltzley on the above-described terms and conditions.

# Staff Summary

Subject <b>LICENSE AGREEMENT</b>
Department <b>REAL ESTATE</b>
Department Head Name <b>JEFFREY B. ROSEN</b>
Department Head Signature 
Project Manager Name <b>DAVID ROTH</b>

Date <b>JANUARY 23, 2012</b>
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref. #

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance Committee	1/23/12	X		
2	Board	1/25/12	X		

Internal Approvals			
Order	Approval	Order	Approval
		1	Legal 
3	Chief of Staff 		
2	Chief Financial Officer 		

AGENCY: Metro-North Commuter Railroad Company ("Metro-North")  
 LICENSEE: The County of Westchester ("County")  
 LOCATION: West side of right-of-way at North White Plains Station  
 ACTIVITY: Operation and maintenance of a commuter parking lot  
 ACTION REQUESTED: Approval of terms  
 TERM: 5 years beginning February 1, 2012  
 TERMINATION: On 60 days' notice at will by Metro-North  
 SPACE: 175,000 square feet  
 COMPENSATION: \$243,091.42 annually, payable in quarterly installments.  
 ESCALATIONS: Increases to Metro-North's compensation shall be concurrent and proportional to any future parking fee increases instituted by the County at the lot.

## COMMENTS:

The County, through its Department of Parks, Recreation and Conservation, has been operating and maintaining the subject property for commuter parking under a succession of agreements with Metro-North since January 30, 1980. The subject property contains approximately 379 commuter parking spaces and is operated in conjunction with an adjacent County-owned commuter parking facility. Metro-North's parking area is land-locked, requiring commuters to traverse the adjacent County lot to reach the Metro-North lot. A parking attendant paid for by the County attends to commuters parking in both lots.

The new license agreement will carry forward key provisions from the existing agreement, which include:

- 1) Any future parking fee increase applicable to Metro-North's lot shall be by mutual agreement of Metro-North and the County. During the term of the agreement, should the County implement a parking fee increase, Metro-North will receive a concurrent and proportionate increase in base compensation. Compensation payable to Metro-North will increase by the same percentage that parking fees increase.
- 2) The County will continue to provide vehicular and pedestrian access for Metro-North's customers, employees and contractors across its property to and from Fisher Avenue.
- 3) The County will submit to Metro-North an annual parking management plan ("PMP") on October 1st of each year, to be effective January 1st of the subsequent year.

## Staff Summary

### FINANCE COMMITTEE MEETING The County of Westchester (Cont'd.)




Page 2 of 2

- 4) The County shall maintain the Metro-North lot as well as its own facility.

Metro-North and MTA Real Estate believe that the compensation, which amounts to approximately 49% of gross revenues collected from Metro-North's lot, is fair given the operation and maintenance services provided by the County.




Based on the above, MTA Real Estate requests authorization to renew the license agreement with the County on the above-described terms and conditions.

# Staff Summary

Subject <b>EASEMENT RELATED ACTIONS</b>
Department <b>REAL ESTATE</b>
Department Head Name <b>JEFFREY B. ROSEN</b>
Department Head Signature 
Project Manager Name <b>DANIEL LEVINE</b>

Date <b>JANUARY 23, 2012</b>
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref. #

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance Committee	1/23/12	X		
2	Board	1/25/12	X		

Internal Approvals			
Order	Approval	Order	Approval
		1	Legal 
3	Chief of Staff 		
2	Chief Financial Officer 		

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

GRANTOR/GRANTEE: WB Pinebrook Associates, LLC ("WB")

GRANTEE: Westchester County

LOCATION: The subject parcels are generally south of North Avenue, west of Palmer Avenue, and east of Metro-North's New Haven Line tracks, in the Village of Larchmont, Westchester County, New York

ACTIVITY: Termination, relocation, and grant of easement rights

ACTION REQUESTED: Approval of terms

PARCELS: Easement 1 – 7,048 square feet: Metro-North's right-of-way is currently burdened by a 20' wide easement for pedestrian, vehicular and utility access in favor of WB.

Easement 2 – 3,700 square feet: WB's property is currently burdened by an easement in favor of Metro-North for pedestrian, vehicular and utility access.

Public Access Easement – 7,409 square feet ("Easement 3"): Metro-North will grant a permanent easement to Westchester County for public passage and for emergency vehicle access to the rear of one of WB's buildings.

TERMS: Easement 1 will be terminated, freeing the affected Metro-North right-of-way for Metro-North unfettered usage. WB will make improvements to the Metro-North property, including installation of a sound wall, gates and a drainage system.

Easement 2 will be relocated to continue to provide Metro-North access over WB's property.

Metro-North will grant Easement 3 to Westchester County, to allow required emergency and public access to the back of WB's property, as required by code.

## COMMENTS:

WB, a developer of affordable residential homes for families, is working with New York State and Westchester County to build affordable housing that satisfies the August, 2009 settlement reached between the U.S. Department of Housing and Urban Development and Westchester County. Pursuant to this effort, WB has become the contract vendee of an approximately 1.5 acre site in Larchmont, New York, located generally south of North Avenue, west of Palmer Avenue,

# Staff Summary

## FINANCE COMMITTEE MEETING Exchange of Easements (Cont'd.)



Page 2 of 2

and east of and adjacent to the New Haven Line right-of-way. WB intends to construct two multi-family buildings containing a total of fifty-one condominium housing units, all of which will be affordable to families earning up to eighty percent of the Westchester County median income (the "Project").

The Planning Board of the Village of Larchmont (the "Village") granted site plan approval for the Project conditioned on the provision of emergency vehicle access between Palmer Avenue, a public street of the Village, and the rear of the full length WB's property, which can only be reached by using a portion of Metro-North's right-of-way. To permit this access, Metro-North will grant to Westchester County an irrevocable, non-exclusive easement (Easement 3), for emergency vehicle access and passage of the general public.

In consideration of the benefits to WB of the grant of Easement 3 to Westchester County by Metro-North, WB will improve the Easement 3 area for use as a vehicle right-of-way, including the removal of existing covered sidetrack, grading, paving, installation of a new drainage system, guardrail, curb and sound wall along part of Metro-North's property. Metro-North will benefit from these installations, as its access to the right-of-way will be facilitated and separated from WB's property by a sound wall. Flooding of the right-of-way that tends to occur in the area will be mitigated by the installation of the drainage system containing a retention system. WB will maintain these improvements as necessary.

It is also necessary for the advancement of the Project that Easement 2 be relocated. Easement 2 is an access easement that burdens WB's property in favor of Metro-North, allowing it to reach the right-of-way from the south. The relocation of Easement 2 will not affect Metro-North's ability to access its property. WB will maintain the relocated Easement 2.

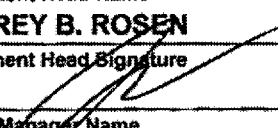
In consideration of Metro-North agreeing to relocate Easement 2, WB will terminate and release Easement 1 to Metro-North. The termination of Easement 1 will be beneficial to Metro-North because it will be able to use the released easement area for future railroad uses without any obligation to keep the property free for private vehicular access.

Pursuant to the Public Authorities Law Section 2897, appraisals were obtained with respect to Easements 1 and 3. Both easements were valued at \$10,000.00. Although the easement interest to be granted by Metro-North (Easement 3) and the easement interest to be gained by Metro-North (Easement 1) are of equal value, Metro-North will also be gaining significant improvements to its property that WB will construct and maintain.

In summary, the result of these easement transactions will not only permit the development of this housing project, but will provide Metro-North with the following benefits: 1) Improved access to the New Haven Line right-of-way for Metro-North and its contractors; 2) elimination of WB's easement over a portion of the right-of-way will free areas for Metro-North use, while sound walls will insulate the development from Metro-North work; and 3) drainage will be improved, mitigating flooding problems that Metro-North has experienced in this area

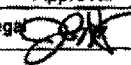
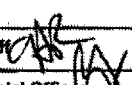

Based on the foregoing, MTA Real Estate requests authorization to execute the above described easement agreements on the terms described above.

# Staff Summary

Subject <b>LICENSE AGREEMENT</b>
Department <b>REAL ESTATE</b>
Department Head Name <b>JEFFREY B. ROSEN</b>
Department Head Signature 
Project Manager Name <b>JOHN COYNE</b>

Date <b>JANUARY 23, 2012</b>
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref. #

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance Committee	1/23/12	X		
2	Board	1/25/12	X		

Internal Approvals			
Order	Approval	Order	Approval
		1	Legal 
3	Chief of Staff 		
2	Chief Financial Officer 		

AGENCY: MTA Long Island Rail Road ("LIRR")  
 LICENSEE: VPCT Realty, LLC ("VPCT")  
 LOCATION: Part of Block 2974, Lot 162, Brooklyn, New York (the "Subject Parcel")  
 ACTIVITY: Parking of commercial vehicles  
 ACTION REQUESTED: Approval of terms  
 TERM: Ten years, subject to termination by LIRR on 60 days' notice  
 SPACE: Approximately 5,400 square feet  
 COMPENSATION:

Year	Annual Rent	Monthly Rent	Rent psf	Annual Increase
1	\$30,000	\$2,500	\$5.56	
2	\$30,900	\$2,575	\$5.72	3%
3	\$31,827	\$2,652	\$5.89	3%
4	\$32,782	\$2,732	\$6.07	3%
5	\$33,765	\$2,814	\$6.25	3%
6	\$34,778	\$2,898	\$6.44	3%
7	\$35,822	\$2,985	\$6.63	3%
8	\$36,896	\$3,075	\$6.83	3%
9	\$38,003	\$3,167	\$7.04	3%
10	\$39,143	\$3,262	\$7.25	3%

## COMMENTS

The Subject Parcel is a 5,400 square foot portion of a larger, 32,280 square foot property that was once a part of the LIRR Bushwick Branch. NYCT currently occupies 26,880 square feet of the larger property under a license agreement with the LIRR for use by paratransit vehicles. In order to continue to accommodate the paratransit use while also deriving revenue from the unused portion of this property, MTA Real Estate marketed the Subject Parcel in a recent request for proposals.

## Staff Summary

### FINANCE COMMITTEE MEETING VPCT (Cont'd.)

VPCT submitted the only proposal in response to this offering. VPCT is the owner of 465 Johnson Avenue in Brooklyn, which is located directly adjacent and to the east of the Subject Parcel. VPCT has agreed to pay compensation equal to \$5.56 per square foot in the first year of this agreement, an amount that represents fair market rent for parking in this area as per local brokers. The present value of the 10-year income stream, discounted at 9%, is \$216,157.43.

VPCT is a Brooklyn-based entity whose principals, Vincent Tona and Donna Tona, also own Tiffany Carting Corp., a waste management company headquartered at 465 Johnson Avenue. Under this license agreement, VPCT will allow Tiffany Carting Corp. to use the Subject Property for parking commercial vehicles. VPCT Realty, LLC, will be responsible for securing and maintaining the Subject Property.

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



# Staff Summary



Metropolitan Transportation Authority

Page 1 of 3

Subject <b>LICENSE AGREEMENT</b>
Department <b>REAL ESTATE</b>
Department Head Name <b>JEFFREY B. ROSEN</b>
Department Head Signature 
Project Manager Name <b>JOHN COYNE</b>

Date <b>JANUARY 23, 2012</b>
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref. #

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance Committee	1/23/12	X		
2	Board	1/25/12	X		

Internal Approvals			
Order	Approval	Order	Approval
		1	Legal
3	Chief of Staff		
2	Chief Financial Officer		

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

LICENSEES: Gonias Caterers Inc.; Valeo Associates Ltd; and Mohamed Shah

LOCATION: Wantagh Station; Ronkonkoma Station; Huntington Station and Port Washington Station

ACTIVITY: Operation of coffee trucks

ACTION REQUESTED: Approval of terms

TERM: Ten years, subject to termination by LIRR on 60 days' notice

COMPENSATION:	Location:	Year	Compensation
	Wantagh Station		
Proposer:	Gonias Caterers	1	\$7,800
		2	\$7,800
		3	\$7,850
		4	\$7,850
		5	\$7,900
		6	\$7,900
		7	\$7,950
		8	\$7,950
		9	\$8,000
		10	\$8,000
NPV (at 9%):			\$50,590

Location:	Ronkonkoma Station	Year	Compensation
Proposer:	Valeo Associates Ltd	1	\$12,000
		2	\$12,360
		3	\$12,730
		4	\$13,113
		5	\$13,506
		6	\$13,911
		7	\$14,329
		8	\$14,758
		9	\$15,201
		10	\$15,657
NPV (at 9%):			\$86,462

# Staff Summary

## FINANCE COMMITTEE MEETING

Gonias Caterers Inc.; Valeo Associates Ltd; and Mohamed Shah (Cont'd)

Page 2 of 3

Location:	Huntington Station	Year	Compensation
	Proposer: Mohamed Shah		
		1	\$19,872
		2	\$20,475
		3	\$21,096
		4	\$21,735
		5	\$22,392
		6	\$23,067
		7	\$23,760
		8	\$24,480
		9	\$25,218
		10	\$25,974
NPV (at 9%):			\$143,326

Location:	Port Washington Station	Year	Compensation
	Proposer: Mohammed Shah		
		1	\$11,556
		2	\$11,907
		3	\$12,267
		4	\$12,636
		5	\$13,023
		6	\$13,680
		7	\$14,094
		8	\$14,517
		9	\$14,958
		10	\$15,408
NPV (at 9%):			\$84,060

### COMMENTS:

MTA Real Estate recently offered coffee truck concessions at eleven LIRR stations for ten year license agreements via a request for proposals process. After proposals were received in October, MTA Real Estate gave each proposer the opportunity to revise its compensation proposal and submit final offers. The locations were previously licensed for coffee trucks, but the terms of the agreements had expired and were in holdover status. While negotiations are still ongoing with the proposers for seven of those stations, MTA Real Estate hereby requests authorization to proceed with entering into license agreements for the coffee truck concessions at Wantagh Station, Ronkonkoma Station, Huntington Station, and Port Washington Station.

Three proposals were received for the coffee truck concession at Wantagh Station: Gonias Caterers Inc., submitted a compensation proposal with a present value ("PV") discounted at 9% of \$50,590; Partnered Beverages LLC, submitted a proposal with a PV of \$49,364; and Tippy's Catering Corp. (the incumbent), offered a proposal with a PV of \$28,818. Gonias Catering, Inc. is a Freeport, New York, based company run by Kostas Gonias. Although Gonias Catering has not operated coffee trucks at LIRR stations, they have been operating coffee trucks in the Long Island area since 1981. Mr. Gonias's credit score is good and his business is solvent.

Two proposals were received for the coffee truck concession at Ronkonkoma Station: Valeo Associates Ltd offered a proposal with a PV of \$86,462; and Partnered Beverages LLC, submitted a proposal with a NPV of \$62,387. Valeo Associates, Ltd, is an entity owned and controlled by David Valeo, the incumbent coffee truck operator at Ronkonkoma. Mr. Valeo's credit score is good and his business is solvent.

Three proposals were received for the coffee truck concession at Huntington Station: Mohamed Shah, submitted a proposal with a PV of \$143,326; Partnered Beverages LLC, submitted a proposal with a PV of \$101,380; and NCH Image Inc. (the incumbent), offered a proposal with a PV of \$96,667.

## Staff Summary

### FINANCE COMMITTEE MEETING



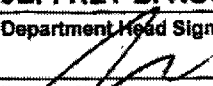
Gonias Caterers, Valeo Associates, Ltd. & Mohamed Shah (Cont'd.)

Page 3 of 3

Mr. Shah also submitted the highest compensation proposal at Port Washington Station, where four proposals were received for the coffee truck concession from: Mohamed Shah, with a PV of \$84,060; Andrew T. Pellicane, Jr., with a PV of \$66,053; Jarmer Innovations Ltd (the incumbent), with a NPV of \$61,253; and Partnered Beverages LLC, with a PV of \$60,048. Mohamed Shah is a newsstand and retail store operator based in Huntington, New York. He currently operates Cross Land News & Convenience Store at the Long Island Bus Rosa Parks Hempstead Transit Center. He also operates a liquor store, Terminal Wines and Liquors Inc., and a deli and pizza store, Triponi Deli & Pizza LLC, both located at Newark Penn Station. Mr. Shah has demonstrated knowledge of and experience with the market, and his credit score is good.




Based on the foregoing, MTA Real Estate requests authorization to enter into a license agreements as follows: with Gonias Caterers Inc. for the coffee truck concession at Wantagh Station; with Valeo Associates Ltd for the coffee truck concession at Ronkonkoma Station; and with Mohamed Shah for the coffee truck concessions at Huntington Station and Port Washington Station, all per the above-described terms and conditions.

# Staff Summary

Subject <b>LICENSE AGREEMENT</b>
Department <b>REAL ESTATE</b>
Department Head Name <b>JEFFREY B. ROSEN</b>
Department Head Signature 
Project Manager Name <b>JOHN COYNE</b>

Date <b>JANUARY 23, 2012</b>
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref. #

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance Committee	1/23/12	X		
2	Board	1/25/12	X		

Internal Approvals			
Order	Approval	Order	Approval
		1	Legal 
3	Chief of Staff 		
2	Chief Financial Officer 		

AGENCY: MTA Long Island Rail Road ("LIRR")  
 LICENSEE: Choice Treats Inc. ("Choice Treats")  
 LOCATION: LIRR Atlantic Terminal Pavilion  
 ACTIVITY: Operation of an outdoor café  
 ACTION REQUESTED: Approval of terms  
 TERM: Five years with a five-year extension option  
 TERMINATION: By LIRR at will on 60 days' notice.  
 SPACE: Approximately 140 square feet  
 COMPENSATION:

## Initial Period:

Year	Annual Compensation	Monthly Compensation	% Increase	Per sq. ft.
1	\$30,000.00	\$2,500		\$ 214.29
2	\$30,000.00	\$2,500		\$ 214.29
3	\$42,000.00	\$3,500	40%	\$ 300.00
4	\$42,000.00	\$3,500	0%	\$ 300.00
5	\$54,000.00	\$4,500	29%	\$ 385.71

## Option Period:

Year	Annual Compensation	Monthly Compensation	% Increase	Per sq. ft.
6	\$54,000.00	\$4,500	0%	\$ 385.71
7	\$66,000.00	\$5,500	22%	\$ 471.43
8	\$66,000.00	\$5,500	0%	\$ 471.43
9	\$78,000.00	\$6,500	18%	\$ 557.14
10	\$78,000.00	\$6,500	0%	\$ 557.14

## Staff Summary



### COMMENTS:


The subject property is an approximately 140 square foot space, below the awning at the pavilion at LIRR Atlantic Terminal, that will house a café kiosk. In addition to serving food and beverages from the kiosk counter, the operator of the café kiosk will be responsible for maintaining a seating area in the pavilion that will be open to the public and not limited to patrons of the café.

In November 2011, LIRR issued a request for proposals for a license to operate a café kiosk at the subject property. Three responsive proposals were received, as follows: Choice Treats, with a present value (using a 9% discount rate) of \$320,342.48; Arthur Mavashev/Brooklyn Café, with a present value of \$308,494.94; and Nisha Kapoor/Brooklyn Bites, with a present value of \$57,611.63.

The proposer offering the highest compensation, Choice Treats, is a Brooklyn-based company that operates a Mrs. Fields Cookies and Pretzelmaker store in the Atlantic Mall, which is contiguous to the LIRR Atlantic Terminal. Mr. Luther Robinson, the owner and operator of Choice Treats, has operated this store since 2005, and has adequate relevant experience with retail food service and sufficient knowledge of the local market to operate this café kiosk. Given the approximate 140 square foot area of the subject property, Choice Treat's base year proposed compensation equates to \$214.29 per square foot, which is higher than the average retail rent in the area but fair and reasonable given the subject property's unique location. Choice Treats proposed significant biennial compensation increases which, in MTA Real Estate's view, adequately accounts for anticipated future increases in foot traffic due to the Atlantic Yards project.




Based on the foregoing, MTA Real Estate requests authorization to grant a license to Choice Treats on the above-described terms and conditions.

# Staff Summary

<b>Subject</b> <b>EASEMENT AGREEMENT</b>
<b>Department</b> <b>REAL ESTATE</b>
<b>Department Head Name</b> <b>JEFFREY B. ROSEN</b>
<b>Department Head Signature</b> 
<b>Project Manager Name</b> <b>MICHAEL T. THADATHIL</b>

<b>Date</b> <b>January 23, 2012</b>
<b>Vendor Name</b>
<b>Contract Number</b>
<b>Contract Manager Name</b>
<b>Table of Contents Ref. #</b>

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance Committee	01/23/12	X		
2	Board	01/25/12	X		

Internal Approvals			
Order	Approval	Order	Approval
		1	Legal 
3	Chief of Staff 		
2	Chief Financial Officer 		
	Civil Rights		

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

**GRANTOR:** Arverne Community Center Corp. ("Arverne CCC")

**GRANTEE:** MTA New York City Transit

**LOCATION:** Queens Block 16088, portion of Lot 12 and portion of Lot 15  
Queens Block 16089, portion of Lot 12 and portion of Lot 80

**ACTIVITY:** Perpetual easement for the operation, maintenance, repair and reconstruction of NYCT's existing Rockaway line (A train) elevated railroad structure (the "Structure"), and appurtenances connected thereto, along the demapped Rockaway Freeway from a point between Beach 73 Street and Beach 74 Street to a point between Beach 74 Street and Beach 75 Street ("Beach 73 to Beach 74")

**ACTION REQUESTED:** Approval of terms

**COMPENSATION:** One dollar, payment waived

## COMMENTS

The City of New York recently sold to a developer, Benjamin-Beechwood LLC ("Developer"), certain property located in Arverne, Queens which property includes a portion of the demapped Rockaway Freeway from Beach 67 Street to Beach 77 Street that is below and adjacent to the Structure.

NYCT has previously been granted easements by Developer and its affiliated entities along the demapped Rockaway Freeway as follows: Beach 67 Street to Beach 69 Street (Grantor: Benjamin-Beechwood LLC), Beach 69 Street to Beach 73 Street (Grantor: Arverne by the Sea LLC), and Beach 74 Street to Beach 77 Street (Grantor: Benjamin-Beechwood LLC).

Arverne CCC, another Developer-affiliated entity, is now building a community center between Beach 73rd and Beach 75<sup>th</sup> Streets on property acquired from the City of New York. In the transfer of this property, NYCT's former rights to i), continue to operate the Rockaway line and access and maintain the Structure with personnel, materials, and equipment, and ii), replace and affix cables and signals adjacent to or under it, were not preserved. These rights will be reconfirmed in this grant of easement to NYCT. Arverne CCC will be permitted to use the area under the Structure for parking when not required by NYCT.

## **Staff Summary**

### **FINANCE COMMITTEE MEETING**



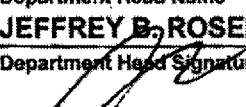
Metropolitan Transportation Authority

### **Arverne CCC/ Benjamin-Beechwood LLC/ Arverne by the Sea LLC (Cont'd.)**

Page 2 of 2

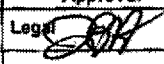

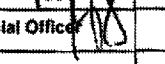
Based on the foregoing, MTA Real Estate requests authorization to enter into an easement agreement with Arverne CCC on the above-described terms and conditions.

# Staff Summary

Subject <b>LICENSE AGREEMENT</b>
Department <b>REAL ESTATE</b>
Department Head Name <b>JEFFREY B. ROSEN</b>
Department Head Signature 
Project Manager Name <b>ANGELA SZU</b>

Date <b>JANUARY 23, 2012</b>
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref. #

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance Committee	1/23/12	X		
2	Board	1/25/12	X		

Internal Approvals			
Order	Approval	Order	Approval
		1	Legal 
3	Chief of Staff 		
2	Chief Financial Officer 		

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

LICENSEE: Dimazine Newstand, Inc. ("DNI"), a New York State corporation wholly owned by Dinesh Patel

LOCATION: DeKalb Avenue Subway Station, Brooklyn, NY

ACTIVITY: Operation of a newsstand

ACTION REQUESTED: Approval of terms

TERM: Ten years, subject to termination by NYCT on not less than 60 days' notice

SPACE: Approximately 112 square feet

COMPENSATION:	Year	Annual	Monthly	% Increase	Per Sq. Ft.
	1	\$55,000.00	\$4,583.33		\$ 491.07
	2	\$55,000.00	\$4,583.33	0.00%	\$ 491.07
	3	\$56,650.00	\$4,720.83	3.00%	\$ 505.80
	4	\$56,650.00	\$4,720.83	0.00%	\$ 505.80
	5	\$58,349.50	\$4,862.46	3.00%	\$ 520.98
	6	\$58,349.50	\$4,862.46	0.00%	\$ 520.98
	7	\$61,266.98	\$5,105.58	5.00%	\$ 547.03
	8	\$61,266.98	\$5,105.58	0.00%	\$ 547.03
	9	\$64,330.33	\$5,360.86	5.00%	\$ 574.38
	10	\$64,330.33	\$5,360.86	0.00%	\$ 574.38

## COMMENTS:

The subject newsstand license was publicly offered via a request for proposals ("RFP"), which covered eleven NYCT subway stations in Brooklyn, Queens and Manhattan. In response to the RFP, MTA Real Estate received a total of nine proposals for this location, seven of which were complete and responsive.

All of the proposers were offered an opportunity to modify their proposals, in light of MTA Real Estate having obtained NYCT's authorization to permit the sale of Lotto tickets at the subject location. Both before and after such modifications, DNI was the highest bidder. The present value of the licensee fees proposed by DNI (calculated using a 9% discount rate) is \$374,398.93. The present values of the license fees proposed by the remaining proposers were as follows: \$359,388.30 proposed by Abdul M. Rahim; \$286,608.25 proposed by Rashedul Huq; \$233,450.20 proposed by Mazid A.



## Staff Summary

### FINANCE COMMITTEE MEETING License Agreement (Cont'd.)



Metropolitan Transportation Authority

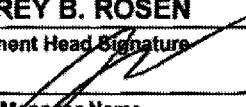
Page 2 of 2

Syed; \$244,804.41 proposed by Nurul Absar; \$224,803.89 proposed by Bhavesh Patel; and \$209,731.70 proposed by Muhammad Mir Hossain.

Mr. Patel currently operates the newsstands at the 34<sup>th</sup> Street-Herald Square subway station in Manhattan. He has over 30 years' experience building out and operating NYCT newsstands (42<sup>nd</sup> Street-Times Square, 34<sup>th</sup> Street-Herald Square, 50<sup>th</sup> Street-Broadway, and Franklin Street stations), and is considered to be a licensee in good standing by MTA Real Estate. DNI's obligations will be personally guaranteed by Mr. Patel.


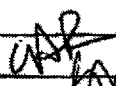

Based on the foregoing, Real Estate requests authorization to enter into a license agreement with DNI on the above-described terms and conditions.

# Staff Summary

Subject <b>License Agreement</b>
Department <b>REAL ESTATE</b>
Department Head Name <b>JEFFREY B. ROSEN</b>
Department Head Signature 
Project Manager Name <b>LEAH BASSKNIGHT</b>

Date <b>January 23, 2012</b>
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref. #

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance Committee	1/23/12	X		
2	Board	1/25/12	X		

Internal Approvals			
Order	Approval	Order	Approval
		1	Legal 
3	Chief of Staff 		
2	Chief Financial Officer 		

AGENCY: MTA New York City Transit ("NYCT")  
 LICENSEE: Champion Vending USA Corp. ("Champion")  
 LOCATION: 130 Livingston Street, Brooklyn NY 11201  
 ACTIVITY: Vending machine sales of coffee, beverages and snacks  
 ACTION REQUESTED: Approval of terms  
 TERM: Five years  
 TERMINATION: By NYCT at will on 60 days' notice  
 SPACE: 13 break rooms located at 130 Livingston Brooklyn NY

COMPENSATION:	<u>Annual</u>	<u>Monthly</u>	<u>% Increase</u>
Year 1:	\$24,000.00	\$2,000	
Year 2:	\$24,720.00	\$2,060	3%
Year 3:	\$25,461.60	\$2,121.80	3%
Year 4:	\$26,225.45	\$2,185.45	3%
Year 5:	\$27,012.21	\$2,251.02	3%

## COMMENTS

The current licensee at this NYCT facility, 347 LouMadison Corp., has provided snack and beverage vending machines and mobile coffee cart service under a month-to-month agreement since February 2009, when its term agreement expired. With 347 LouMadison Corp. in default under its agreement and in a payment dispute with the MTA, a decision was made to issue an expedited request for proposals to two existing vendors as well as the incumbent (as is customary) to help ensure that, should the incumbent decide to stop providing service, the replacement vendor could be brought in quickly. In response to the request for proposals, two proposals were received. Champion was the highest bidder with a present value (calculated using a 9% discount rate) of \$98,621. The other bidder, Crete Vending (an affiliate of the current licensee) offered compensation having a present value of \$69,212.

Champion has been providing vending machine services for over 22 years to companies in the metropolitan area that include the United Nations, Facebook, Memorial Sloan Kettering and Columbia University. It has served 13 NYCTA facilities in Brooklyn since 2001, and is a licensee in good standing.

## **Staff Summary**

### **FINANCE COMMITTEE MEETING Champion Vending USA Corp (Cont'd.)**



Page 2 of 2

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

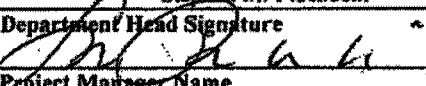
# Report





**New York City Transit**

## PROCUREMENTS

The Procurement Agenda this month includes 11 actions for a proposed expenditure of \$15.2M.

<b>Subject</b> Request for Authorization to Award Various Procurements					
<b>Department</b> Materiel Division - NYCT					
<b>Department Head Name</b> Stephen M. Plochochi					
<b>Department Head Signature</b> 					
<b>Project Manager Name</b> Rose Davis					
<b>Board Action</b>					
<b>Order</b>	<b>To</b>	<b>Date</b>	<b>Approval</b>	<b>Info</b>	<b>Other</b>
1	Committee	1/23/12			
2	Board	1/25/12			

<b>January 17, 2012</b>			
<b>Department</b> Law and Procurement - MTACC			
<b>Department Head Name</b> Evan Eisland			
<b>Department Head Signature</b> 			
<b>Table of Contents Ref #</b>			
<b>Internal Approvals</b>			
	<b>Approval</b>		<b>Approval</b>
ABT 300	President NYCT		President MTACC
11/2	Executive VP	X	Subways
	Capital Prog. Management	X	Buses
	Law	X	Diversity/Civil Rights

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:

**Schedules Requiring Majority Vote**

Schedule G: Miscellaneous Service Contracts		2	\$	3.6 M
• Nordco Rail Services	\$	1.7 M		
• Simmons Machine Tool Corp	\$	1.9 M		
		<b>SUBTOTAL</b>	<b>2</b>	<b>\$ 3.6 M</b>

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

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

Schedules Requiring Majority Vote

Schedule I: Modifications to Purchase and Public Works Contracts	3	\$	1 M
Schedule L: Budget Adjustments to Estimated Quantity Contracts	1	\$	.3 M
SUBTOTAL		4	\$ 1.3 M

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

Schedules Requiring Majority Vote:

Schedule H: Modifications to Personal/Miscellaneous Service Contracts	2	\$	7.6 M
SUBTOTAL		2	\$ 7.6 M

**NYC Transit proposes to award Ratifications in the following categories:**

Schedules Requiring Majority Vote:

Schedule K: Ratification of Completed Procurement Actions	1	\$	.7 M
SUBTOTAL		1	\$ .7 M

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

Schedules Requiring Majority Vote:

Schedule K: Ratification of Completed Procurement Actions	2	\$	2.0 M
SUBTOTAL		2	\$ 2.0 M
TOTAL		11	\$ 15.2 M

**COMPETITIVE BIDDING REQUIREMENTS:** The procurement actions in Schedules A, B C and D are subject to the competitive bidding requirements of PAL 1209 or 1265-a relating to contracts for the purchase of goods or public work. Procurement actions in the remaining Schedules are not subject to these requirements.

**BUDGET IMPACT:** The purchases/contracts will result in obligating 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.

**JANUARY 2012**

**LIST OF NON-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. **Nordco Rail Services** **\$1,710,915 (Est.)** **Staff Summary Attached 5.11**  
**Sole Source – Four-year contract**  
**RFQ #2857**  
Ultrasonic rail flaw detection services utilizing NYC Transit Track Geometry Cars #3 and #4.
2. **Simmons Machine Tool Corporation** **\$1,941,743 (Est.)** **Staff Summary Attached 5.12**  
**Sole Source – Three-year contract**  
**RFQ #2487**  
Multi-agency contract for inspection, maintenance and service of wheel truing machines, wheel boring mills, axle lathes and a wheel lathe for NYC Transit, Metro North and Long Island Railroads.



**JANUARY 2012****LIST OF COMPETITIVE PROCUREMENTS FOR BOARD APPROVAL****Procurements Requiring Majority Vote:****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.)

1. **John Civetta & Sons** **\$416,625** **Staff Summary Attached 5.13**  
**Contract #A-36065.10**

Modification to the contract for the rehabilitation of the Dyckman Street Station and component repair of five stations on the Broadway/Seventh Avenue Line in Manhattan and The Bronx, in order to paint the 207<sup>th</sup> Street Station.

**Siemens Transit Technologies****Staff Summary Attached 5.14**

2. **Contract # W-32652.114** **\$300,000**  
3. **Contract # W-32652.148** **\$267,000**

Modification to the contract for an ATM Communications Network System, in order to add an element management system and a battery monitoring system.

**JANUARY 2012**

**LIST OF COMPETITIVE PROCUREMENTS FOR BOARD APPROVAL**

**L. Budget Adjustments to Estimated Quantity Contracts**

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

<b>4. Veritext New York Reporting Co.</b> <b>Contract #: 08B9840</b> <b>October 1, 2008 – September 30, 2013</b>	<b>Original Amount:</b> \$ 605,659 <b>Prior Modifications:</b> \$ 2,500 <b>Prior Budgetary Increases:</b> \$ 0 <b>Current Amount:</b> \$ 608,159
	<b>This Request:</b> \$ 250,000
	<b>% of This Request to Current Amount:</b> 41%
	<b>% of Mods/Budget Adjustments (including This Request) to Original Amount:</b> 42%

**Discussion:**

This budget adjustment will increase the contract value and allow for continued court stenographic services. NYC Transit utilizes court stenographic services from outside firms to record and prepare typed transcripts of testimony of Qualification Hearings, Examinations Before Trial, public and labor hearings and other judicial or quasi-judicial proceedings on an "as-needed" basis. Veritext New York Reporting Co. (Veritext) was one of two firms awarded All Agency contracts for stenographic services and received an award that was approximately 25% of the projected budget. In March 2010, Modification No. 1 was awarded to Veritext to allow NYC Transit to order miscellaneous stenographic services not identified in the contract.

Due to a dispute with the provider that performs audio transcription services under a separate contract, NYC Transit's Law Department developed a significant backlog of audio CDs containing hearings that needed to be transcribed. Using the line item for miscellaneous stenographic services, the Law Department began using Veritext and Jay Dietz Associates (Dietz), the primary stenographic provider, to create transcripts from audio CDs. As a result, contract expenditures with Veritext, from March through September 2011, exceeded expectations and resulted in this need to replenish the contract funding. NYC Transit's Law Department primarily utilized Veritext due to their shorter turnaround time.

Going forward and until a new agreement is in place for audio transcription services, which is anticipated to be awarded by the second quarter 2012, NYC Transit's Law Department will utilize Dietz for any audio transcription needs, since the backlog has been eliminated and Dietz' fee is lower.

**JANUARY 2012**

**LIST OF COMPETITIVE PROCUREMENTS FOR BOARD APPROVAL**

**Procurements Requiring Majority Vote:**

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

(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.)

Ove Arup & Partners,  
Consulting Engineers, P.C.

Staff Summary Attached 5.15

1. Contract # CM-1252.53 \$776,521 (NTE)
2. Contract# CM-1252.60 \$6,752,000 (NTE)

Modifications to the contract for design and construction phase services for the Fulton Street Transit Center for additional funding for financial closeout of adjusted overhead costs and to perform additional construction phase design services.

**JANUARY 2012****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.)

- |                                     |                  |                                      |             |
|-------------------------------------|------------------|--------------------------------------|-------------|
| <b>1. F&amp;S Contracting, LLC.</b> | <b>\$704,256</b> | <b><u>Staff Summary Attached</u></b> | <b>5.17</b> |
| <b>Contract #A-35994/A-36086.22</b> |                  |                                      |             |

Modification to the contract for the rehabilitation of the Smith-9<sup>th</sup> Street Station and 4<sup>th</sup> Avenue Station platform rehabilitation, in order to replace lighting and public address/customer information screen systems on the southbound platform at the 4<sup>th</sup> Avenue Station.



JANUARY 2012

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. **E.E. Cruz and Tully Construction**                      **\$475,000**                      Staff Summary Attached **5.18**  
**Company, JV, LLC**  
**Contract # C-26005.96**

Modification to the contract for civil, structural, and utility relocation for the Second Avenue Subway, 96th Street Station, in order to relocate the sewer at Entrance 2.

2. **PB Americas, Inc.**                                      **\$1,481,348 (NTE)**                      Staff Summary Attached **5.19**  
**Contract #CM-1189R.25**

Modification to the contract for design and construction phase services for the No. 7 Line extension, in order to perform additional design tasks related to the final design stage.

# Schedule G: Miscellaneous Service Contracts



Item Number: 1

<b>Vendor Name (&amp; Location)</b> Nordco Rail Services, Inc. (Oak Creek, WI)	
<b>Description</b> Ultrasonic Rail Flaw Detection Services	
<b>Contract Term (including Options, if any)</b> Four Years	
<b>Option(s) included in Total Amount?</b> <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> n/a	
<b>Procurement Type</b> <input type="checkbox"/> Competitive <input checked="" type="checkbox"/> Non-competitive	
<b>Solicitation Type</b> <input type="checkbox"/> RFP <input type="checkbox"/> Bid <input checked="" type="checkbox"/> Other: Non-Competitive	

<b>Contract Number</b> RFQ 2857	<b>Renewal?</b> <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
<b>Total Amount:</b> \$1,710,915 (Est.)	
<b>Funding Source</b> <input checked="" type="checkbox"/> Operating <input type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:	
<b>Requesting Dept/Div &amp; Dept/Div Head Name:</b> Department of Subways, Carmen Bianco	

## Discussion:

It is requested that the Board declare that a competitive selection process is inappropriate pursuant to the All Agency Guidelines for Procurement of Services due to the existence of a single responsible source and approve the award of a four-year sole source, estimated quantities miscellaneous service contract to Nordco Rail Services, Inc. to conduct ultrasonic rail flaw detection services including maintenance, utilizing the proprietary Nordco equipment that exists on NYC Transit Track Geometry Cars #3 and #4 (TGC3 and TGC4).

The contractor will perform ultrasonic rail flaw detection services using sound waves to identify defects in the rail, thus facilitating pre-emptive repairs. Possible defects include internal separations of the steel within the rail head known as transverse defects, bolt hole and web defects, and longitudinal defects such as vertical split heads, horizontal split heads and head and web separations.

Nordco Rail Services (Nordco) and Sperry Rail Services (Sperry) are the premier ultrasonic rail testing firms in the nation. NYC Transit issued a sole source advertisement to ascertain whether other parties were capable of providing the above mentioned services to which no responses were received.

NYC Transit, in its efforts to identify a viable alternative and supplement to its current service provider (Sperry), decided to utilize the TGC3 & TGC4 vehicles, which currently perform critical track geometry and tunnel clearance measurements throughout the subway system and are already outfitted with proprietary ultrasonic rail testing equipment manufactured by Nordco. The TGC3 and TGC4 are owned and operated by NYC Transit. It is necessary to engage Nordco to maintain and service its proprietary equipment as they are the only company that can provide parts and maintain the system software. Nordco will also operate the equipment to analyze, report and verify the defects found during scheduled testing runs of the tracks by these inspection cars. Nordco will provide four certified personnel for this purpose for a period of approximately 24 weeks per year, covering two test runs of the transit system (subway, elevated and open-cut tracks), plus one additional subway-only test run. Sperry has provided this service exclusively for NYC Transit for over 40 years and is currently utilizing a diesel-powered vehicle (SRS 403) owned, operated and maintained by Sperry, to provide this testing. Due to the critical nature of this service, providing for two contractors will allow for redundancy and validation of each contractor's test findings.

After the Nordco contract is in place, NYC Transit anticipates awarding a new contract to Sperry to modify NYC Transit's existing TGC2 car to incorporate Sperry's latest proprietary ultrasonic rail testing equipment and have Sperry utilize the TGC2 to perform the ultrasonic testing in the future on a similar basis as Nordco, and thereby retire the Sperry SRS 403 from service.

The estimated annual cost of the ultrasonic rail flaw detection service described above is \$354,840 (totaling \$1,419,360 over four years); including costs for maintenance services. The balance of the total contract amount covers lodging, travel and per diem expenses. Nordco's initial proposal was \$2,212,560; NYC Transit's estimate was \$2,317,200. Following negotiations Procurement was able to reduce the total estimated cost to \$1,710,915 which was found to be fair and reasonable. Savings of \$501,645 (22.7%) were achieved.

## Schedule G: Miscellaneous Service Contracts



Item Number: 2

<b>Vendor Name (&amp; Location)</b> Simmons Machine Tool, Corp. (Albany, NY)
<b>Description</b> Inspection, maintenance and service of wheel truing machines, wheel boring mills, axle lathes and a wheel lathe.
<b>Contract Term (Including Options, if any)</b> Three Years
<b>Option(s) included in Total Amount?</b> <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> n/a
<b>Procurement Type</b> <input type="checkbox"/> Competitive <input checked="" type="checkbox"/> Non-competitive
<b>Solicitation Type</b> <input type="checkbox"/> RFP <input type="checkbox"/> Bid <input checked="" type="checkbox"/> Other: Non-Competitive Sole Source

<b>Contract Number</b> 10G0294 /RFQ# 2487	<b>Renewal?</b> <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
<b>Total Amount:</b> NYC Transit: \$598,373 MNR: \$368,910 LIRR: \$974,460 <b>\$1,941,743 (Est.)</b>	
<b>Funding Source</b> <input checked="" type="checkbox"/> Operating <input type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:	
<b>Requesting Dept/Div &amp; Dept/Div Head Name:</b> Department of Subways, Carmen Bianco	

### Discussion:

It is requested that the Board declare that a competitive selection process is inappropriate pursuant to the All Agency Guidelines for Procurement of Services due to the existence of a single responsible source and approve the award of a three-year, sole source, estimated quantity, multi-agency miscellaneous service contract to Simmons Machine Tool (Simmons) for the inspection, maintenance, and service of wheel truing machines (WTMs), wheel boring mills (WBM), axle lathes and a wheel lathe for various NYC Transit, Metro-North Railroad (MNR) and Long Island Rail Road (LIRR) locations.

NYC Transit, MNR, and LIRR have combined their individual service needs under one agreement to achieve increased economies of scale and improved pricing. Simmons is the original equipment manufacturer of the WTMs, WBMs, axle lathes and wheel lathe under this contract and holds the proprietary rights to the equipment software. In an effort to solicit competition, NYC Transit placed advertisements in the New York State Contract Reporter and New York Post seeking other qualified companies to provide the contract services. No responses were received.

The WTMs are used for cutting the treads and flanges of train wheels to maintain uniformity of the wheels, per specification, a process called truing. Similar to the WTM in function, the wheel lathe can machine two wheel sets (four wheels) in tandem while on the car. The WBM is used to bore holes in the wheels to obtain a proper fit on the axle, and the axle lathe is used to cut the axle to match the bore of the wheel.

This contract includes provisions for preventative maintenance and inspections, additional repairs when needed, as well as the purchase of parts. The services provided under this contract are performed by Simmons' trained personnel. The inspections include preventative maintenance checks and also require Simmons to validate that the equipment is operating within specified tolerances. Additional repairs are required when major equipment components fail and/or when repairs require software diagnostics. Availability of qualified in-house personnel and the location and usage of the equipment are driving factors for the differences in each agency's preventative maintenance, inspection requirements, additional repairs and purchase of parts under this contract.

Simmons' initial price proposal for the three agencies totaled \$2,200,002. Through negotiations and a reduction in parts requirements, Simmons reduced its price proposal to \$1,941,743 which is 1.3 % lower than the cost estimate. The contract includes hourly labor rates for preventative maintenance and inspection services, additional repairs and travel as well as a discount rate for parts. Based on MTA Audit's cost analysis of the price proposal, Procurement has deemed Simmons' contract price fair and reasonable.

# Schedule I: Modifications to Purchase and Public Work Contracts



Item Number: 1

<b>Vendor Name (&amp; Location)</b> John Civetta & Sons (Bronx, NY)	
<b>Description</b> Full Rehabilitation of Dyckman Street Station and Component Repair of Five Stations on the Broadway/Seventh Avenue Line in Manhattan and The Bronx	
<b>Contract Term (Including Options, if any)</b> June 29, 2010 – June 29, 2012	
<b>Option(s) included in Total Amount?</b> <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> n/a	
<b>Procurement Type</b> <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Non-competitive	
<b>Solicitation Type</b> <input type="checkbox"/> RFP <input type="checkbox"/> Bid <input checked="" type="checkbox"/> Other: Modification	
<b>Funding Source</b> <input type="checkbox"/> Operating <input checked="" type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:	
<b>Requesting Dept/Div &amp; Dept/Div Head Name:</b> Capital Program Management, Frederick E. Smith	

Contract Number	AWO/Modification #
A-36065	10
Original Amount:	\$ 46,906,344
Prior Modifications:	\$ 310,811
Prior Budgetary Increases:	\$ 0
Current Amount:	\$ 47,217,155
This Request:	\$ 416,625
% of This Request to Current Amount:	0.9%
% of Modifications (including This Request) to Original Amount:	1.6%

## Discussion:

This modification is for the painting of the 207<sup>th</sup> Street Station.

The contract covers stations on the Broadway/Seventh Avenue Line in Manhattan (Dyckman Street, 207<sup>th</sup> and 215<sup>th</sup> Street Stations) and The Bronx (225<sup>th</sup>, 238<sup>th</sup> and 242<sup>nd</sup> Street Stations). The contract provides for the full rehabilitation of the Dyckman Street Station. The contract also provides for component replacements at five stations, consisting of the replacement of street stairs at two stations (207<sup>th</sup> and 225<sup>th</sup> Streets) and the replacement of platform edges and canopies at five stations (207<sup>th</sup>, 215<sup>th</sup>, 225<sup>th</sup>, 238<sup>th</sup> and 242<sup>nd</sup> Streets).

Subways and CPM manage a station painting program which started with a 2007/2008 survey of the paint condition of all stations. As work is accomplished on the prioritized list, the remaining stations are assigned to an appropriate painting initiative. 207<sup>th</sup> Street Station was prioritized for painting after the subject contract had already been solicited and awarded. The contract includes painting at the 207<sup>th</sup> Street Station, specifically, painting the new stairs and the underside of the new platform canopies as part of those component replacement scopes of work. Adding this painting component to the subject contract maximizes cost savings and minimizes customer inconvenience, because all 207<sup>th</sup> Street Station painting will be performed at the same time during a diversion of service scheduled for the spring of 2012.

This modification will provide for the lead abatement, surface preparation and painting of the control house interior and exterior (including the underside of the elevated control house), the platform area railings and AFC gates, windscreens, and canopy framing and columns. The modification also includes \$106K for the replacement of the windscreens, which will be painted in the contractor's shop. This is less than the estimated \$177K cost of scraping and painting the existing windscreens. The 207<sup>th</sup> Street Station windscreens are deteriorated at the bottom and are temporarily supported, making it impractical to paint in place.

The contractor's revised proposal was \$556,410. NYC Transit's revised estimate was \$410,000. Negotiations resulted in the agreed upon lump sum of \$416,625 and was found to be fair and reasonable.



# Schedule I: Modifications to Purchase and Public Work Contracts



Item Number: 2-3

<b>Vendor Name (&amp; Location)</b>	
Siemens Transit Technologies, Inc. (New York, NY)	
<b>Description</b>	
ATM Communications Network System for Subways "B" Division	
<b>Contract Term (including Options, if any)</b>	
December 30, 2004 – March 31, 2009	
<b>Option(s) included in Total Amount?</b>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> n/a
<b>Procurement Type</b>	<input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Non-competitive
<b>Solicitation Type</b>	<input type="checkbox"/> RFP <input type="checkbox"/> Bid <input checked="" type="checkbox"/> Other: Modification
<b>Funding Source</b>	
<input type="checkbox"/> Operating <input checked="" type="checkbox"/> Capital <input checked="" type="checkbox"/> Federal <input type="checkbox"/> Other:	
<b>Requesting Dept/Div &amp; Dept/Div Head Name:</b>	
Capital Program Management, Frederick E. Smith	

Contract Number	AWO/Modification #	
W-32652	114 & 148	
Original Amount:	\$	61,384,158
Option Amount:	\$	122,511,926
Total Amount:	\$	183,896,084
Prior Modifications:	\$	41,500,567
Prior Budgetary Increases:	\$	0
Current Amount:	\$	225,396,651
<b>This Request:</b>		
Mod. 114: \$300,000	\$	
Mod. 148: \$267,000		567,000
<b>% of This Request to Current Amount:</b>		0.3%
<b>% of Modifications (including This Request) to Original Amount:</b>		22.8%

## Discussion:

This contract provides for the furnishing and installation of an ATM network for Subways 'B' Division. This is the second of two contracts needed to build the new fiber optic system. Both contracts were competitively awarded. The first contract (W-32648), which was awarded to the same contractor, provided a core SONET network and an ATM network for Subways 'A' Division. When this second contract (W-32652) is complete, the network will handle PA/CIS, Automatic Train Supervision, Automatic Fare Collection, e-mail, facsimile, timekeeping, phone communications and more for NYC Transit over a single, integrated fiber optic network controlled from the Rail Control Center.

## Modification No. 114

This modification will add an Element Management System (EMS). NYC Transit had a legacy fiber optic network, constructed by another contractor, before the Siemens contracts were solicited. In connection with the legacy network, in the mid-1990's NYC Transit acquired Nortel's network EMS software. An EMS provides information for the management of network devices, such as keeping track of devices in a system, monitoring device health and status, providing alerts about performance, and identifying the source of a problem.

The subject contract requires Siemens to use NYC Transit's licenses for the Nortel software. However, that software became an end-of-life product for Nortel. Also, Nortel went bankrupt in 2009 and Avaya acquired Nortel's switch and EMS business. Avaya has been phasing-out its support of the old Nortel software. Unsupported software should not be used in the new fiber optic network. Accordingly, this modification requires Siemens to provide NYC Transit with Avaya's current EMS software. To ensure seamless integration of the new EMS software, this modification also requires Siemens to furnish and install servers, load the Avaya software into the servers, integrate the new servers with existing EMS workstations, perform EMS turn-up and integration testing, and provide training. The contractor's cost proposal was \$456,480; NYC Transit's estimate was \$277,100. Following negotiations, the lump sum of \$300,000 was agreed upon and found to be fair and reasonable. Savings of \$156,480 were achieved.

## Modification No. 148

This modification is to add a system to monitor battery temperature. This modification is necessitated because of the substitution of a different battery for the battery that was approved for use because of the bankruptcy of the original manufacturer. In May 2009, the Board approved a modification to the contract that involved the furnishing and installation of power plants in 23 core sites that house SONET switches, ATM switches and DWDM multiplexers. In the event of an electrical outage or interruption, the power plant would provide power from batteries for several hours. The May 2009 modification called for batteries manufactured by Power Battery. But in early 2010, Power Battery declared bankruptcy. An alternate battery was chosen, manufactured by EnerSys, as it is the only other battery that meets NYC Transit's technical requirements and fits into the tight available space. However, the EnerSys battery requires significantly more electrolyte than the one offered by Power Battery. That triggered the need to meet a fire code requirement. Specifically, NYC Transit determined that battery strings installed at 15 core sites require thermal runaway protection. Thermal runaway is battery overheating. The fire code of NY State requires thermal runaway protection when certain battery systems have an electrolyte capacity of more than 50 gallons. This modification provides a system which monitors battery temperature and, if the temperature reaches a certain threshold, automatically stops battery operation to prevent unacceptable heat build-up. This modification includes thermometers, wiring, integration and testing. The contractor's cost proposal was \$417,320; NYC Transit's estimate was \$245,600. Following negotiations, the lump sum of \$267,000 was agreed upon and found to be fair and reasonable. Savings of \$150,320 were achieved.

# Schedule H: Modifications to Personal Service & Miscellaneous Contracts



Item Number: 1-2

<b>Vendor Name (&amp; Location)</b>	
Ove Arup & Partners Consulting Engineers P.C. (New York, NY)	
<b>Description</b>	
Design and construction phase support services for the Fulton Street Transit Center	
<b>Contract Term (including Options, if any)</b>	
August 1, 2003 – November 30, 2014	
<b>Option(s) included in Total Amount?</b>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> n/a
<b>Procurement Type</b>	<input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Non-competitive
<b>Solicitation Type</b>	<input type="checkbox"/> RFP <input type="checkbox"/> Bid <input checked="" type="checkbox"/> Other: Modification
<b>Funding Source</b>	
<input type="checkbox"/> Operating <input checked="" type="checkbox"/> Capital <input checked="" type="checkbox"/> Federal <input type="checkbox"/> Other:	
<b>Requesting Dept/Div &amp; Dept/Div Head Name:</b>	
MTA Capital Construction, Michael Horodniceanu	

Contract Number	AWO/Modification #
CM-1252	53 & 60
<b>Original Amount:</b>	
	\$ 19,729,370
<b>Option Amount:</b>	
	\$ 35,844,990
<b>Total Amount:</b>	
	\$ 55,574,360
<b>Prior Modifications:</b>	
	\$ 39,200,808
<b>Prior Budgetary Increases:</b>	
	\$ 0
<b>Current Amount:</b>	
	\$ 94,775,168
<b>This Request:</b>	
Mod. No 53: \$776,521	
Mod. No. 60: \$6,752,000	\$ 7,528,521
	(NTE)
<b>% of This Request to Current Amount:</b>	
	7.9%
<b>% of Modifications (including This Request) to Original Amount:</b>	
	84%

## Discussion:

These modifications are for additional funding for closeout and final payment for a portion of the design services performed under the contract and Construction Phase Support (CPS) services with no change to the overall contract duration.

The contract is for design and construction phase services on the Fulton Street Transit Center (FSTC) project. The base contract amount of \$19,729,370 was for conceptual design and preliminary engineering. The base contract originally included an option for final design and CPS in the not-to-exceed amount of \$35,844,990. The option amount was subsequently re-negotiated and reduced to the current not-to-exceed amount of \$27,060,000, and the balance of approved funds was used for additional design services.

In December 2007, MTACC solicited a single RFP for all the remaining construction work on the FSTC and received only one proposal, which was far in excess of the budget; the solicitation was subsequently cancelled. MTACC determined that a repackaging plan that allowed for specialty contractors to be able to competitively bid on smaller packages was in the best interests of the FSTC project. The FSTC Construction Contract Package 4 was then divided into six smaller contract packages. This repackaging effort has resulted in competitively priced construction bids, the aggregate of which was far less than the rejected sole proposal, even when the cost of repackaging is considered. The repackaging of the FSTC Construction Contract Package 4 resulted in the extension of the overall completion schedule for construction from October 2013 to February 2014. This repackaging effort has also resulted in the modification of the design consultant contract, including increasing CPS.

## Modification No. 53:

This modification is for additional funding for the closeout and final payment of a portion of the design services performed by Ove Arup (Arup) under the contract over fiscal years 2005, 2006 and 2007. The services consist of Final Design (final design, preparation of bid documents, bid cost estimates and construction schedule), Contract Award Support (prepare and issue addenda & amendments, attend pre-bid meetings, bid openings and qualification hearings), and Construction Phase Support for multiple construction packages during this three year audit period. This federally funded contract, utilizing the federal overhead procedures detailed under the Safe Accountable Flexible Efficient Transportation Equity Act, requires an annual review and adjustment of consultant overhead rates. MTA Audit completed its review of the overhead rates schedule and invoices submitted by Arup and its 14 sub-consultants for the fiscal years 2005, 2006 and 2007.

As part of the closeout process, Arup submitted a final invoice in the amount of \$1,727,186 representing proposed overhead adjustments for this three year period. As part of the closeout reconciliation MTA Audit reviewed the entire \$31.6 million in billings for the closeout period, including direct labor rates, expenses, and the annual overhead adjustments. As a result of this closeout reconciliation review and Procurement and Audit analysis of additional back up data submitted by the consultants, Arup's final invoice amount was reduced by \$950,665 to \$776,521. This was primarily due to an \$863,373 reduction in the proposed overhead and \$87,292 reduction in direct labor costs. Arup, Procurement and Audit agreed to the final invoice amount of \$776,521.

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



Capital Construction

### Modification No. 60:

This modification covers additional CPS services. It provides for a greater than anticipated increase in the Consultant's required attendance at meetings as well as the review of approximately 8,000 additional drawing submittals from the contractors as a result of the increased complexity of submittals associated with the interfaces between the various construction contractors for the FSTC project. The time allocated for the review of each drawing has increased due to the greater complexity of the drawing submittals. The coordination of four construction contractors for six contracts also required an increased level of effort from the Consultant not contemplated by the Contract. Increased staffing and time is needed to review drawings from the six contracts to ensure that they interface seamlessly for the overall FSTC design. Additional support is required to attend the increased number of meetings resulting from coordinating the work. The modified scope of the FSTC project has also increased the complexity of managing the approval process and incorporating comments from various MTA agencies, the four contractors and other governmental agencies.

The consultant submitted a proposal in the amount of \$8,774,629 (54,545 labor hours). MTACC's revised estimate was \$6,915,212 (44,000 labor hours). Following negotiations, the contractor submitted a BAFO in the amount of \$6,752,000 (44,000 labor hours). The final price was determined to be fair and reasonable. Savings of \$2,022,629 were achieved. There is no change to the exiting hourly rates, overhead and fixed fee.

# Schedule K: Ratification of Completed Procurement Actions



Item Number: 1

<b>Vendor Name (&amp; Location)</b> F&S Contracting, LLC (College Point, NY)	
<b>Rehabilitation of the Smith-9<sup>th</sup> Street Station and 4<sup>th</sup> Avenue Station platform rehabilitation</b>	
<b>Contract Term (including Options, if any)</b> September 30, 2010 – July 30, 2012	
<b>Option(s) included in Total Amount?</b> <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> n/a	
<b>Procurement Type</b> <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Non-competitive	
<b>Solicitation Type</b> <input type="checkbox"/> RFP <input type="checkbox"/> Bid <input checked="" type="checkbox"/> Other: Modification	
<b>Funding Source</b> <input type="checkbox"/> Operating <input checked="" type="checkbox"/> Capital <input checked="" type="checkbox"/> Federal <input type="checkbox"/> Other:	
<b>Requesting Dept/Div &amp; Dept/Div Head Name:</b> Capital Program Management, Frederick E. Smith	

<b>Contract Number</b> A-35994/A-36086	<b>AWO/Modification #:</b> 22
<b>Original Amount:</b>	\$ 26,791,000
<b>Prior Modifications:</b>	\$ 1,431,464
<b>Prior Budgetary Increases:</b>	\$ 0
<b>Current Amount:</b>	\$ 28,222,464
<b>This Request:</b>	\$ 704,256
<b>% of This Request to Current Amount:</b>	2.5%
<b>% of Modifications (including This Request) to Original Amount:</b>	8.0%

## Discussion:

This retroactive modification is for platform lighting and public address/customer information screen (PA/CIS) systems on the southbound (S/B) platform of the 4<sup>th</sup> Avenue Station. In November 2011, the Board approved a retroactive modification for platform lighting and PA/CIS on the northbound side.

The contract is for complete rehabilitation of the Smith-9<sup>th</sup> Street Station and platform rehabilitation of the 4<sup>th</sup> Avenue Station, both on the Culver Line.

The contract includes the replacement of lighting and PA/CIS screens in the Smith-9<sup>th</sup> Street Station, as part of the complete station rehabilitation.

The contract work at the 4<sup>th</sup> Avenue Station was limited to the rehabilitation of civil and structural components at the elevated platform level due to budgetary constraints. The component rehabilitation includes: replacement of canopies, concrete platform topping, platform edges, brick work, roof replacement, and restoration of the arch overpass on 4th Avenue.

After contract award, the Brooklyn Borough President and a NY State Assembly member provided \$2,800,000 in funding for other improvements to the 4<sup>th</sup> Avenue Station, including repair and restoration of the exterior tower façade, replacement of lighting beneath the viaduct over 4<sup>th</sup> Avenue and the sidewalks, and restoration of entrance globes, doors, and concession storefronts. To these, NYC Transit will add platform lighting and PA/CIS. These various improvements will be provided by this and a series of future modifications.

To minimize customer inconvenience and perform the work cost effectively, platform lighting and PA/CIS installation must be performed in coordination with S/B diversions of service scheduled for another contract on the Culver Line. The work included in this modification will be performed while the S/B platform is closed to the public during a diversion of service from November 2011 to March 2012. The remaining modifications for improvements funded by the Borough President and Assembly member need not be performed during diversions of service and will be submitted to the Board in the future.

The work includes the furnishing and installation of new lighting and PA/CIS equipment, conduit and wiring. The contractor's initial proposal was \$732,949; NYC Transit's estimate was \$653,000. Following negotiations, the lump sum price of \$704,256 was agreed upon and found to be fair and reasonable. Savings of \$28,693 were achieved.

On November 4, 2011, the SVP, CPM approved a retroactive waiver and the contractor was directed to proceed immediately.

# Schedule K: Ratification of Completed Procurement Actions



Item Number: 1

<b>Vendor Name (&amp; Location)</b>	
E.E. Cruz and Tully Construction Company, JV, LLC (Holmdel, NJ)	
Civil, structural, and utility relocation for the Second Avenue Subway route – 96 <sup>th</sup> Street Station	
<b>Contract Term (including Options, if any)</b>	
May 28, 2009 – June 14, 2013	
<b>Option(s) included in Total Amount?</b> <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> n/a	
<b>Procurement Type</b> <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Non-competitive	
<b>Solicitation Type</b> <input type="checkbox"/> RFP <input type="checkbox"/> Bid <input checked="" type="checkbox"/> Other: Modification	
<b>Funding Source</b>	
<input type="checkbox"/> Operating <input checked="" type="checkbox"/> Capital <input checked="" type="checkbox"/> Federal <input type="checkbox"/> Other:	
<b>Requesting Dept/Div &amp; Dept/Div Head Name:</b>	
MTA Capital Construction, Michael Horodniceanu	

<b>Contract Number</b>	<b>AWO/Modification #:</b>
C-26005	96
<b>Original Amount:</b>	\$ 325,000,000
<b>Prior Modifications:</b>	\$ 13,251,195
<b>Prior Budgetary Increases:</b>	\$ 0
<b>Current Amount:</b>	\$ 338,251,195
<b>This Request:</b>	\$ 475,000
<b>% of This Request to Current Amount:</b>	0.1%
<b>% of Modifications (including This Request) to Original Amount:</b>	4.2%

## Discussion:

This retroactive modification is for the relocation of the sewer along the east side of Second Avenue and crossing 94<sup>th</sup> Street.

This contract is for civil, structural, and utility relocation work for the new 96<sup>th</sup> Street Station for the Second Avenue Subway.

The work to be performed under this contract includes: the relocation 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 piles and micro pile walls; connection to the existing tunnel north of 99<sup>th</sup> Street; installation of temporary roadway decking; construction of the 96<sup>th</sup> Street Station invert slab; and construction of certain station entrance and ancillary building structural elements.

The original Contract C-26005 bid documents show the existing east side 18" sewer crossing 94<sup>th</sup> Street parallel to Second Avenue through two existing "T" (slurry) panels constructed by the tunnel boring contractor under contract C-26002. With this original design, all that was required at Entrance 2 was to support, protect and maintain the existing 18" sewer.

Due to field conditions encountered under Contract C-26002 (TBM), this 18" sewer was modified to include a temporary section of 18" PVC sewer pipe crossing 94<sup>th</sup> Street at the future subway Entrance 2. This temporary section was built with an offset to the east in order to clear an existing Con Ed manhole and allow the C-26002 contractor to perform their contract work. However, the timing of that change prevented it from being incorporated into the C-26005 bid documents. As such, the existing alignment differs from what was reflected in the original Contract C-26005 bid documents and directly conflicts with the slurry panels required to construct Entrance 2 under Contract C-26005. This modification will mitigate this condition by replacing the existing 18" PVC sewer with 18" ductile iron pipe and relocating it onto the existing T-Panels constructed under C-26002. The work includes hand excavation around utilities; support of excavation and decking of the excavation; break out, temporary support and reconstruction of the existing electrical manhole; supporting existing utilities; maintaining sewer flow by continuous pumping or fluming operation; maintenance and protection of traffic and final restoration of the pavement and sidewalk in the area.

The contractor submitted a revised cost proposal in the amount of \$585,285; MTACC's revised estimate was \$459,489. Negotiations resulted in the agreed upon lump sum price of 475,000, which is considered fair and reasonable. Savings of \$110,285 were achieved. MTACC approved a retroactive waiver on November 15, 2011 and the contractor was directed to proceed on December 1, 2011, in order not to impact project schedule.

# Schedule K: Ratification of Completed Procurement Actions



Item Number: 2

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

Contract Number	AWO/Modification #
CM-1189R	25
Original Amount:	40,784,046
Option Amount:	\$ 45,806,163
Total Amount:	86,590,209
Prior Modifications (including options):	\$ 73,887,876
Prior Budgetary Increases:	\$ 0
Current Amount:	\$ 160,478,085
This Request:	\$ 1,481,348 (NTE)
% of This Request to Current Amount:	0.9%
% of Modifications (including This Request) to Original Amount:	87%

## Discussion:

This modification is for additional design tasks associated with the Final Design stage of the No. 7 Subway Line extension.

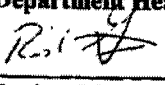

This contract was awarded to PB Americas, Inc. (PB) for the preparation of a draft and final environmental impact statement (D/FEIS) and engineering design and construction phase services for the No. 7 subway line extension. To date, 23 modifications have been issued, including exercise of options and extensions of the contract end date by 82 months to August 7, 2013. The contract is primarily in the construction support stage.

This retroactive modification includes the following additional final design services: installation of Stationary Advisory Information Display; station entrance globes; removal of interim finishes at street level; location of 36-inch high bollards at Sites J and P; creation of four additional HVAC storage rooms; incorporation of revised camera locations; changes to Site P loads imposed by the future overbuild structures; changes to Site L transformer vaults requested by Con Edison; deletion of tunnel invert work; replacement of lighting fixtures at Sites J and P; reinforced concrete repair details for the Eighth Avenue/West 41<sup>st</sup> Street access shaft and locations for the ADA elevator, Site J rotunda and Sites J and P canopies. These design changes were in response to requests by NYC Transit and the Hudson Yards Development Corporation (HYDC). HYDC is funding these design changes.

On April 25, 2011, MTACC directed PB to proceed with the work. Retroactive approval was given to avoid disruption to the project's overall completion date.


PB's initial proposal amount was \$2,425,283. Negotiations resulted in revisions to the scope of work. Subsequently, PB submitted its BAFO, based on the agreed upon scope of work, of \$1,481,348. MTACC's revised estimate was \$1,482,017. The BAFO utilizes previously negotiated contract rates and is considered fair and reasonable.

## Staff Summary

<b>Subject</b>
LIRR & Metro-North Rules of Conduct
<b>Departments</b>
LIRR and Metro-North Law Departments
<b>Department Head Name</b>
Richard L. Gans/LIRR; Seth Cummins/Metro-North
<b>Department Head Signatures</b>
 
<b>Project Manager Names</b>
Priscilla Lundin/LIRR; Susan Sarch/Metro-North

<b>Vendor Name</b>
N/A
<b>Contract Number</b>
N/A
<b>Contract Manager Name</b>
N/A
<b>Table of Contents Ref #</b>

Board Action					
	To	Date	Approv	Inf	Other
1	LIRR/MNR	1/23/12	X		
2	Board	1/25/12	X		

Internal Approvals			
Order	Approval	Order	Approval
1	MNR President		
2	LIRR President		

### PURPOSE:

To obtain Board approval to conclude rule making pursuant to the New York State Administrative Procedure Act ("SAPA") to revise LIRR's and Metro-North's (collectively, the "Railroads") respective rules of conduct to conform to a recent New York law that prohibits smoking in the Railroads' outdoor ticketing, boarding or platform areas.

### DISCUSSION:

On September 28, 2011, the Board authorized the commencement of the SAPA rule making process to amend the Railroads' Rules and Regulations Governing the Conduct and Safety of the Public ("Rules of Conduct") to conform to a recent New York law, effective November 13, 2011, that prohibits smoking in the Railroads' outdoor ticketing, boarding or platform areas.

Based on this authorization, LIRR and Metro-North published Notices of Proposed Rulemaking in the New York State Register, soliciting public comment for a 45-day period, as required by SAPA. The 45-day period expired on January 17, 2012.

During the public comment period, LIRR and MNR each received only one comment, from the New York chapter of the American Lung Association, in support of the proposed changes to the Railroads' Rules of Conduct. As no negative comments were received, and the proposed changes are necessary to allow the Railroads to enforce the new law, it is recommended that the Railroads implement the proposed amendments as set forth in the prior Staff Summary and reiterated below.

### **AMENDMENTS TO THE RAILROADS' RULES OF CONDUCT**

The amendments of section 1097.5(15) of the LIRR Rules of Conduct and section 1085.5(o) of the Metro-North Rules of Conduct will: (1) add outdoor ticketing, boarding or platform areas of a terminal or station to the areas where persons are currently prohibited from smoking; and (2) delete language referring to smoking being allowed in designated areas, since neither of the Railroads maintain designated smoking areas. The new language to be added, as set forth below, is italicized, and material to be deleted is bracketed:

"No person in a terminal, station, or train shall:

Burn a lighted cigarette, cigar, pipe, or any other matter or substance which contains tobacco or any tobacco substitute on a train or in any indoor area within a terminal or station [or in any indoor area within a terminal or station not specifically designated as an area where such conduct is permitted], *or in an outdoor ticketing, boarding or platform area of a terminal or station.*"

### **RECOMMENDATION:**

It is recommended that the Board approve a resolution adopting the proposed amendments to the Railroads' Rules of Conduct, and authorizing the Railroads to take all necessary steps to conclude the SAPA rule making process.



## RESOLUTION

WHEREAS, the LONG ISLAND RAIL ROAD COMPANY ("LIRR") and METRO-NORTH COMMUTER RAILROAD COMPANY ("METRO-NORTH") (collectively, the "Railroads") maintain Rules & Regulations Governing the Conduct and Safety of the Public ("Rules of Conduct") in the use of their facilities;

WHEREAS, on September 28, 2011, the Board, sitting as the Board of LIRR and as the Board of METRO-NORTH, authorized the Presidents of LIRR and METRO-NORTH and/or their designees to take all steps necessary pursuant to the New York State Administrative Procedure Act ("SAPA") to revise the Railroads' respective Rules of Conduct to comply with a recent New York law that prohibits smoking in the Railroads' outdoor ticketing, boarding or platform areas, as fully set forth in the Railroads' joint Staff Summary dated September 8, 2011;

WHEREAS, on November 30, 2011, LIRR and METRO-NORTH properly and duly published Notices of Proposed Rule Making in the New York State Register ("State Register"), soliciting public comment as required by SAPA;

WHEREAS, the 45-day public comment period elapsed on January 17, 2012, with no public comment in opposition to the Railroads' proposed amendments to their Rules of Conduct as set forth above;

NOW, THEREFORE, upon motion duly made and seconded, the following resolutions are adopted by the Boards of LIRR and METRO-NORTH:

RESOLVED, that the Boards of LIRR and METRO-NORTH hereby adopt the proposed amendments to their respective Rules of Conduct as published in the State Register on November 30, 2011, and hereby authorize the Chairman of the Metropolitan Transportation Authority, sitting as the Chairman of the Boards of LIRR and METRO-NORTH, to certify in writing ("Certification") that the amendments to the Railroads' Rules of Conduct were duly adopted and are effective upon publication in the State Register; and be it

FURTHER RESOLVED, that the Presidents of LIRR and METRO-NORTH and/or their designees are authorized to take all steps necessary to conclude the SAPA rule making process including, but not limited to, filing the Certification and the Railroads' amended Rules of Conduct with the New York State Department of State; and publishing the Notices of Adoption ("Notices") in the State Register.

**METRO-NORTH/LONG  
ISLAND COMMITTEES**

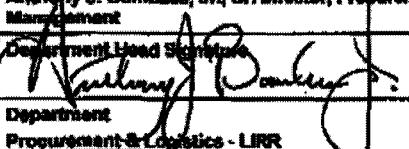
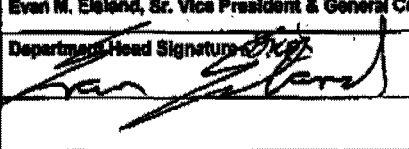
**PROCUREMENTS FOR  
BOARD ACTION**

**JANUARY 25, 2012**

 Metro-North Railroad

 Long Island Rail Road

 Capital Construction

<b>Subject</b> Request for Authorization to Award Various Procurements	<b>Date</b> January 8, 2012																																		
<b>Department</b> Procurement & Material Management - MNR	<b>Department</b> Law and Procurement - MTACC																																		
<b>Department Head Name</b> Anthony J. Bombace, Jr., Sr. Director, Procurement & Material Management	<b>Department Head Name</b> Evan M. Eisland, Sr. Vice President & General Counsel																																		
<b>Department Head Signature</b> 	<b>Department Head Signature</b> 																																		
<b>Department</b> Procurement & Logistics - LIRR																																			
<b>Department Head Name</b> Dennis L. Mahon, Chief Procurement & Logistics Officer																																			
<b>Department Head Signature</b> 																																			
<b>Board Action</b>	<b>Internal Approvals</b>																																		
<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <th>Order</th> <th>To</th> <th>Date</th> <th>Approval</th> <th>Info</th> <th>Other</th> </tr> <tr> <td>1</td> <td>MNR/LIRR Committee</td> <td>1-23-12</td> <td style="text-align: center;">X</td> <td></td> <td></td> </tr> <tr> <td>2</td> <td>MTA Board</td> <td>1-25-12</td> <td style="text-align: center;">X</td> <td></td> <td></td> </tr> </table>	Order	To	Date	Approval	Info	Other	1	MNR/LIRR Committee	1-23-12	X			2	MTA Board	1-25-12	X			<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <th>Order</th> <th>Approval</th> <th>Order</th> <th>Approval</th> </tr> <tr> <td>X</td> <td>President, MNR</td> <td></td> <td></td> </tr> <tr> <td>X</td> <td>President, LIRR</td> <td></td> <td></td> </tr> <tr> <td>X</td> <td>President, MTACC</td> <td></td> <td></td> </tr> </table>	Order	Approval	Order	Approval	X	President, MNR			X	President, LIRR			X	President, MTACC		
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Order	Approval	Order	Approval																																
X	President, MNR																																		
X	President, LIRR																																		
X	President, MTACC																																		
<b>PURPOSE:</b> 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.																																			
<b>DISCUSSION:</b> MNR proposes to award Non-Competitive procurements in the following categories:																																			
<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <th style="text-align: left;">Schedules Requiring Two-Thirds Vote (or more, where noted)</th> <th style="text-align: center;"># of Actions</th> <th style="text-align: center;">\$ Amount</th> </tr> <tr> <td>Schedule A: Non-Competitive Purchases and Public Work Contracts</td> <td style="text-align: center;">1</td> <td style="text-align: right;">\$1,050,000</td> </tr> <tr> <td colspan="3"> <b>Schedules Requiring Majority Vote</b> </td> </tr> <tr> <td>Schedule E: Miscellaneous Procurement Contracts</td> <td style="text-align: center;">1</td> <td style="text-align: right;">\$1,417,457</td> </tr> <tr> <td>Schedule J: Modifications to Miscellaneous Procurement Contracts</td> <td style="text-align: center;">1</td> <td style="text-align: right;">\$210,000</td> </tr> <tr> <td style="text-align: right;"><b>SUBTOTAL:</b></td> <td style="text-align: center;"><b>3</b></td> <td style="text-align: right;"><b>\$2,677,457</b></td> </tr> </table>		Schedules Requiring Two-Thirds Vote (or more, where noted)	# of Actions	\$ Amount	Schedule A: Non-Competitive Purchases and Public Work Contracts	1	\$1,050,000	<b>Schedules Requiring Majority Vote</b>			Schedule E: Miscellaneous Procurement Contracts	1	\$1,417,457	Schedule J: Modifications to Miscellaneous Procurement Contracts	1	\$210,000	<b>SUBTOTAL:</b>	<b>3</b>	<b>\$2,677,457</b>																
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<b>SUBTOTAL:</b>	<b>3</b>	<b>\$2,677,457</b>																																	
LIRR proposes to award Non-Competitive procurements in the following categories: None																																			
MTACC proposes to award Non-Competitive procurements in the following categories: None																																			

**MNR proposes to award Competitive procurements in the following categories:**

<u>Schedules Requiring Majority Vote</u>		<u># of Actions</u>	<u>\$ Amount</u>
Schedule G:	Miscellaneous Service Contracts	1	\$991,520
SUBTOTAL:		1	\$991,520

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

**MTACC proposes to award Competitive Procurements in the following categories:**

<u>Schedules Requiring Majority Vote</u>		<u># of Actions</u>	<u>\$ Amount</u>
Schedule I:	Modifications to Purchase & Public Work Contracts	1	\$3,800,000
		1	(\$36,624,590)
		1	\$19,527,788
SUBTOTAL:		3	\$23,327,788

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

Schedule K: Ratification of Completed Procurement Actions

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

Schedule D: Ratification of Completed Procurement Actions

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

<b>TOTAL:</b>	<u>7</u>	<u>\$26,996,765</u>
---------------	----------	---------------------

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

**BUDGET IMPACT:**

The purchases/contracts will result in obligating 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.

JANUARY 2012

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. | <b>Kawasaki Rail Car Company<br/>Purchase Agreement for M-8 OEM Parts</b> | <b>\$1,050,000 (not-to-exceed)</b> | <b><u>Staff Summary Attached</u></b> |
|----|---|------------------------------------|--------------------------------------|

Approval is requested for a non-competitive, 3 year purchase agreement with Kawasaki Rail Car Co. for various original equipment manufacturer (OEM) replacement parts for MNR's M-8 Commuter Railcar Fleet. Kawasaki Rail Car Inc. (KRC) is the OEM and the sole supplier of specific MNR required material for the M-8s. As the M-8 railcars are being delivered to New Haven, CT for testing and placement into revenue service, the MNR Procurement and Maintenance of Equipment Departments have begun the process of establishing the M-8 consumable and operational spare parts inventory to support the newly acquired fleet.

This is the first purchase agreement instituted specifically for the M-8 Fleet, and will allow MNR to purchase material from KRC to perform repairs as necessary and to establish a sufficient parts inventory. These parts are for routine 'wear and tear' maintenance and are not covered by KRC's M-8 warranty; also, failure to keep the cars in a state of good repair could void warranty provisions. This is a requirements contract and MNR is under no obligation to generate any minimum amount of purchase orders. This agreement will apply to inventory and non-inventory items identified as obtainable only from Kawasaki for the following reasons: a) sole pre-qualified item on the MNR Qualified Products List, and not available from any distributor or other sources; b) is proprietary to Kawasaki Rail Car.

The purchase agreement with Kawasaki will reduce administrative costs and procurement lead times for separate purchase orders and will expedite material delivery. In requesting this Board authorization, MNR has complied with PAL 1265-a (3) (advertisement for alternate suppliers) and with MTA All-Agency Procurement Guidelines for the purchase of sole source items.

The price for these M-8 replacement parts will be negotiated on an individual parts basis prior to their purchase. Price reasonableness will be determined through an analysis with similar fleets, comparable parts and historical data. In addition, price concessions will be sought from Kawasaki to maximize MNR's benefit from the fact that M-8 production will be continuing through the duration of this agreement. This procurement is to be funded by the MNR Operating Budget.

Schedules Requiring Majority Vote:

**E. Miscellaneous Procurement Contracts**

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

**2. Axion Technologies (Axion)                      \$1,417,457 (not-to-exceed)                      Staff Summary Attached**  
**On-Board Public Address Equipment Units**

Approval is requested for a non-competitive, negotiated procurement with Axion Technologies for On-Board public address equipment units for MNR's M-2, M-4 and M-6 Railcar fleets to meet a Federal Communications Commission (FCC) mandate to migrate to a new narrow radio bandwidth by January 1, 2013

This is a one-time purchase of 154 replacement on-board public address equipment assemblies/kits for MNR's M-2, M-4 and M-6 Railcar fleets. The FCC mandate requires that on-board radio equipment be migrated to a narrow band spectrum by January 2013. MNR has negotiated a contract with Axion to modify the existing radios that are compatible and congruent with the existing M-2, 4 & 6 on-board communication equipment interfaces and hardware footprint. Axion possesses extensive knowledge of MNR's operational requirements and various Railcar configurations, as well as a proven capability to provide the required equipment.

In a 2002 competitive solicitation, Axion was awarded a contract for the engineering design and custom retrofit of the M-3 fleet on-board communications radio systems. The retrofit was completed on time and within budget, and the railcars have operated reliably since implementation. Importantly, Axion brand equipment has also been installed on the new MNR M-7 and M-8 Fleets.

By utilizing Axion for this one-time purchase, non-recurring engineering costs will be reduced due to Axion's familiarity with MNR's radio systems. Further, by utilizing Axion equipment once the M-2, 4 and 6 railcars are phased out of service, the Axion equipment will be salvaged and utilized as spares for the M-7 and M-8 fleets. Finally, the common design results in a consistency of replacement parts that reduces overall inventory requirements and maximizes the efficiency of maintaining the different fleets.

MNR Procurement has negotiated a 14.5 % reduction in Axion's initial proposal of \$1,658,636. The final price of \$1,417,457 resulted in savings of \$241,179. Additionally, the prices to be paid by MNR in this purchase are essentially the same as those paid from the 2002 solicitation. In requesting this Board authorization, MNR has complied with PAL 1265-a (3) (advertisement for alternate suppliers) and with MTA All-Agency Procurement Guidelines for the purchase of sole source items. The one-time purchase is 65% funded by the State of Connecticut (CDOT) and 35% funded by the MNR Capital Program.

**J. Modifications to Miscellaneous Procurement Contracts**

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

**3. Harsco Track Technologies**

**\$210,000 (not-to-exceed)**

**Additional Funding - OEM Replacement Parts for Work Equipment**

Approval is requested for additional funding in the total not-to-exceed amount of \$210,000 to an existing (2009-2012), non-competitive, negotiated purchase agreement with Harsco Track Technologies (Harsco). Harsco is the OEM, sole source and current supplier of replacement components for rail-specific work equipment i.e. tampers, tie shears and tie drills. The current agreement is a multi-agency (LIRR-led) negotiated, non-competitive 3-year agreement with Harsco. Initially, MNR requirements were estimated at \$200,000 per year or \$600,000 for the 3-year period ending November 2012. Due to the increased maintenance requirements and recent larger scale repairs on the aged tamper machines (the units average 10 yrs.), available funding in the contract has become exhausted, and additional funding is required in order to maintain the units through the balance of the agreement.

Harsco's terms and pricing will remain fixed for the balance of the agreement. All parts purchased through the purchase agreement are on an as-needed basis, and there are no minimum guaranteed purchases. The additional funding is secured through the MNR Operating Budget. In 2012, MNR will reevaluate its needs and work with LIRR on a joint procurement.



## Schedule A: Non-Competitive Purchases and Public Work Contracts



Item Number: A

Vendor Name (& Location)	
Kawasaki Rail Car, Inc (KRC)	
Description:	
Purchase Agreement for M-8 OEM Replacement Parts	
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	Renewal?
TBD	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Total Amount:	\$1,050,000 (not-to-exceed)
Funding Source	
<input checked="" type="checkbox"/> Operating <input type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:	
Requesting Dept/Div & Dept/Div Head Name:	
Procurement & Material Management, Anthony J. Bombace, Jr.	
Contract Manager:	
O. Messado/ D. Smutzler	

### Discussion:

Approval is requested for a non-competitive, 3 year purchase agreement with Kawasaki Rail Car Co. for various original equipment manufacturer (OEM) replacement parts for MNR's M-8 Commuter Railcar Fleet. Kawasaki Rail Car Inc. (KRC) is the OEM and the sole supplier of specific MNR required material for the M-8s. As the M-8 railcars are being delivered to New Haven, CT for testing and placement into revenue service, the MNR Procurement and Maintenance of Equipment Departments have begun the process of establishing the M-8 consumable and operational spare parts inventory to support the newly acquired fleet.

This is the first purchase agreement instituted specifically for the M-8 Fleet, and will allow MNR to purchase material from KRC to perform repairs as necessary and to establish a sufficient parts inventory. These parts are for routine 'wear and tear' maintenance and are not covered by KRC's M-8 warranty; also, failure to keep the cars in a state of good repair could void warranty provisions. This is a requirements contract and MNR is under no obligation to generate any minimum amount of purchase orders. This agreement will apply to inventory and non-inventory items identified as obtainable only from Kawasaki for the following reasons: a) sole pre-qualified item on the MNR Qualified Products List, and not available from any distributor or other sources; b) is proprietary to Kawasaki Rail Car.

The purchase agreement with Kawasaki will reduce administrative costs and procurement lead times for separate purchase orders and will expedite material delivery. In requesting this Board authorization, MNR has complied with PAL 1265-a (3) (advertisement for alternate suppliers) and with MTA All-Agency Procurement Guidelines for the purchase of sole source items.

The price for these M-8 replacement parts will be negotiated on an individual parts basis prior to their purchase. Price reasonableness will be determined through an analysis with similar fleets, comparable parts and historical data. In addition, price concessions will be sought from Kawasaki to maximize MNR's benefit from the fact that M-8 production will be continuing through the duration of this agreement. This procurement is to be funded by the MNR Operating Budget.

# Staff Summary

Item Number <b>E</b>					
Dept & Dept Head Name: Procurement & Material Management, Anthony Bombace, Jr.					
Division & Division Head Name: Sen. VP - Administration, Raymond Burney					
<b>Board Reviews</b>					
Order	To	Date	Approval	Info	Other
1	M-N Comm.Mtg.	1-23-12	X		
2	MTA Board Mtg.	1-25-12	X		
<b>Internal Approvals</b>					
Order	Approval	Order	Approval		
X	President	X	Sr. V.P. Operations		
X	Sr. V.P. Admin.	X	V.P. Planning		
X	V.P. Finance & IT	X	General Counsel		
	Capital Programs				

<b>SUMMARY INFORMATION</b>	
Vendor Name AXION TECHNOLOGIES	Contract Number 1000011197
Description Purchase of 154 On-Board Communications Radio Equipment Units	
Total Amount \$1,417,457	
Contract Term (including Options, if any) One-Time Purchase	
Option(s) included in Total Amount? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
Renewal? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
Procurement Type <input type="checkbox"/> Competitive <input checked="" type="checkbox"/> Non-competitive	
Solicitation Type <input type="checkbox"/> RFP <input type="checkbox"/> Bid <input checked="" type="checkbox"/> Other: negotiated	
Funding Source <input type="checkbox"/> Operating <input checked="" type="checkbox"/> Capital <input type="checkbox"/> Federal <input checked="" type="checkbox"/> Other: CDOT	

## I. PURPOSE/RECOMMENDATION:

Non-competitive, negotiated, one-time purchase of customized On-Board Communications Radio Equipment for in-house installation on M-2, M-4 and M-6 Railcars in service on the New Haven line at a cost not-to-exceed \$1,417,457 to Axion Technologies, the OEM of the design of the communication systems for these car classes. This award is instrumental to meet the Federal Communications Commission's (FCC) mandate for narrow band frequency and will avoid disruption of train service in Connecticut.

## II. DISCUSSION:

The FCC mandate requires that on-board radio equipment be migrated to a narrow band spectrum by January 2013. The current on-board radio communications system on MNR's M-2, M-4 and M-6 Railcar fleets cannot be upgraded to meet the FCC spectrum usage rules, will not be in compliance with the narrow band mandate and must be replaced. Without compliance to the narrow band mandate, the FCC will rescind the operating licenses, and will not grant a waiver for continued wideband operation after this deadline. Therefore, based on this mandate, it is necessary to replace a combined total of 154 communication packages (radios, harnesses, adapter kits and communication controller unit) with equipment compatible to the existing on-board interfaces and footprint, which requires customized electronic configurations.

Axion possesses extensive knowledge of MNR's operational requirements and various Railcar configurations, as well as a proven capability to provide the required equipment. In a 2002 competitive solicitation, Axion was awarded a contract for the engineering design and custom retrofit of the M-3 fleet on-board communications radio systems. The retrofit incorporated both a wide band and narrow band option, was completed on time and within budget, and the railcars have operated reliably since implementation. Axion brand equipment has also been installed on the new MNR M-7 and M-8 Fleets.

By utilizing Axion for this one-time purchase, non-recurring engineering costs will be reduced due to Axion's familiarity with the radio systems and the common design results in a consistency of replacement parts, reducing overall inventory requirements and maximizing the efficiency of maintaining the different fleets. Once the M-2, 4 and 6 railcars are phased out of service, the Axion communications equipment will be salvaged and utilized as spares for the M-7s and M-8s.

## Staff Summary

MNR Procurement has negotiated a 14.5 % reduction in Axion's initial proposal of \$1,658,636. The final price of \$1,417,457 resulted in savings of \$241,179. The prices to be paid by MNR in this purchase are essentially the same as those paid from the 2002 solicitation. In requesting this Board authorization, MNR has complied with PAL 1265-a (3) (advertisement for alternate suppliers) and with MTA All-Agency Procurement Guidelines for the purchase of sole source items. The one-time purchase is 65% funded by the State of Connecticut (CDOT) and 35% funded by the MNR Capital Program.

### III. D/M/WBE INFORMATION:

No M/WBE goals were assigned.

### IV. IMPACT ON FUNDING:

The procurement totals \$1,417,457. It is funded by CDOT (65% or \$921,347.05) and the MNR Capital Program (35% or \$496,109.95) under project #M604-01-16 entitled Radio Frequency Rebanding Project.

### V. ALTERNATIVES:

There are no alternatives as MNR must comply with the FCC mandate governing the on-board communications radio systems for MNR's M-2, M-4 and M-6 Railcars by January 1, 2013.

JANUARY 2012

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. Dependable Hydraulics, Inc. \$991,520 (not-to-exceed)  
Preventative Maintenance, Inspection and Repair of Eight Car Movers**

Approval is requested for a competitively solicited (1 bid received), miscellaneous service agreement for a 5 year period with Dependable Hydraulics Inc. (Dependable) to provide emergency and preventive maintenance and repair services for MNR's 8 Maintenance of Equipment Car Movers located at the New Haven, Harmon, Stamford, Brewster and Highbridge maintenance facilities. Services also include: providing monthly and quarterly inspections, one overhaul of each unit per year, and all necessary parts and supplies to perform any maintenance/repair on the Car Movers. These services are necessary to maintain the Car Movers in a state of good repair. Dependable is the incumbent provider of the required services and has performed satisfactorily.

Dependable was the sole responsive and responsible bidder for these services. A review of those vendors who did not bid found that they were either not experienced with the maintenance specifications or could not comply with the specified safety requirements of the bid. The total value of the agreement is not-to-exceed \$991,520 and all unit prices are the same as those paid in the present contract. Additionally, the prices will remain fixed for the new 5 year contract term. This procurement is to be funded by the MNR Operating Budget.

**January 2012**

### **LIST OF COMPETITIVE PROCUREMENTS FOR BOARD APPROVAL**

### Procurements Requiring Majority Vote

## **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)

- |    |   |              |                               |
|----|---|--------------|-------------------------------|
| 1. | Perini Corporation<br>Contract No. CH053<br>Modification 64 | \$ 3,800,000 | <u>Staff Summary Attached</u> |
|----|---|--------------|-------------------------------|

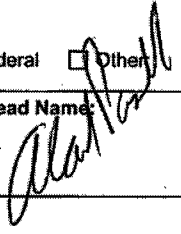
Pursuant to Article IX of the MTA All-Agency Procurement Guidelines, MTACC seeks Board approval to award a multi-part modification for the fabrication, delivery and installation of a total of nine signal bridges and construction of their foundations. This is a scope and budget transfer so there will be no increase to the overall Project budget.

- |        |  |                |                               |
|--------|--|----------------|-------------------------------|
| 2 & 3. | Dragados USA, Inc. /Judlau Contracting<br>Inc. A Joint Venture | (\$36,624,590) | <u>Staff Summary Attached</u> |
|        | Contract Nos. CM009 & CM019                                    | \$19,527,788   |                               |
|        | Mod Settlement   |                |                               |

Pursuant to Article IX of the MTA All-Agency Procurement Guidelines, MTACC seeks Board approval of modifications to adjust the scope of work to be performed, provide a revised substantial completion date and appropriately incentivize achievement of the substantial completion by the revised date.

# Schedule I: Modifications to Purchase and Public Work Contracts

Item Number 1

<b>Vendor Name (&amp; Location)</b> Perini Corporation (Peekskill, New York)		<b>Contract Number</b> CH053	<b>AWO/Modification #</b> 64
<b>Description</b> Construct Harold Structures Part I for the ESA Project		<b>Original Amount:</b> \$ 139,280,000	
<b>Contract Term (including Options, if any)</b> 42 Months		<b>Prior Modifications:</b> \$ 34,804,112	
<b>Option(s) included in Total Amount?</b> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> n/a		<b>Prior Budgetary Increases:</b> \$ 0	
<b>Procurement Type</b> <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Non-competitive		<b>Current Amount:</b> \$ 174,084,112	
<b>Solicitation Type</b> <input type="checkbox"/> RFP <input checked="" type="checkbox"/> Bid <input checked="" type="checkbox"/> Other: Modification		<b>This Request</b> \$ 3,800,000	
<b>Funding Source</b> <input type="checkbox"/> Operating <input checked="" type="checkbox"/> Capital <input checked="" type="checkbox"/> Federal <input type="checkbox"/> Other		<b>% of This Request to Current Amount:</b> 2.18%	
<b>Requesting Dept./Div. &amp; Dept./Div. Head Name:</b> East Side Access, A. Paskoff, P.E. 		<b>% of Modifications (including This Request) to Original Amount:</b> 27.72 %	

## 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. Pursuant to Article IX of the MTA All-Agency Procurement Guidelines, MTACC seeks Board approval to award a multi-part modification for the fabrication and installation of nine signal bridges and construction of their foundations. This is a scope transfer from future contracts.

The scope of work under future Contracts CH057, FHL02 and VHL02 was to include the fabrication, delivery and/or installation of nine signal bridge structures (12, 15, 16, 20, 21, 23, 24, 30 & E35). However, these bridge structures are critical scope work, required for track cutovers now planned for 2012 and, therefore, cannot wait for future contracts to be awarded. To accomplish this work in time for the scheduled track cutovers, MTACC intends to move this work to an existing contract. CH053 Contractor Perini is already mobilized on-site and possesses the required technical capability to furnish and install the nine bridge structures.

In order to begin this work as soon as soon as possible, which is necessary to avoid additional delays, MTACC intends to negotiate this modification in parts. As the construction drawings for each bridge package are finalized and the price for each package fully negotiated a partial modification will be awarded and the contractor directed to proceed with that part/package. The estimated price for all nine bridge structures is \$3.8 million which is the amount that MTACC is requesting for this modification. The negotiated price for each package will be deducted from the \$3.8 million total amount.

The budget to fund this work will be transferred from the future contracts so there will be no increase to the overall Project budget.

# Schedule I: Modifications to Purchase and Public Work Contracts

Item Number 1

<b>Vendor Name (&amp; Location)</b> Dragados USA, Inc. /Judlau Contracting, Inc. – a Joint Venture.	
<b>Description</b>  Manhattan Tunnels Excavation and Manhattan Structures I	
<b>Contract Term (including Options, if any)</b> CM009 85 Months CM019 64 Months  Combined: 85 Months	
<b>Option(s) included in Total Amount?</b> <input checked="" type="checkbox"/> Yes (CM019) <input type="checkbox"/> No <input checked="" type="checkbox"/> N/A (CM009)	
<b>Procurement Type</b> <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Non-competitive	
<b>Solicitation Type</b> <input checked="" type="checkbox"/> RFP (CM019) <input checked="" type="checkbox"/> Bid (CM009) <input checked="" type="checkbox"/> Other: Modification	
<b>Funding Source</b>  <input type="checkbox"/> Operating <input checked="" type="checkbox"/> Capital <input checked="" type="checkbox"/> Federal <input type="checkbox"/> Other:	
<b>Requesting Dept/Div &amp; Dept/Div Head Name:</b> East Side Access, A. Paskoff, P.E.	

Contract Number		AWO/Modification #	
CM009 and CM019		Mod Settlement	
Original Amount:	CM 009	\$	427,954,000
	CM019	\$	499,986,538
Executed Option	CM019	\$	234,013,462
Prior Modifications:	CM009	\$	20,467,318
	CM019	\$	18,347,328
Prior Budgetary Increases:		\$	-0-
Current Amount	CM009	\$	448,421,318
	CM019	\$	752,347,328
	Combined	\$	1,200,768,646
This Request	CM009	\$	(36,624,590)
	CM019	\$	19,527,788
	Combined	\$	(17,096,802)
% of This Request to Current Amount:	CM009		-8.17%
	CM019		2.60%
% of Modifications (Including This Request) to Original Amount:	CM009		-3.78%
	CM019		5.16%

## DISCUSSION:

MTACC seeks approval by the MTA Board of modifications to Contracts CM009 and CM019, Manhattan Tunnels Excavation and Manhattan Structures I, respectively, with Dragados USA, Inc. /Judlau Contracting, Inc. – a Joint Venture. The modifications adjust the scope of work to be performed by the Joint Venture, provide a revised substantial completion date of August 31, 2013, and appropriately incentivize the Joint Venture's achievement of substantial completion by that date.

Contract CM009, Manhattan Tunnels Excavation was competitively bid and awarded on July 6, 2006. Contract CM019 was competitively solicited and negotiated and, with Board approval, awarded on February 15, 2008. Contracts CM009 and CM019 involve the excavation and construction of tunnels from the Manhattan boundary of the East Side Access ("ESA") Project at the existing 63rd Street tunnel to Grand Central Terminal and the excavation of a cavern under the existing Grand Central Terminal that will house a new passenger station for the Long Island Railroad. Modification to the Contracts is necessitated by the very significant delays in the completion of the two contracts, which expose MTACC to additional costs relating to follow-on contracts and put timely completion of the ESA Project in jeopardy.

The contractor is a joint venture consisting of Dragados USA Inc. and Judlau Contracting Inc. ("DJ"). As of December 2011, DJ projected that it would not achieve substantial completion of the contracts until December 2015, or approximately 1269 days late. In an effort to expedite the completion of the overall ESA Project, MTACC and DJ have since July 2011 been engaged in discussions to remove certain work scope from the DJ contracts and add other scope so that work can be advanced by MTACC in parallel with the completion of DJ's remaining work, thereby reducing the time frame for the completion of all work originally in DJ's contracts.

This contract amendment will remove work from the contracts valued at approximately \$89 million and add work valued at \$72 million to facilitate timely/early access for follow-on contractors. The result is a net credit in the amount of \$17 million. On the basis of such scope changes, DJ has agreed that substantial completion will be achieved by August 31, 2013, or approximately 835 days earlier than their current projection. In addition, the parties have agreed to contractual modifications that revise interim contract milestones, increase available liquidated damages from \$15 Million to \$49.5 Million and create incentives worth up to \$16 Million to meet the newly created milestones and recover approximately 28 months of schedule delay.



# **Bridges and Tunnels**

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## **Procurements January 2012**

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# Staff Summary



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

<b>Date</b>	January 9, 2012
<b>Vendor Name</b>	
<b>Contract Number</b>	
<b>Contract Manager Name</b>	
<b>Table of Contents Ref #</b>	

Board Action					
Order	To	Date	Approval	Info	Other
1	President	1/9/12			
2	MTA B&T Committee	1/23/12			
3	MTA Board	1/25/12			

Internal Approvals			
Order	Approval	Order	Approval
	President <i>[Signature]</i>		VP Operations
	Executive Vice President <i>[Signature]</i>		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	1	\$4.837M
Schedule G	Miscellaneous Service Contracts	2	\$6.282M
Schedule H	Modifications to Personal/Miscellaneous Service Contracts	1	\$ .202M
SUBTOTAL		4	\$11.321M

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

TOTAL	4	\$11.321M
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## BUDGET IMPACT:

The purchases/contracts will result in obligating MTA B&T and Capital 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**  
**JANUARY 2012**

**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. **Weidlinger Associates, Inc./Parsons**                      \$    **4,837,206.14**                      **Staff Summary Attached**  
**Brinckerhoff, A Joint Venture**  
**Contract No. PSC-11-2897**

5 yr. 6 mo. contract – Competitive RFP – 4 Proposals

Provide design and construction support services for Project TN-49, Deck Rehabilitation/Replacement of the Suspended Spans at the Throgs Neck 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)

2. **Summit Security Services, Inc.**                      \$    **5,542,328.08**                      **Staff Summary Attached**  
**Contract No. 11-ISD-2888**

5 yr. contract – Competitive RFP – 8 Proposals

Provide armed guard services on Randall's Island and other locations within the New York City area.

3. **J.G. Electrical Testing Corporation**                      \$    **739,800.00**  
**Contract No. 10-MNT-2878Y**

3 yr. contract – Competitive Bid – Low Bid/4 Bids

B&T requires the services of a contractor to provide all labor, material and equipment necessary to perform maintenance, testing, repair and inspection of low and medium voltage electrical distribution equipment located at various facilities. On September 20, 2011 B&T issued a solicitation for the required services since B&T does not have the expertise to support the specialized training needs and the equipment necessary to perform the work. The service requirements were publicly advertised, the solicitation notice was sent to 304 firms and eleven firms requested copies of the solicitation. On October 26, 2011, four bids were submitted. The work to be performed under the prospective contract is generally the same compared with that under the current agreement. However, various requirements have been consolidated and service hours have been reduced under the prospective contract. Therefore a meaningful comparison between the rates in each contract cannot be made. The rates for this contract are fixed for the three year term. The overall bid amount is 13% lower than the user's estimate of \$852,500. After evaluation of the bids, J.G. Electrical Testing Corporation was deemed the lowest responsive, responsible bidder. Based on competition, the price is considered fair and reasonable. Funding is available in the Operating Budget chargeable to General Ledger #711302.

**LIST OF COMPETITIVE PROCUREMENTS FOR BOARD APPROVAL**  
**JANUARY 2012**

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

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

4. **Parsons Transportation Group of New York, Inc.**      \$    202,202.57      **Staff Summary Attached**

**Contract No. PSC-07-2821**

Additional design support services during construction for Project TN-82B, Interim Repair of Orthotropic Deck Structures on the Approaches at the Throgs Neck Bridge.

# Staff Summary

Page 1 of 2

Item Number 1 (Final)					
Dept & Dept Head Name: Joe Keane, P.E. <i>Joe Keane</i>					
Division & Division Head Name: Vincent Montanti, P.E. <i>Vincent Montanti</i>					
Board Reviews					
Order	To	Date	Approval	Info	Other
1	President	01/09/12			
2	MTA B&T Committee	01/23/12			
3	MTA Board	01/25/12			
Internal Approvals					
Order	Approval	Order	Approval		
1	Chief Financial Officer <i>DS</i>	4	Chief of Staff		
2	General Counsel <i>MMT</i>	5	Executive Vice President <i>MM</i>		
3	Chief Procurement Officer <i>6m/10k</i>	6	President <i>JK</i>		

SUMMARY INFORMATION	
Vendor Name Weidlinger Associates, Inc./Parsons Brinckerhoff, A Joint Venture	Contract Number PSC-11-2897
Description: Design and Construction Support Services for Project TN-49, Deck Rehabilitation/Replacement of the Suspended Spans at the Throgs Neck Bridge	
Total Amount \$4,837,206.14	
Contract Term (including Options, if any) Five (5) years, six (6) 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 TN-49, Deck Rehabilitation/Replacement of the Suspended Spans at the Throgs Neck Bridge (TNB) to Weidlinger Associates, Inc./Parsons Brinckerhoff, A Joint Venture (WAI/PB) for a period of five (5) years, six (6) months. The cost of the design portion of the contract is \$4,837,206.14. At a future date, the cost for design services during construction will be presented to the Board for approval.

### II. DISCUSSION

B&T requires the services of a consultant to provide design and construction support services for the deck rehabilitation/replacement of the suspended spans at the TNB. The design services for this project include: field investigations; designs for structural, civil, mechanical, electrical, traffic engineering, maintenance and protection of traffic; perform a wind study and seismic analyses for the selected rehabilitation/replacement alternative; asbestos and lead

## Staff Summary

Page 2 of 2

investigation and design; preparation of complete construction plans, specifications and estimates; and construction support services.

The service requirements were publicly advertised and six (6) firms submitted qualification information. Four (4) firms, WAI/PB; Ammann & Whitney Consulting Engineers, P.C. (A&W); HNTB New York Engineering/WSP+Sells, A Joint Venture (HNTB/Sells); and Parsons Transportation Group of New York, Inc. were chosen to receive the RFP and all firms submitted proposals. The proposals were evaluated against criteria set forth in the RFP, including an understanding of the technical requirements, technical expertise, proposed personnel, oral presentations and cost. The evaluation committee recommended the selection of WAI/PB based on: (i) their experience providing replacement suspended span deck designs on similar structures and (ii) experience performing traffic studies to replicate traffic demand in the Throgs Neck Bridge/Bronx-Whitestone Bridge corridor, which is integral for construction staging and maintenance and protection of traffic schemes for the Project. HNTB/Sells proposed the highest cost, which did not demonstrate efficiencies based on each firm's prior biennial bridge inspection experience at the TNB. A&W's proposal emphasized a design alternative, which is not considered the most preferred and cost effective for B&T based on prior investigations and experience. On the basis of PTG's low cost and manhours, the evaluation committee was concerned that PTG understated the required effort to perform the Work.

WAI/PB submitted a proposal in the amount of \$5,569,982.95. The Engineer's estimate totals \$4,757,033.80. Based on negotiations resulting in reductions totaling \$732,776.81, B&T and WAI/PB agreed to the amount of \$4,837,206.14. The negotiated amount is 1.7% above the estimate and is fair and reasonable. WAI/PB is deemed a responsible consultant.

### **III. D/M/WBE INFORMATION**

The MTA DDCR has established goals of 10% MBE and 10% WBE for the referenced contract. This contract will not be awarded without approval of MTA DDCR.

### **IV. IMPACT ON FUNDING**

Funding is available under Project TN-49 in the amount of \$4,837,206.14 in the 2010 – 2014 Capital Budget.

### **V. ALTERNATIVES**

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

**Schedule G: Miscellaneous Service Contracts**

Item Number: **2** (Final)

<b>Vendor Name (&amp; Location)</b> Summit Security Services, Inc., Uniondale, NY		<b>Contract Number</b> 11-ISD-2888	<b>Renewal?</b> <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
<b>Description</b> Armed Guard Services		<b>Total Amount:</b> \$5,542,328.08	
<b>Contract Term (Including Options, if any)</b> Five years		<b>Funding Source</b> <input checked="" type="checkbox"/> Operating <input type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:	
<b>Option(s) included in Total Amount?</b> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		<b>Requesting Dept/Div &amp; Dept/Div Head Name:</b> Internal Security/Donald Look	
<b>Procurement Type</b> <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Non-competitive		<b>Contract Manager:</b> Robin Golubow	
<b>Solicitation Type</b> <input checked="" type="checkbox"/> RFP <input type="checkbox"/> Bid <input type="checkbox"/> Other:			

**Discussion:**

B&T is seeking Board approval under the All-Agency Guidelines for Procurement of Services to award a miscellaneous service contract for armed guard services to Summit Security Services, Inc. The total amount of this procurement is \$5,542,328.08 over a period of five years.

B&T requires the services of a contractor to provide armed guard services on Randall's Island and other locations within the New York City area. The service requirements were publicly advertised. On September 20, 2011 eight proposals were received. The proposals were evaluated by the evaluation committee against established criteria set forth in the RFP including qualifications of firm for specific type of work, qualifications of firm for specific personnel proposed, depth of resources/availability, depth of understanding and cost. Three firms were invited to give oral presentations: Allied Barton Security Services (Allied), Safe Environment Business Solutions Inc. & Affiliates (SEB) and Summit Security Services, Inc. (Summit). The Selection Committee recommended Summit as the preferred firm based on its thorough understanding of the scope of work; its excellent qualifications; their proposed project manager's extensive experience in relation to managing security contracts with other MTA agencies; and its possession of ample resources to ensure no disruption in services. SEB proposed the highest cost. Allied submitted the lowest cost by approximately \$109,000 (or 2.2%). However, the committee determined that Allied's proposal did not address B&T's requirements as thoroughly as Summit's and Allied's proposed unit prices for several items were understated compared with those offered by the other proposers.

Summit proposed an amount of \$5,069,984.40. The user's estimate is \$5,572,990.72. Based on negotiations Summit's proposal was reduced to \$4,922,328.08 which is 11.7% below the estimate. The scope of services under the prospective contract has not changed compared with that in the prior contract. However, the price schedule for the prospective contract has been revised to include additional line items. A comparison of the hourly rates under the prospective contract with those under the current contract indicates that on average the rates decreased by 7.9%. Based on the above, the price is considered fair and reasonable. In addition, an allowance in the amount of \$620,000 is requested for increases in the prevailing wage rate schedule issued annually for armed guard services by the New York State Department of Labor. The total amount requested for approval is \$5,542,328.08. The Authority has determined that Summit is a responsible contractor. MTA DDCR has established goals of 10% MBE and 10% WBE for this contract to which Summit has satisfactorily responded. Funding is available in the Operating Budget chargeable to General Ledger #710703.

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

Item Number: 4 (Final)

<b>Vendor Name (&amp; Location)</b> Parsons Transportation Group of New York, Inc., New York, NY		<b>Contract Number</b> PSC-07-2821	<b>AWO/Modification #</b>
<b>Description</b> Design Scope Study for Project TN-55, Orthotropic Deck Rehabilitation & Design and Design Support Services during Construction for Project TN-82B, Interim Repair of Orthotropic Deck Structures on the Approaches at the Throgs Neck Bridge		<b>Original Amount:</b> \$982,051.71	
<b>Contract Term (including Options, if any)</b> March 31, 2008 – September 30, 2013		<b>Prior Modifications:</b> \$294,037.31	
<b>Option(s) included in Total Amount?</b> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		<b>Prior Budgetary Increases:</b> \$0.00	
<b>Procurement Type</b> <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Non-competitive		<b>Current Amount:</b> \$1,276,089.02	
<b>Solicitation Type</b> <input checked="" type="checkbox"/> RFP <input type="checkbox"/> Bid <input type="checkbox"/> Other:		<b>This Request:</b> \$202,202.57	
<b>Funding Source</b> <input type="checkbox"/> Operating <input checked="" type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:		<b>% of This Request to Current Amount:</b> 15.8%	
<b>Requesting Dept/Div &amp; Dept/Div Head Name:</b> Engineering & Construction, Joe Keane, P.E.		<b>% of Modifications (including This Request) to Original Amount:</b> 50.5%	

## Discussion:

B&T is seeking Board approval under the All Agency Guidelines for Procurement of Services to amend PSC-07-2821 with Parsons Transportation Group of New York, Inc. (PTG) for additional design support services during construction for Project TN-82B, Interim Repair of Orthotropic Deck Structures on the Approaches at the Throgs Neck Bridge (TNB) in the amount of \$202,202.57. Consistent with the Procurement Guidelines this amendment together with the previous amendments constitutes a substantial change.

Inspections at the TNB identified several additional orthotropic deck support structures where repairs were necessary. PTG submitted a proposal in the amount of \$202,202.57. The Engineer's estimate is \$190,072. During negotiations the scope of services and anticipated submittals were reviewed. The Authority accepted PTG's proposal in the amount of \$202,202.57, which is 6.3% above the estimate and is fair and reasonable. Funding is available in the 2005 – 2009 Capital Program under Project TN-82.