



Metropolitan Transportation Authority

# May 2012

**MTA Board Action Items**



**MEETING AGENDA  
METROPOLITAN TRANSPORTATION AUTHORITY BOARD  
May 23, 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 June 27, 2012 at 9:30 a.m.

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

**Wednesday, April 25, 2012  
9:30 a.m.**

**The following members were present:**

**Hon. Joseph J. Lhota, Chairman and CEO  
Hon. Andrew M. Saul, Vice Chairman  
Hon. Jonathan A. Ballan  
Hon. John H. Banks, III  
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. Mark Page  
Hon. Mitchell H. Pally  
Hon. James L. Sedore, Jr.  
Hon. Carl V. Wortendyke**

**The following member was absent:**

**Hon. Ed Watt**

Nuria Fernandez, Chief Operating Officer, Catherine Rinaldi, Chief of Staff, James B. Henly, MTA General Counsel, Board Member Andrew Albert, Board Member Norman Brown, Board Member Ira R. Greenberg, Board Member Vincent Tessitore, Jr., Thomas Prendergast, President, NYCTA, Helena Williams, President, Long Island Railroad, Donna Evans, Chief of Staff, Metro-North Rail Road, James Ferrara, President, TBTA, Thomas Del Sorbo, Executive Vice President, MTA Bus Operations, Michael Horodniceanu, President, MTA Capital Construction, and Hilary Ring, Director, Government Affairs also attended the meeting.

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

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

1. **PUBLIC SPEAKERS.** There were eight (8) 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.

John Samuelson, TWU  
Murray Bodin  
Paul Piazza, TWU  
Marty Goodman, TWU  
Tony Murphy, May 1<sup>st</sup> Coalition  
Robert Cohen

2. **CHAIRMAN'S REMARKS.**

Chairman Lhota extended condolences on behalf of the MTA to the families of Mr Massas and Mr. Simermeyer. Investigations into the deaths of these two workers, who died in separate incidents while engaged by contractors on work on MTA capital projects, are ongoing.

Chairman Lhota briefed the Board on the positive results of the FASTRACK program. The Chairman noted that the program, which shuts down sections of NYCTA subway lines on four consecutive weeknights for intensive maintenance and cleaning, has been a tremendous success. Chairman Lhota stated that the stations that have been through FASTRACK look better than they have in years, and he informed the Board that Transit will report on financial issues related to the program at a future Committee meeting.

3. **MINUTES.** Upon motion duly made and seconded, the Board approved the minutes of the regular Board meeting held on March 28, 2012.

4. **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 filed with the meeting materials.

1. **2011 Annual Investment Report.** Approved the MTA All-Agency Investment Guidelines and authorized the submission of the 2011 Annual Investment Report.
2. **Paratransit Cost Savings Initiative.** Authorized holding public hearings to obtain public comment on proposed tariff changes associated with the Paratransit Cost Savings Initiative.

Regular Board Meeting  
April 25, 2012

**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 filed with the meeting materials.

1. Milliman, Inc. – Multi-Agency Actuarial Consulting Services – No. 11088-0100. Approved the award of an all-agency competitively negotiated contract to provide actuarial services as mandated by law for the MTA, MaBSTOA, SIRTOA, MNR, and LIRR for a period of three years with two one-year renewal options from May 1, 2012 to April 30, 2017.
2. Chuck Close – AFT Project – No. 12080-0100. Approved a competitively negotiated contract to provide technical design, fabrication, crating, delivery and oversight of artwork at the 86<sup>th</sup> Street Station/Second Avenue Subway Project.
3. Oracle U.S.A. – Maintenance and Support on all Proprietary Products – No. 03158-0100. Approved the extension of the All-Agency competitively negotiated contract for maintenance and support of Oracle proprietary software products acquired under MTA's Enterprise License Agreement for a five-year period from May 30, 2012 to May 29, 2017.

**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 filed with the meeting materials. Board member Jeffrey Kay recused himself from the vote on item #1 below. Refer to the video recording of the meeting produced by the MTA and maintained in MTA records for Board members' comments.

**New York City Transit Authority**

1. Surrender of NYCTA's former headquarters at 370 Jay Street in Brooklyn, New York to the City of New York, subject to the reservation of easements necessary to allow for the relocation of certain vital NYCTA telecommunications equipment currently located in the building, such that the building shall no longer be subject to the Master Lease, pursuant to the terms and conditions described in the staff summary.
2. Acquisition of a fee interest in property from 30-32-34 Franchon Place Corporation, by negotiated purchase or condemnation, located at 30, 32 and 34 Franchon Place, East New York (Block 03482, Lots 16, 17 and 19<sup>th</sup>), Brooklyn, N.Y.
3. License agreement with Coney Island Development Corporation for the operation of a welcome booth and information kiosk located at Coney Island/Stillwell Avenue Terminal (Retail Unit 23), Brooklyn, N.Y.



### **Metro-North Railroad**

4. Easement grant to the County of Westchester for the construction and use of a recreational pedestrian and bicycle path, as part of Westchester's "RiverWalk" Project, located on Metro-North's Hudson Line, west of the Glenwood Station platform, Yonkers, N.Y.
5. Surrender agreement with Nextel Communications, Inc., successor to Nextel of New York, Inc., for space located at 525 North Broadway – 50 Haarlem Avenue, in support of the North White Plains Parking and Access Improvement Project, White Plains, N.Y.
6. Net lease with Heartland Brewery Holdings Inc. for the operation of a restaurant and brewpub located at the Port Chester Station on Metro-North's New Haven Line, 3 Broad Street, Port Chester, N.Y.
7. Declaration of covenants and restrictions and an access agreement with New York State Department of Environmental Conservation at the Harmon Railroad Yard Wastewater Area in Croton-on-Hudson, N.Y.
8. Lease agreement with Banana Republic, LLC d/b/a Banana Republic for the retail sale of tenant-branded women's and men's apparel and accessories located at Retail Space B-57 and Storage Space MCS-5, Grand Central Terminal, N.Y.

### **5. ADJOURNMENT.**

Upon motion duly made and seconded, the Board voted to adjourn the meeting at 10:10 a.m.

Respectively submitted,

Victoria Clement  
Assistant Secretary

Regular Board Meeting  
April 25, 2012

**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, April 25, 2012  
9:30 a.m.**

**The following members were present:**

**Hon. Joseph J. Lhota, Chairman and CEO  
Hon. Andrew M. Saul, Vice Chairman  
Hon. Jonathan A. Ballan  
Hon. John H. Banks, III  
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. Mark Page  
Hon. Mitchell H. Pally  
Hon. James L. Sedore, Jr.  
Hon. Carl V. Wortendyke**

**The following member was absent:**

**Hon. Ed Watt**

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



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

2. **PUBLIC COMMENT PERIOD**

Seven (7) public speakers addressed NYC Transit/MTA Bus issues.

John Samuelson, TWU, protested the proposed lease of 370 Jay Street to NYU.

Murray Bodin urged the governor to replace existing Board members.

Paul Piazza, TWU, contended that the MTA is misusing money and suggested that the MTA utilize the 370 Jay Street property.

Marty Goodman, TWU, commented on the proposed lease of 370 Jay Street to NYU and urged the Board to re-hire station agents previously laid off.

John Dennie urged the Board to restructure its debt and bring back laid off station agents, and asked the MTA to bargain for a fair contract with the TWU.

Tony Murphy, May 1<sup>st</sup> Coalition, protested layoffs and service cuts and disagreed with the proposed lease of 370 Jay Street to NYU.

Robert Cohen discussed various issues relating to the Select Bus Service and requested a better system in which replacement cards are processed more quickly.

3. **CHAIRMAN LHOTA'S COMMENTS**

Details of Chairman Lhota'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 March 28, 2012.

5. **COMMITTEE ON TRANSIT OPERATIONS**  
**NYC Transit**

**Procurements:**

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

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

Competitive Procurements: Upon motion duly made and seconded, the Board approved the competitive procurements requiring a majority vote (Schedules H and J 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.

6. **ADJOURNMENT**

Upon motion duly made and seconded, the Board voted to adjourn the meeting at 10:10 a.m.

Respectfully submitted,

Mariel A. Thompson  
Assistant Secretary

Minutes of the Regular Meeting  
Metro-North Commuter Railroad Company  
Wednesday, April 25, 2012  
9:30 a.m.

The following members were present:

Hon. Joseph J. Lhota, Chairman and CEO  
Hon. Andrew M. Saul, Vice Chairman  
Hon. Jonathan A. Ballan  
Hon. John H. Banks, III  
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. Mark Page  
Hon. Mitchell H. Pally  
Hon. James L. Sedore, Jr.  
Hon. Carl V. Wortendyke

The following member was absent:

Hon. Ed Watt

Nuria Fernandez, Chief Operating Officer, Catherine Rinaldi, Chief of Staff, James B. Henly, MTA General Counsel, Board Member Andrew Albert, Board Member Norman Brown, Board Member Ira R. Greenberg, Board Member Vincent Tessitore, Jr., Thomas Prendergast, President, NYCTA, Helena Williams, President, Long Island Rail Road, Donna Evans, Chief of Staff, Metro-North Railroad, James Ferrara, President, TBTA, Thomas Del Sorbo, Executive Vice President, MTA Bus Operations, Michael Horodniceanu, President, MTA Capital Construction, and Hilary Ring, Director, Government Affairs also attended the meeting.

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

1. Chairman Lhota called the meeting to order.
2. Public Comment:

There were 8 public speakers who did not discuss items specific to Metro-North. The subject matter of the public speakers' comments is contained in the minutes of

the meeting of the Board of the Metropolitan Transportation Authority held this day.

3. Chairman's Opening Remarks:

Chairman Lhota observed a moment of silence for two employees who died in the line of duty and a contractor's employee. On behalf of the Board, Chairman Lhota extended his deepest condolences to the families of these three individuals. The details of Chairman Lhota's comments are contained in the minutes of the meeting of the Board of the Metropolitan Transportation Authority held this day.

4. Approval of Minutes – Upon motion duly made and seconded, the minutes of the Regular Board Meeting of March 28, 2012 were unanimously approved.

5. Committee on Finance Committee:

Action Item:

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

- 2011 Annual Investment Report

MTA HQ Procurements:

Upon motion duly made and seconded, the Board voted on HQ items recommended to it by the Committee on Finance. Among the items approved were (1) a competitive procurement requiring majority vote to award a multi-agency personal service contract to Milliman, Inc. to provide actuarial consulting services for pension and other post-employment benefit plans and (2) a competitive procurement requiring majority vote to award a modification to a miscellaneous procurement contract with Oracle U.S.A. for all-agency maintenance and support of Oracle proprietary software products. Staff summaries and reports setting forth the details of the above items are filed with the minutes of the meeting of the Board of the Metropolitan Transportation Authority held this day.

Real Estate Items:

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

- Easement Grant to the County of Westchester for the operation and maintenance of a pedestrian and bicycle path in Yonkers, New York.
- Surrender Agreement with Nextel Communications Inc. for recapture of space at 525 North Broadway in support of the North White Plains Parking and Access Improvements Project in White Plains, New York
- Net Lease with Heartland Brewery Holdings Inc. for the Port Chester station building in Port Chester, New York

- Declaration of Covenants and Restrictions and Access Agreement with the New York State Department of Environmental Conservation at the Harmon Railroad Yard in Croton-on-Hudson, New York
- Lease with Banana Republic, LLC relating to Retail Space 8-57 and Storage Space MCS-5 at Grand Central Terminal

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

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

Long Island Rail Road Procurements:

The Board voted on Long Island Rail Road items. Among the items recommended to the Board for approval were (1) a non-competitive procurement requiring two-thirds vote to award a non-competitive purchase and public works contract on behalf of LIRR and Metro-North for replacement parts needed to maintain Knox Kershaw track equipment and (2) a competitive procurement requiring majority vote to award a miscellaneous service contract on behalf of LIRR and Metro-North for scheduled maintenance and on-call repair services for Cummins Currency Sorters and Counters. Staff summaries and reports setting forth the details of the above items are filed with the minutes of the meeting of the Long Island Rail Road held this day and the staff summaries and reports filed with those minutes.

Metro-North Procurements:

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

Miscellaneous Service Contracts

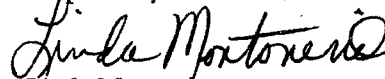
- Automotive Resources International (ARI) – Multi-agency procurement for the provision of fleet maintenance and management services for the rubber tire fleets.

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

7. Adjournment:

Upon a motion duly made and seconded, the members of the Board present voted to adjourn the meeting at 10:10 a.m.

Respectfully submitted,



Linda Montanino  
Assistant Secretary

Minutes of the Regular Meeting  
Long Island Rail Road Company  
Wednesday, April 25, 2012  
9:30 a.m.

The following members were present:

Hon. Joseph Lhota, Chairman and CEO  
Hon. Andrew M. Saul, Vice Chairman  
Hon. Jonathan A. Ballan  
Hon. John H. Banks, III  
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. Mark Page  
Hon. Mitchell H. Pally  
Hon. James L. Sedore, Jr.  
Hon. Carl V. Wortendyke

The following member was absent:

Hon. Ed Watt

Nuria Fernandez, Chief Operating Officer, Catherine Rinaldi, Chief of Staff, James B. Henly, MTA General Counsel, Board Member Andrew Albert, Board Member Norman Brown, Board Member Ira R. Greenberg, Board Member Vincent Tessitore, Jr., Thomas Prendergast, President, NYCTA, Helena Williams, President, Long Island Railroad, Donna Evans, Chief of Staff, Metro-North Rail Road, James Ferrara, President of TBTA, Thomas Del Sorbo, Executive Vice President, MTA Bus Operations, Michael Horodniceanu, President, MTA Capital Construction, and Sophia-LaFrance Brooks, Government and Community Affairs also attended the meeting.

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

1. Chairman Lhota called the meeting to order.

2. **Public Speakers:**

There were 8 public speakers who did not discuss items specific to LIRR. The subject matter of the public speakers' comments is contained in the minutes of the meeting of the Board of the Metropolitan Transportation Authority held this day.

3. **Chairman's Opening Remarks:**

Chairman Lhota led a moment of silence in honor of three workers who died in the line of duty within the previous month. The details of the remaining portions of Chairman Lhota's remarks are contained in the minutes of the meeting of the Board of the Metropolitan Transportation Authority held this day.

4. **Approval of Minutes**

Upon motion duly made and seconded, the minutes of the Regular Board Meeting of March 28, 2012 were unanimously approved.

5. **Committee on Finance Committee:**

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

- 2011 Annual Investment Report

**MTA HQ Procurements**

Upon motion duly made and seconded, the Board voted on HQ items recommended by the Committee on Finance. Among the items approved were (1) a competitive multi-agency personal services contract to Millman, Inc. to provide actuarial consulting services for pension and other post-employment benefit plans, and (2) a modification to a miscellaneous procurement contract with Oracle U.S.A. for all-agency maintenance and support of Oracle proprietary software products.

Staff summaries and reports setting forth the details of the above items are filed with the records of the meeting of the Board of the Metropolitan Transportation Authority held this day.

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

**Long Island Rail Road Procurements**

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

- A noncompetitive purchase contract to Knox Kershaw Inc. on behalf of LIRR and Metro-North to provide various replacement parts required to maintain the Railroads' fleet of Knox Kershaw track equipment;



- A noncompetitive miscellaneous services contract to Industries for the Disabled, New York ("NYSID") to provide data entry and data conversion services for the LIRR's cash duplex tickets;
- Miscellaneous service competitive contracts for Scheduled Rubbish Removal and On-Call Container Services to Royal Waste Service, Inc. for LIRR and MTA HQ needs; and to IESI NY (Winter Brothers), Jamaica Ash and Rubbish Removal Co. and Jet Sanitation Service Corp. for LIRR needs;
- A miscellaneous service competitive contract to Cummins Allison Corp. for Scheduled Maintenance and On-Call Repair Services for Cummins Currency Sorters and Counters for LIRR and Metro-North; and
- A miscellaneous service competitive contract to United Cesspool Service for the removal, transport, neutralization and disposal of wastewater from the LIRR Ronkonkoma Train Wash Facility.

#### **Metro-North Railroad Procurements**

The Board voted on Metro-North items. Among the items approved is a competitively solicited miscellaneous service contract to Automotive Resources International for the multi-agency provision of fleet maintenance and management services for the rubber tire fleet.

#### **MTACC Procurements**

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

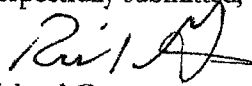
- A competitive miscellaneous service contract to Henry Bros. Electronics, Inc. for the Upgrade of the CISCO Video Surveillance System for the MTA Police Department, which is a joint procurement between MTACC and MTA HQ;
- A modification to a contract with PB Americas/STV/Parsons Transportation Group, Joint Venture for design and engineering services for the East Side Access project;
- Two modifications to Tutor Perini Contract CH054A for Signal Bridge #11 Foundations and Installation, and to Furnish and Install Temporary Guy Anchors on Catenary Structures;
- Two modifications to Granite-Taylor-Frontier, Joint Venture Contract CQ031 for Underpinning of the Harold CIL Structures and for Reconciliation of Bored Tunnel Excavation; and
- A ratification of the award of a public works contract to Skanska USA Civil Northeast, Inc., for the furnishing and installation of an ACTIVU Video Wall with associated electrical enhancement and other incidentals for the MTA Police Department.

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

7. Adjournment:

Upon a motion duly made and seconded, the members of the Board present voted to adjourn the meeting at 10:10 a.m.

Respectfully submitted,

A handwritten signature in dark ink, appearing to read "Richard Gans", written over the printed name.

Richard Gans  
Secretary

**Minutes of the Regular Meeting  
Triborough Bridge and Tunnel Authority  
April 25, 2012**

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

9:30 a.m.

The following members were present:

Hon. Joseph J. Lhota, Chairman and CEO  
Hon. Andrew M. Saul, Vice Chairman  
Hon. Jonathan A. Ballan  
Hon. John H. Banks, III  
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. Mark Page  
Hon. Mitchell H. Pally  
Hon. James E. Sedore, Jr.  
Hon. Carl V. Wortendyke

Not Present:

Hon. Ed Watt

Nuria Fernandez, Chief Operating Officer; Catherine Rinaldi, Chief of Staff; James B. Henly, MTA General Counsel; Board Member Andrew Albert; Board Member Norman Brown; Board Member Ira R. Greenberg; Board Member Vincent Tessitore, Jr.; Thomas Del Sorbo, Executive Vice President, MTA Bus Operations; James Ferrara, President, Triborough Bridge and Tunnel Authority; Michael Horodniceanu, President, MTA Capital Construction; Thomas Prendergast, President, New York City Transit; Helena E. Williams, President, Long Island Rail Road; Donna Evans, Chief of Staff, Metro-North Railroad; and Hilary Ring, Director, Government Affairs also attended the meeting.

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

Chairman Lhota called the meeting to order.

**1. Public Speakers**

There were eight public speakers. None of the speakers specifically commented 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. Chairman Lhota's Opening Comments**

Chairman Lhota asked those present to observe a moment of silence for two employees who died in the line of duty and a contractor's employee, Mr. John Massas, a painter who fell to his death from the Throgs Neck Bridge this past month. On behalf of the Board, Chairman Lhota extended his deepest condolences to the families of these three individuals. The details of Chairman Lhota's comments are contained in the minutes of the meeting of the Board of the Metropolitan Transportation Authority.

**3. Approval of the Minutes of the Regular Meeting March 28, 2012**

Upon a motion duly made and seconded, the minutes of the Meeting held March 28, 2012 were unanimously approved.

**4. Finance Committee**

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

- The MTA 2011 Annual Investment Report and the MTA All Agency Investment Guidelines, pursuant to Public Authorities Law Section 2925.

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

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

**Procurements**

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

**Competitive Procurements**

Commissioner Cappelli stated that there are seven competitive procurements this month totaling \$35.44 million

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

**Personal Service Contracts**

HNTB NY Engineering and Architecture, PC Hardesty and Hanover, LLP WSP Sells Transportation & Infrastructure HAKS Engineers, Architects and Land Surveyors, PC	Contract No. PSC-11-2899 A – D	
	Provide biennial bridge inspection and	\$2,670,587.54
	miscellaneous design services at the Robert	\$1,852,039.00
	F. Kennedy and Verrazano Narrows	
	Bridges.	\$2,982,173.72
		<u>\$1,235,797.00</u>
		\$8,740,597.26
Dewberry Engineers, Inc.	Contract No. PSC-11-2895	\$1,371,859.81
	Provide design and construction support services for Project BB-54, Rehabilitation of the Brooklyn Plaza at the Brooklyn Battery Tunnel.	
Queens Trucking School, Inc.	Contract No. PSC-11-2900	\$58,900.00
	Consultant to provide commercial driver training courses to prepare Maintenance employees for the New York State, New Jersey, Connecticut and/or Pennsylvania State Department of Motor Vehicles (DMV) Class "A" Commercial Driver's License (CDL) written and road tests.	

**Modifications to Personal Service Contracts and Miscellaneous Service Contracts**

**Awarded as Contracts for Services**

Parsons Transportation Group of NY, Inc.	Contract No. PSC-03-2689	\$8,354,051.00
	Add design support services during construction for Project VN-80, Upper Level Deck Replacement at the Suspended Span of the Verrazano-Narrows Bridge and additional design services to incorporate modifications to the Staten Island Approaches into the bid documents for this construction project.	
Lund Fire Protection Products Co., Inc.	Contract No. 06-MNT-2771	\$52,145.00
	Additional services under the contract for inspection, maintenance and repair of fire	

suppressant systems located at various B&T facilities.

**Modifications to Purchase & Public Works Contracts**

Judlau Contracting, Inc.	Contract No. HH-10	\$1,832,137.00
	Additional work, reduce the estimated quantities for three unit prices due to field conditions and reduce the requirements for the field office by utilizing computer equipment, software and office space provided under another contract. This work will be performed under Contract HH-10, Replacement of the Upper Level Curb Stringers and Roadway Lighting at the Henry Hudson Bridge.	

**Modifications to Miscellaneous Procurement Contracts**

Telvent USA	Contract No. 07-OPS-2809	\$15,028,370.00
	Exercise two one-year renewal options to maintain and repair all the hardware and software components of the Electronic Toll Registry System throughout all B&T facilities.	

Commissioner Cappelli stated that there are no ratifications.

**6. Adjournment**

Upon a motion duly made and seconded, the Board unanimously voted to adjourn the meeting at 10:10 a.m.

Respectfully submitted,

  
Cindy L. Dugan

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

Wednesday, April 25, 2012  
9:30 a.m.

The following members were present:

Hon. Joseph J. Lhota, Chairman and CEO  
Hon. Andrew M. Saul, Vice Chairman  
Hon. Jonathan A. Ballan  
Hon. John H. Banks, III  
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. Mark Page  
Hon. Mitchell H. Pally  
Hon. James L. Sedore, Jr.  
Hon. Carl V. Wortendyke

The following members were absent:

Hon. Ed Watt

Nuria Fernandez, Chief Operating Officer, Catherine Rinaldi, Chief of Staff, James B. Henly, MTA General Counsel, Board Member Andrew Albert, Board Member Norman Brown, Board Member Ira R. Greenberg, Board Member Vincent Tessitore, Jr., Thomas Prendergast, President, NYCTA, Helena Williams, President, Long Island Railroad, Donna Evans, Chief of Staff, Metro-North Railroad, James Ferrara, President, TBTA, Thomas Del Sorbo, Executive Vice President, MTA Bus Operations, Michael Horodniceanu, President, MTA Capital Construction, and Hilary Ring, Director, Government Affairs also attended the meeting.

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

Chairman and CEO Lhota called the meeting to order.

**Public Comment Period**

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



### **Chairman Lhota's Opening Remarks**

Chairman Lhota asked for a moment of silence in memory of three workers who lost their lives during the performance of their duties on MTA property including Michael Simermeyer who was working on MTACC's No. 7 Line Extension Project.

### **Approval of Minutes**

Upon motion duly made and seconded, the MTA Board unanimously approved the minutes of the regular Board meeting held on March 28, 2012.

### **MTA Capital Construction Action Items**

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

### **MTA Capital Construction Procurements**

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

- Award of a MTACC and MTA HQ joint procurement contract with Henry Brothers Electronics, Inc. for the upgrade of the Cisco Video Surveillance System for the MTA Police Department
- A modification to the East Side Access Project's General Engineering Consultant contract with PB America/STV/Parsons Transportation Group, Joint Venture for additional design services.
- Two modifications to the East Side Access Project's Harold Structures Part IIA contract with Tutor Perini Corporation. The first for the construction of the foundation for a Signal Bridge (scope and budget transfer) and the second to furnish and install temporary guy anchors on catenary structures.
- Two modifications to the East Side Access Project's Queens Bored Tunnels contract with Granite-Traylor-Frontier ("GTF") JV. The first to modify the scope of work related to underpinning of the Harold CIL structure and the second for the reconciliation of the unit quantity for bored tunnel excavation.

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

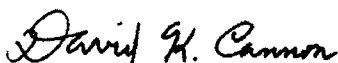
- Award of a contract to Skanska USA Civil Northeast, Inc. to furnish and install an ACTIVU Video Wall along with associated enhancements and incidentals for the MTA Police Department.

A copy of the resolutions, staff summaries and details of the above items are filed with the minutes of the meeting of the Board of the Metropolitan Transportation Authority.

### **Adjournment**



Upon motion duly made and seconded, the MTA Board voted to adjourn the public meeting at 10:10 a.m.

Respectfully submitted,





David K. Cannon  
Assistant Secretary

# Staff Summary

<b>Subject</b> Approval of Remarketing Agent
<b>Department</b> Finance
<b>Department Head Name</b> Bob Foran
<b>Department Head Signature</b> 
<b>Project Manager Name</b> Patrick McCoy, Director of Finance 

<b>Date</b> May 23, 2012
<b>Vendor Name</b> TD Securities
<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.	5/21	X		
2	Board	5/23	X		

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

## PURPOSE:

To obtain MTA and TBTA Board approval to add TD Securities to the existing approved pool of variable rate remarketing agents and dealers.

## BACKGROUND AND DISCUSSION:

In February 2012, as part of Bombardier's response to the NYCT subway car procurement, TD Bank and Export Development Canada submitted a joint proposal for a standby purchase agreement for up to \$100 million of TBTA General Revenue Bonds. On April 25, 2012, TD Bank resubmitted its proposal with a lower price.

The Finance Department is proceeding with negotiations to utilize the TD Bank proposal to provide a standby purchase agreement for \$100 million of TBTA General Revenue Bonds to partially replace a standby purchase agreement with Landesbank Baden-Württemberg, acting through its New York Branch (LBBW), which currently supports TBTA General Revenue Variable Rate Refunding Bonds, Subseries 2005B-4. LBBW's standby purchase agreement expires on July 6, 2012, and LBBW has advised MTA that it will not extend this agreement due to its decision to cease providing these services in the United States.

The TD Bank proposal described above compares favorably to proposals received in response to the Finance Department October 2011 RFP for liquidity and credit enhancement services in connection with TBTA General Revenue and Dedicated Tax Fund Variable Rate Bonds. TD Bank did not submit a response to that RFP due to the pending due date for the subway car procurement matter. Staff review of the TD Bank proposal meets the October 2011 Board approved criteria for prequalified banks to provide liquidity or credit facilities to support MTA and TBTA bonds.

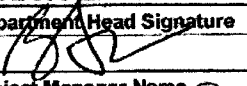


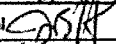
In the discussions regarding the proposal, TD Securities has indicated its willingness and strong desire to serve as a remarketing agent for these bonds. TD Securities currently serves as a remarketing agent for a nationwide variable rate demand bond portfolio of approximately \$2.4 billion. TD Securities has a vested interest to remarket and provide market liquidity for bonds supported by standby purchase agreement with TD Bank. Post 2008 market crisis, it has become a widespread practice for the bank providing credit or liquidity support to also serve as a remarketer when the bank has adequate remarketing capabilities.

TD Securities is currently not on the list of the variable rate remarketing agents and dealers, which was approved by the Board on December 15, 2010. Therefore, Board approval is required prior to the appointment of TD Securities as a remarketing agent on the bonds for which the bank proposed to provide liquidity as well as on any other assignment as remarketing agent or dealer on MTA or TBTA bonds.

## RECOMMENDATION:

It is recommended that the Board approve the appointment of TD Securities as an eligible remarketing agent.

# Staff Summary

<b>Subject</b>						<b>Date</b>			
<b>2011 – 2012 Station Maintenance Billing</b>						<b>May 2, 2012</b>			
<b>Department</b>						<b>Vendor Name</b>			
<b>Chief Financial Officer</b>									
<b>Department Head Name</b>						<b>Contract Number</b>			
<b>Robert E. Foran</b>									
<b>Department Head Signature</b>						<b>Contract Manager Name</b>			
									
<b>Project Manager Name</b>						<b>Table of Contents Ref #</b>			
<b>Patrick Kane</b> 									
<b>Board Action</b>						<b>Internal Approvals</b>			
<b>Order</b>	<b>To</b>	<b>Date</b>	<b>Approval</b>	<b>Info</b>	<b>Other</b>	<b>Order</b>	<b>Approval</b>	<b>Order</b>	<b>Approval</b>
1	Finance	5/21				2	Chief of Staff 	1	Legal 
2	Board	5/23							
<b>Narrative</b>									
<p><b>Purpose:</b> To obtain MTA Board approval to issue the station maintenance billing to New York City and the counties for the period April 1, 2011 to March 31, 2012.</p> <p><b>Discussion:</b> The attached schedule provides the summary of the station maintenance use and operations billing to the counties and New York City for the period April 1, 2011 through March 31, 2012.</p> <p>Current legislation provides that on or before June first of each year the authority shall determine and certify to New York City and the counties the cost for station maintenance use and operations for the twelve month period ending the preceding March thirty-first for the stations within the municipality. The MTA bills New York City and the counties each fiscal year based on an agreed formula adjusted annually by the CPI-W for the New York, Northwestern New Jersey and Long Island Region. The net increase in the CPI factor for the twelve month period ending March 31, 2012 was 2.68% which results in a \$4,104,460 increase over the prior year's billed amount.</p> <p><b>Recommendation:</b> That the MTA Board grant approval to issue the station maintenance billings.</p>									

# Staff Summary

**Metropolitan Transportation Authority  
Station Maintenance, Use and Operations  
March 31, 2012**

	<b>Billed Amount 2010 - 2011</b>	<b>Change In CPI</b>	<b>Increased Amount</b>	<b>Billed Amount 2011 - 2012</b>
Dutchess	\$ 2,236,976	2.68%	\$ 59,951	\$ 2,296,927
Nassau	27,151,194	2.68%	727,652	27,878,846
New York City	86,877,218	2.68%	2,328,309	89,205,527
Orange	462,768	2.68%	12,402	475,170
Putnam	874,803	2.68%	23,445	898,248
Rockland	49,200	2.68%	1,319	50,519
Suffolk	16,734,880	2.68%	448,495	17,183,375
Westchester	<u>18,764,459</u>	2.68%	<u>502,887</u>	<u>19,267,346</u>
Grand Total	<u>\$153,151,498</u>		<u>\$ 4,104,460</u>	<u>\$157,255,958</u>

Bureau of Labor Statistics

**Consumer Price Index - Urban Wage Earners and Clerical Workers**  
**Original Data Value**

**Series Id:** CWURA101SA0  
**Not Seasonally Adjusted**  
**Area:** New York-Northern New Jersey-Long Island, NY-  
**Item:** All items  
**Base Period:** 1982-84=100  
**Years:** 2002 to 2012

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Annual
2002	183.5	184.7	185.6	186.6	186.4	186.5	187.1	188.1	188.6	188.8	188.8	188.7	187.0
2003	189.7	191.3	192.1	191.8	191.7	191.9	192.8	194.1	195.0	195.2	194.7	194.6	192.9
2004	194.9	196.3	198.2	198.5	199.1	200.4	200.1	200.3	200.6	201.9	202.2	201.8	199.5
2005	202.6	203.3	205.5	206.0	205.6	205.1	206.5	208.3	211.0	211.0	209.9	208.7	207.0
2006	210.2	210.6	212.0	214.0	215.5	216.7	216.8	217.8	216.9	215.3	214.7	215.2	214.6
2007	215.793	216.771	218.510	219.791	221.396	222.322	222.237	221.905	222.174	222.624	223.716	223.873	220.926
2008	224.557	225.281	226.951	228.215	230.923	233.776	235.446	235.510	234.703	232.778	228.727	227.223	230.341
2009	227.503	228.653	229.064	229.639	230.307	231.916	232.177	232.841	233.502	233.084	233.893	233.448	231.336
2010	234.067	234.153	235.240	235.750	236.144	235.916	236.330	236.820	236.725	237.483	237.606	237.575	236.151
2011	238.396	239.750	241.667	242.697	244.316	244.601	245.265	246.025	246.877	246.297	245.546	244.586	243.835
2012	245.541	246.539	248.152										

**STATION MAINTENANCE  
FOR THE YEAR 4/1/11 - 3/31/12**

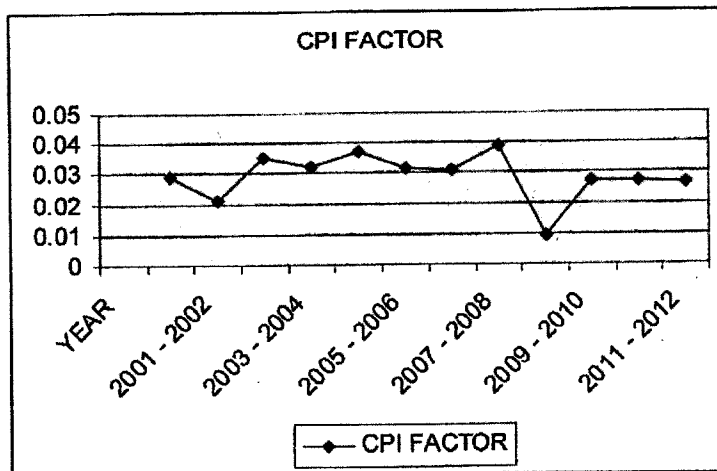
	<b>BILLED AMOUNT 2010-2011</b>	<b>CHANGE IN CPI</b>	<b>INCREASED AMOUNT</b>	<b>BILL AMOUNT 2011-2012</b>	<b>BILL AMOUNT 2011-2012 ROUNDED</b>
DUTCHESS	2,236,976	0.0268	59,950.96	2,296,926.96	2,296,927
NASSAU	27,151,194	0.0268	727,652.00	27,878,846.00	27,878,846
NEW YORK CITY	86,877,218	0.0268	2,328,309.44	89,205,527.44	89,205,527
ORANGE	462,768	0.0268	12,402.18	475,170.18	475,170
PUTNAM	874,803	0.0268	23,444.72	898,247.72	898,248
ROCKLAND	49,200	0.0268	1,318.56	50,518.56	50,519
SUFFOLK	16,734,880	0.0268	448,494.78	17,183,374.78	17,183,375
WESTCHESTER	18,764,459	0.0268	502,887.50	19,267,346.50	19,267,347
GRAND TOTAL	153,151,498.00		4,104,460.15	157,255,958.15	157,255,958
MARCH 2011 CPI	241.667				
MARCH 2012 CPI	248.152				
CHANGE	6.485				
	6.485/241.667				
% INCREASE	0.026834446				

## STATION MAINTENANCE UPDATE

- CPI factor used is the Consumer Price Index for Wage Earners and Clerical Workers for the New York, Northeastern New Jersey for twelve month period
- All monies due the MTA for 2010-2011 was received
- CPI FACTOR

YEAR	CPI FACTOR		YEAR	CPI FACTOR		YEAR	CPI FACTOR
2011 - 2012	2.68%	*	2007 - 2008	3.86%		2003 - 2004	3.18%
2010 - 2011	2.73%		2006 - 2007	3.07%		2002 - 2003	3.50%
2009 - 2010	2.70%		2005 - 2006	3.16%		2001 - 2002	2.09%
2008 - 2009	.931%		2004 - 2005	3.68%		2000 - 2001	2.89%

\* Current Year



### ● BILLING

YEAR	TOTAL AMOUNT	ANNUAL INCREASE		YEAR	TOTAL AMOUNT	ANNUAL INCREASE
2011 - 2012	157,255,958	4,104,460	*	2005 - 2006	134,354,633	4,115,555
2010 - 2011	153,151,498	4,069,927		2004 - 2005	130,239,078	4,622,683
2009 - 2010	149,081,571	3,919,379		2003 - 2004	125,616,395	3,871,488
2008 - 2009	145,162,191	1,337,569		2002 - 2003	121,744,907	4,116,978
2007 - 2008	143,824,622	5,345,302		2001 - 2002	117,627,929	2,408,095
2006 - 2007	138,479,319	4,124,687		2000 - 2001	115,219,834	3,236,323

\* Current Year

- 1998 was the last year New York City was billed on actual cost for both the LIRR and Metro North
- legislation was enacted in 1995 renewed in 1999 and 2004, station maintenance billing using the CPI factor and bringing NYC onboard with this method for the second time
- Station Maintenance is billed in June and payment is due by September 1st.



# **Annual Review of MTA Pension Funds**

**As of December 31, 2011**

**Report to the MTA Finance Committee  
May 2012**

# MTA Defined Benefit Plan Master Trust Summary

## Board of Managers:

Margaret Connor, Chair  
 Kim Porcelain, Metro-North Representative  
 Douglas Johnson, MTA Representative  
 Joseph Pokorny, LIRR Representative  
 Kevin McKenna, SIRTGA Representative  
 Patrick McCoy, MTA Bus Co. Representative  
 Vinay Dayal, LIB Representative  
 \$2,516,561,608 (as of 12/31/11)  
 NEPC, LLC  
 Milliman, USA

## Total Assets:

## Pension Consultant:

## Actuary:

## Asset Managers:

### Firm

### Equity Managers:

Friess Associates  
 Robeco Boston Partners  
 Mellon Index  
 RhumbLine  
 Atlanta Capital  
 Earnest Partners  
 Capital Guardian  
 Mercator  
 Mellon Capital  
 Eaton Vance

### Asset Class

All Cap Growth  
 Large Cap Value  
 S&P 500 Index Fund  
 S&P 500 Index Fund  
 Small Cap Growth  
 Small Cap Value  
 International Equity  
 International Equity  
 International Equity Index Fund  
 Emerging Markets Intl Equity

### Firm

### Real Estate:

JP Morgan  
 Siguler Guff

### Absolute Return:

Bridgewater  
 Crestline  
 Gottex Value Fund  
 JP Morgan Multi-Strategy  
 Mellon Capital  
 Allianz

### Asset Class

Core Real Estate  
 Distressed Real Estate

Hedge Fund  
 Hedge Fund of Funds  
 Hedge Fund of Funds  
 Hedge Fund of Funds  
 Global Alpha II  
 Structure Alpha Yield

## Fixed Income Managers:

PIMCo  
 GW Capital  
 Advent Capital  
 Wellington

Core Bonds  
 Corporate Bonds  
 Convertible Bonds  
 Emerging Market Bonds

## Opportunistic Investments:

PIMCo DISCO I & II  
 Aladdin  
 Perella Weinberg  
 Entrust

Distressed Credit Opportunities  
 Bank & Debtor-in-Possession Loans  
 Asset Based Value Opportunities  
 Special Opportunities Fund

## Global Asset Allocation Managers:

Bridgewater  
 Mellon Capital  
 PIMCo  
 Wellington

All Weather – Risk Parity  
 Global Alpha I  
 All Asset Fund  
 Opportunistic Investment

## Private Equity:

Goldman Sachs  
 TCW/Crescent  
 Pantheon  
 Lexington  
 J.F. Lehman

Distressed Debt  
 Mezzanine Loans  
 Secondaries  
 Secondaries  
 Growth Equity

## Real Assets:

Wellington  
 EIG

Diversified Inflation Hedges  
 Energy

## Cash:

JP Morgan Chase  
 Williams Capital

Cash Portfolio  
 Cash Portfolio

# MTA Asset Allocation:

	<u>Target</u>	<u>Actual (12/31/11)*</u>
Domestic Equities	20.0%	22.4%
Large Cap	13.0%	13.8%
Small Cap	7.0%	8.6%
International Equity	12.5%	9.0%
Developed Markets	9.0%	7.1%
Emerging Markets	3.5%	1.9%
Fixed Income	16.0%	15.8%
Core/Core Plus	12.0%	12.2%
Emerging Markets	4.0%	3.6%
Global Balanced	17.0%	17.3%
Other	34.5%	35.5%
Absolute Return	18.5%	17.7%
Real Assets	3.0%	2.8%
Real Estate	3.0%	2.5%
Opportunistic	5.0%	6.3%
Private Equity	5.0%	0.6%
Temporary Alternatives-		0.7%
Cash (1)	-	5.0%

# Calendar Year Performance:

<u>Year</u>	<u>MTA Composite</u>	<u>Public Fund Median Performance</u>	<u>MTA Performance Ranking</u>	<u>S&amp;P 500</u>
2011	0.7%	1.1%	67 <sup>th</sup> percentile	2.1%
2010	12.8%	13.3%	61 <sup>st</sup>	15.1%
2009	17.8%	19.2%	61 <sup>st</sup>	26.5%
2008	-22.4%	-25.8%	16 <sup>th</sup>	-37.0%
2007	6.8%	8.2%	79 <sup>th</sup>	5.5%
2006	10.7%	13.6%	89 <sup>th</sup>	15.8%
2005	7.4%	7.4%	50 <sup>th</sup>	4.9%
2004	8.6%	11.3%	92 <sup>nd</sup>	10.9%
2003	19.4%	21.9%	77 <sup>th</sup>	28.7%

# Trailing Performance (as of 12/31/11):

<u>Year</u>	<u>MTA Composite</u>	<u>Public Fund Median Performance</u>	<u>MTA Performance Ranking</u>	<u>MTA Morningstar Rating</u>
2011	0.7%	1.1%	67 <sup>th</sup> percentile	-
2010	10.2%	11.0%	69 <sup>th</sup>	21 <sup>st</sup>
2009	2.1%	2.1%	55 <sup>th</sup>	18 <sup>th</sup>
2008	4.0%	4.5%	76 <sup>th</sup>	18 <sup>th</sup>

# Equity Commitment (as of 12/31/11):

<u>Year</u>	<u>MTA Composite</u>	<u>Public Fund Median</u>	<u>MTA Performance Ranking</u>
2011	36.6%	50.6%	87 <sup>th</sup> percentile
2010	38.8%	54.6%	85 <sup>th</sup>
2009	37.2%	54.4%	86 <sup>th</sup>

(1) While cash is not specifically part of the target asset allocation, from a policy standpoint, the fund keeps enough cash available to meet liquidity needs. Generally, the cash amount is around 2-5% of total assets.

# Manhattan and Bronx Surface Transit Operating Authority (MaBSTOA) Pension Summary

## Investment Committee:

Margaret Connor, Chair  
Arthur Mahler, MaBSTOA Representative  
James Whalen, TWU Representative  
John Jimison, TWU Representative  
\$1,506,919,123 (as of 12/31/11)  
NEPC, LLC  
Milliman, USA

## Total Assets:

## Pension Consultant:

## Actuary:

## Asset Managers:

### Firm

### Equity Managers:

Axel Capital  
Mellon Portable Alpha  
RhumbLine  
Times Square  
Pzena  
Keel  
Mercator  
The Boston Company  
Eaton Vance

### Fixed Income:

PIMCo  
GW Capital  
Taplin, Canida & Habacht  
Advent Capital  
Wellington

### Global Asset Allocation Managers:

PIMCo  
Bridgewater  
Wellington

### Real Assets:

Wellington  
EIG

### Asset Class

Long/Short Equity  
Large Cap  
S&P 500 Index Fund  
Small Cap Growth  
Small Cap Value  
Mid Cap  
International Equity  
Emerging Markets Intl Equity  
Emerging Markets Intl Equity

Core Bonds  
Corporate Bonds  
Investment Grade Corporate Bonds  
Convertible Bonds  
Emerging Market Bonds

All Asset Fund  
All Weather – Risk Parity  
Opportunistic Investment

Diversified Inflation Hedges  
Energy

### Firm

### Real Estate:

Siguler Guff

### Absolute Return:

Bridgewater Pure Alpha  
Crestline  
Gottex  
JP Morgan Multi-Strategy  
Allianz

### Opportunistic Investments:

PIMCo DISCO I & II  
Aladdin  
Perella Weinberg  
Entrust

### Private Equity:

Goldman Sachs  
TCW/Crescent  
Panthleon  
Lexington  
J.F. Lehman

### Cash:

JP Morgan Chase  
Williams Capital  
Clifton Group

### Asset Class

Distressed Real Estate

Hedge Fund  
Hedge Fund of Funds  
Hedge Fund of Funds  
Hedge Fund of Funds  
Structure Alpha Yield

Distressed Credit Opportunities  
Bank & Debtor-in-Possession Loans  
Asset Based Value Opportunities  
Special Opportunities Fund

Distressed Debt  
Mezzanine Loans  
Secondaries  
Secondaries  
Growth Equity

Cash Portfolio  
Cash Portfolio  
Index Overlay

# MaBSTOA Asset Allocation:

	<u>Target</u>	<u>Actual (12/31/11)</u>
Domestic Equities	15.5%	17.3%
Large Cap	10.0%	9.5%
Small & Mid Cap	5.5%	7.8%
International Equities	13.5%	11.7%
Developed Markets	10.0%	8.3%
Emerging Markets	3.5%	3.4%
Fixed Income	18.0%	20.7%
Core/Core Plus	14.0%	17.4%
Emerging Markets	4.0%	3.3%
Global Balanced	17.0%	16.6%
Absolute Return	20.0%	18.9%
Real Assets	3.0%	2.9%
Real Estate	3.0%	0.5%
Opportunistic	5.0%	5.9%
Private Equity	5.0%	0.6%
Cash/Overlay	0.0%	4.9%

# Calendar Year Performance:

	<u>MaBSTOA</u>	<u>Public Fund</u>	<u>MaBSTOA</u>	
<u>Year</u>	<u>Composite</u>	<u>Median</u>	<u>Ranking</u>	<u>S&amp;P 500</u>
2011	-0.9%	1.1%	92 <sup>nd</sup> percentile	2.1%
2010	13.2%	13.3%	54 <sup>th</sup>	15.1%
2009	24.8%	19.2%	12 <sup>th</sup>	26.5%
2008	-23.4%	-25.8%	28 <sup>th</sup>	-37.0%
2007	7.4%	8.2%	65 <sup>th</sup>	5.5%
2006	13.1%	13.6%	63 <sup>rd</sup>	15.8%
2005	7.3%	7.4%	51 <sup>st</sup>	4.9%
2004	11.0%	11.3%	55 <sup>th</sup>	10.9%
2003	21.3%	21.9%	58 <sup>th</sup>	28.7%

# Trailing Performance (as of 12/31/11):

	<u>MaBSTOA</u>	<u>Public Fund</u>	<u>MaBSTOA</u>	<u>MaBSTOA</u>
<u>Year</u>	<u>Composite</u>	<u>Median</u>	<u>Ranking</u>	<u>Ranking</u>
2011	-0.9%	1.1%	92 <sup>nd</sup> percentile	-
2010	12.0%	11.0%	29 <sup>th</sup>	29 <sup>th</sup>
2009	2.9%	2.1%	29 <sup>th</sup>	32 <sup>nd</sup>
2008	4.9%	4.5%	30 <sup>th</sup>	28 <sup>th</sup>

# Equity Commitment (as of 12/31/11):

	<u>MaBSTOA</u>	<u>Public Fund</u>	<u>MaBSTOA</u>
<u>Year</u>	<u>Composite</u>	<u>Median</u>	<u>Ranking</u>
2011	35.4%	50.6%	87 <sup>th</sup> percentile
2010	42.6%	54.6%	84 <sup>th</sup>
2009	39.7%	54.4%	90 <sup>th</sup>

# Market Overview

## Market Overview 2011

During the fourth quarter equity markets posted positive results to end another volatile year in which macro headlines overshadowed company fundamentals. After the quarter started out with a huge rally in October, the lack of a clear solution to the European debt crisis caused some divergence in results, with US markets gaining advantage over non-US stocks, and European markets lagging the most.

US investors responded favorably to improvements in economic data on unemployment and consumer spending during the quarter. As indicators provided support for moderate US GDP growth, the primary beneficiaries were those market segments deemed as riskier or even previously left for dead. Small caps beat mid-caps, which, in turn, outpaced large caps. The more cyclically sensitive sectors (energy, industrials, materials) outperformed their defensive counterparts (utilities, telecommunications, staples). Across the board, value outperformed growth.

Developed and emerging markets trailed domestic equities in both dollar and local terms during the quarter, with several fits and starts on the heels of proposed solutions to the European debt crisis and easing inflationary pressures in China. Unfortunately, in the instance of the European crisis, hope dissipated as details of the plans did not live up to promises. Emerging markets outperformed developed markets with a 4.4% return as measured by the MSCI EM Index. Developing countries experienced the strongest gains in the consumer staples and utilities sectors, while India was a significant laggard within the BRIC countries, returning -14% during the quarter.

Fixed Income markets delivered mostly positive returns, with US high yield and hard currency emerging markets debt among the best performing sectors. US high grade credit led investment grade sectors, followed by agency MBS. Riskier segments of bond markets seemed to shrug off persistent concerns over the still unsettled problems brewing in the Eurozone, providing fuel for the rally. Treasury yields at the end of December had changed very little from September 30, although 2011 as a whole was certainly marked by volatility in yields. The Federal Reserve's "Operation Twist" pushed long-term yields to record lows despite the downgrade of US Treasury securities by Standard & Poor's. Long-term Treasuries and TIPS were the best performing fixed income segments for the year, with both returning well over 20%. Overall, the profile of the Treasury yield curve ended the year much flatter, particularly on the longer end, as yields declined over the summer. At year-end, the two-year Treasury yielded 0.25%, the 10-year yielded 1.89%, and the 30-year yielded 2.89%.

The MTA Master Trust returned 0.7%, and MaBSTOA returned -0.9%, in 2011. It is important to highlight that over the last few years, both plans have made concentrated efforts to bring down the overall equity commitment and diversify among other asset classes. As such, the plans may underperform their peers when equity markets rally, which was the case in the fourth quarter of 2011. Both plans had less than a 40% equity commitment in 2011, while the median equity commitment for public funds was 50.6%. It should be noted that over the last four years, since implementation of this strategy began, both plans are ahead of the median public fund.



Both MTA and MaBSTOA continued to diversify in 2011 by making investments in emerging markets (both equity and debt), real assets, real estate, private equity and opportunistic managers. The Board of Pension Managers of the Trust recognizes the importance of diversification and reducing volatility, as well as the need to monitor the portfolio's performance on an ongoing basis.

### **Investment Outlook 2012**

As we enter 2012, we expect a continuation of low long-term investment returns as fundamental economic drivers remain depressed. We acknowledge that the current global imbalances built up over many years, and that resolving them through extended deleveraging will most likely be a multi-year process as well. Investors need to maintain a long-term focus and a patient approach to capture returns. Nevertheless, many risky asset markets appear more attractive than at this point last year, largely due to the decline in Treasury yields, but also from some improvements in market pricing and underlying fundamentals. Many segments of the corporate credit market appear attractive, as do emerging markets stocks and bonds. Dislocations in Europe and elsewhere also promise to create significant opportunities for patient capital in distressed and event-driven strategies.

In this environment, investors need to maintain a risk-balanced approach to investing. There remains an outsized chance of extreme market outcomes if, for example, Europe fails to address its peripheral debt problem sufficiently, leading to public or private sector defaults, or potentially unmanaged departures from the single currency. Conversely, stimulative monetary and fiscal policy overshoot could lead to increased inflation, although this seems to be a lower probability outcome. Exposure to strategies that will perform well in extreme environments, such as risk parity and specific inflation and deflation hedging instruments, will help provide the backdrop for allocating additional capital to capture attractive risk premiums.

Source: NEPC, LLC

## MTA Sponsored Pension Plans

### \$ in millions

		<u>Normal Contribution</u>	<u>Amortization of the Unfunded Accrued Liability</u>	<u>Total Contribution</u>	<u>% of Covered Payroll</u>
LIRR-Additional Plan					
	1/1/2011	\$5.8	\$107.5	\$109.0	213.0%
	1/1/2010	\$7.3	\$104.1	\$107.2	164.5%
	1/1/2009	\$7.8	\$105.1	\$108.7	149.5%
	1/1/2008	\$8.5	\$91.8	\$100.3	124.0%
	1/1/2007	\$9.2	\$91.7	\$100.9	107.3%
	1/1/2006	\$10.8	\$97.7	\$108.5	92.5%
MaBSTOA					
	1/1/2011	\$100.2	\$93.8	\$194.0	33.4%
	1/1/2010	\$97.0	\$109.0	\$206.7	35.0%
	1/1/2009	\$97.9	\$113.3	\$211.3	37.1%
	1/1/2008	\$78.6	\$135.1	\$213.7	38.0%
	1/1/2007	\$69.8	\$115.5	\$185.3	35.7%
	1/1/2006	\$61.3	\$107.7	\$169.0	33.9%
MTA DB Plan					
	1/1/2011	\$136.9	\$35.8	\$166.2	N/A *
	1/1/2010	\$131.2	\$30.2	\$155.3	N/A *
	1/1/2009	\$130.1	\$21.8	\$146.1	N/A *
	1/1/2008	\$90.2	\$17.6	\$107.8	N/A *
	1/1/2007	\$71.0	\$10.7	\$81.7	N/A *
	1/1/2006	\$55.9	\$16.7	\$72.6	N/A *

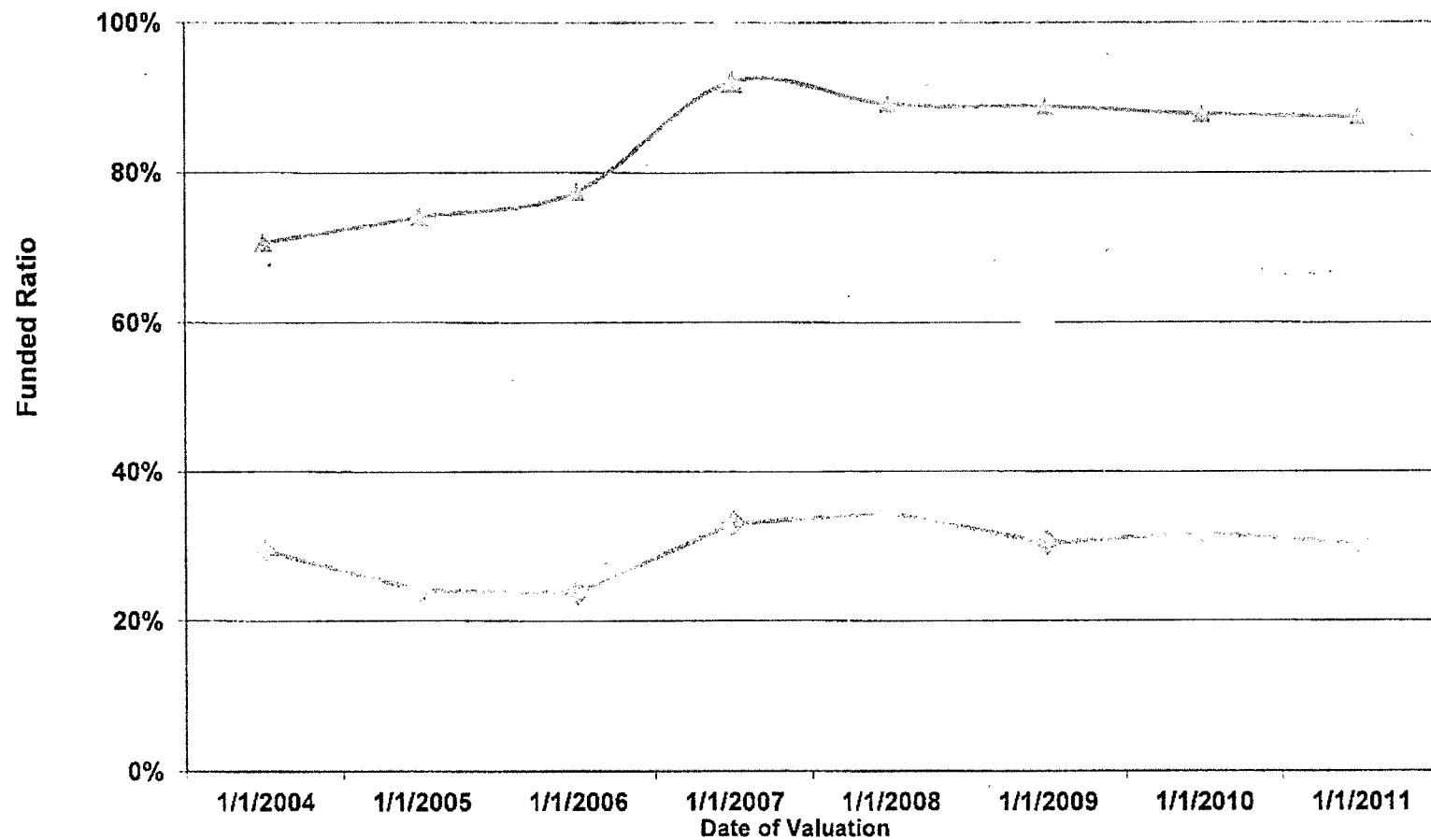
\* Not applicable because the benefits of most MTA Bus employees are not pay related.

Notes:

- For MaBSTOA, the increase in the 2008 contribution is due to the refund of additional 55/25 member contributions which was amortized over a 1-year period.

- The increase in the total contribution in 2009 (for all plans) is primarily the result of the market performance during 2008. The impact is being phased in over a 5-year period.

## Metropolitan Transportation Authority Funding Progress of MTA Sponsored Defined Benefit Plans



◆ LIRR Additional Plan

■ MaBSTOA

▲ MTA DB

## Defined Benefit Pension Plans sponsored by the MTA

### Impact of Asset Smoothing Asset Values as of January 1, 2011 (\$ in millions)

<u>System</u>	<u>Market Value</u>	<u>Actuarial Value</u>	<u>Difference From Market Value</u>
LIRR-Additional Plan	\$ 442.8	\$ 476.0	\$ 33.2
MaBSTOA	\$ 1,532.3	\$1,527.1	\$ 5.2
MTA DB Plan	\$ 2,044.1	\$2,106.3	\$ 62.2

# Defined Benefit Pension Plans sponsored by the MTA

## Investment Return Assumptions January 1, 2011 Valuation

<u>System</u>	<u>Investment Rate *</u>	<u>Investment Expenses</u>
LIRR Additional Plan	8.0% Gross	Added to Normal Cost
MaBSTOA	8.0% Gross	Added to Normal Cost
MTA DB Plan	8.0% Gross	Added to Normal Cost

\*After consultation with the Actuary it had been determined it would be prudent to change the assumed investment rate to 7.5% from 8%. The change in investment assumption rate is effective January 1, 2012.

# Metropolitan Transportation Authority

## Accrued Pension Costs by Plan

(in \$ millions)

<u>Pension Plan</u>	<u># of Active Members</u>	<u>2011 Final</u>	<u>2012 Approved Budget</u>	<u>2013 Plan</u>
NYCERS	38,507	\$ 639	\$ 766	\$ 771
MTA DB Plan	16,095	166	227	233
RRB <sup>4</sup>	10,147	108	116	119
MaBSTOA	7,581	186	210	213
NYSLERS	1,861	19	12	15
LIRR Additional Plan	623	109	136	136
MNR 401(k)	<u>-</u>	<u>3</u>	<u>3</u>	<u>3</u>
Totals <sup>5</sup>	<u>64,667</u>	<u>\$ 1,230</u>	<u>\$ 1,470</u>	<u>\$ 1,490</u>

Notes: 1) The Financial figures are per the Actuarial Valuation at January 1, 2011

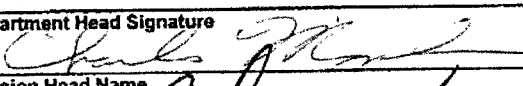
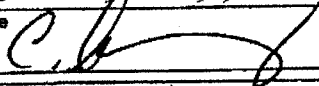
2) Financial Plan Estimate may differ from the Actuarial Certification since Agencies may anticipate hires, terminations and transfers. These changes could occur after the date used by the Actuary to determine the valuation results.

3) Number of active members are based on the latest actuarial valuations.

4) MTA DB Plan and LIRR Additional Plan Pensions are offset by the RRB Tier II amount when payable to participant.





5) RRB participants are NOT included in # of Active Members as they are included in the MTA DB Plan and LIRR Additional Plan headcount.

# 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>
May 10, 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	5/21/12			
2	Board	5/23/12			

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:

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

# of Actions	\$ Amount
None	None

MTAHQ proposes to award Competitive procurements in the following categories:

### Schedules Requiring Majority Vote

Schedule F: Personal Service Contracts

4	\$5,824,385
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MTAHQ presents the following procurement actions for Ratification:

None	None
------	------

<b>TOTAL</b>	<b>4</b>	<b>\$5,824,385</b>
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**BUDGET IMPACT:** The purchases/contracts will result in obligating MTAHQ operating and capital funds in the amount listed. Funds are available in the current MTAHQ operating/capital budgets for this purpose.

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

## BOARD RESOLUTION

### METROPOLITAN TRANSPORTATION AUTHORITY

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

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

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

NOW, the Board resolves as follows:

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



**LIST OF PROCUREMENTS FOR BOARD APPROVAL, MAY 2012**  
**COMPETITIVE PROCUREMENTS**

**METROPOLITAN TRANSPORTATION AUTHORITY**

*Procurements Requiring Majority Vote:*

**F. Personal Service Contracts**

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

1. **As-Needed Freelance Writers and Editorial Services** **\$180,000\***  
Contract Nos. 11202-0100 thru -0500 (\*Combined for 5 writers)
  - a. Susan L. Bednarczyk
  - b. Jennifer Benepe
  - c. Jeffrey D. Bogart d/b/a Bogart Communications
  - d. Nelson A. Smith
  - e. Karen Tarapata d/b/a You Need A Writer  
Competitively negotiated – 10 proposals – 36 months  
Contractors to provide as-needed freelance writing services for MTAHQ Marketing & Corporate Communications Department (M&CC). The Contractors may be called on to assist M&CC and the agencies in preparing communications that increase public support and use of mass transit and improve perceptions of MTA. A variety of tasks will be performed including researching, writing and editing of reports, brochures, speeches, video scripts and information for the financial community. The hourly rates proposed for freelance writers and editors ranging from \$40 to \$175 were negotiated down to a range of \$40 to \$60 resulting in savings ranging from \$0 to \$115 per hour or 0% to 65.71%. The negotiated average hourly rate of \$49.80 is 6.6% lower than the average hourly rate of \$53.34 under the current contracts and the rates will remain fixed for the three-year term. Based on the above, the negotiated hourly rates are considered fair and reasonable.
  
2. **Psychological Testing of New Candidates for MTA Police and Bridges and Tunnels Officers** **\$149,385\***  
Contract Nos. 12060-0100 thru 0200 (\*Combined for 2 firms – not-to-exceed)
  - a. Institute for Forensic Psychology
  - b. AVS Consulting, LLC  
Competitively negotiated – 3 proposals – 36 months  
Perform initial psychological testing for new MTA police officer candidates and Bridges and Tunnels officers. Additionally, assist MTA Police Department and Bridges and Tunnels in selecting police candidates with the emotional and interpersonal skills profile required for police work. The unit price of \$325 per initial psychological testing is the same price that is paid under the current five (5)-year contract.

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

3. **GSF Capital Markets, LLC**  
**Asset Lease Portfolio Advisory Services**  
**Contract No. 12006-0100**

**\$495,000**  
(not-to-exceed)

Competitively negotiated – 4 proposals – 60 months

Perform financial advisory services in connection with MTA's asset lease portfolio, including training of staff, oversight of compliance requirements, market intelligence, assistance with unforeseen events such as responding to downgrades of insurers and defeasance obligors, and, where appropriate, facilitating early lease terminations. The RFP was publicly advertised and letters advising potential proposers of the RFP's availability were mailed to forty-five (45) vendors, four (4) of which were M/WBE firms. No goals were established by the MTA Department of Diversity and Civil Rights for this contract. Four proposals were received: GSF Capital Markets, LLC; Heinrich & Mortinger; Barak Asset Management LLC; and Nixon Peabody LLP and Omnicap (a joint venture). The Selection Committee, consisting of representatives from MTA Treasury, Legal and Finance, evaluated the proposals and recommended that two of the firm GSF Capital Markets, LLC, and Heinrich & Mortinger be invited to make oral presentations. Upon conclusion of oral presentations, the Selection Committee unanimously determined that GSF Capital Markets, LLC was the most technically qualified firm to perform these services. As a result of reduction of scope and negotiations, the original cost of \$950,000 submitted by GSF Capital Markets, LLC was reduced to \$495,000 (\$95,000 for regular advisory functions and \$100,000 fee per early termination - it is anticipated that only four of the leases are candidates for such termination) for a savings of \$455,000 or 48%. There is no prior contract for these specific services with which this cost can be compared. Based on the above, the not-to-exceed cost of \$495,000 is considered to be fair and reasonable.

4. **As-Needed Real Estate and Fixture Appraisal Services and Court Testimony**  
**Contract Nos. 11207-0100 thru 1400**

**\$5,000,000\***    Staff Summary Attached

(\*Combined for all firms – not-to-exceed)

- |                                      |   |
|--------------------------------------|---|
| 1. Daniel P. Lane & Associates, Inc. | 8. Patjo Appraisal Services Inc.            |
| 2. Grubb & Ellis Consulting Co.      | 9. Sterling Appraisals, Inc.                |
| 3. Cushman & Wakefield, Inc.         | 10. Charles Land                            |
| 4. Jerome Haims Realty, Inc.         | 11. Rusciano Appraisers & Consultants, Inc. |
| 5. Michael Haberman Associates, Inc. | 12. Goodman-Marks Associates, Inc.          |
| 6. The Weitzman Group Inc.           | 13. Beckman Appraisals, Inc.                |
| 7. MR Valuation Consulting, LLC      | 14. R.P. Hubbell and Company, Inc.          |

Competitively negotiated – 17 proposals – 60 months

Contractors to provide as-needed real estate and fixture appraisal services and court testimony for MTAHQ Real Estate Department. The appraisals provide the Real Estate Department with the basis for an offer to purchase/lease property, as well as for condemnation proceedings should circumstance warrant. The majority of services provided under this contract are anticipated to be for fixed-fee appraisals where each assignment will be competitively bid-out

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

among the retained appraisers and awarded to the lowest, responsive and responsible bidder. Twelve firms proposed hourly rates ranging from a high of \$250 to a low of \$100 per hour and were negotiated down to a range of \$175 to \$50 representing a reduction of 30% to 50%. The negotiated rates for twelve of the firms are in the same range of the current MTA contract that has been in effect for five years. The two remaining firms (Cushman & Wakefield, Inc. and Grubb & Ellis Consulting Co.) whose services will only be used on a limited basis, if required, proposed rates ranging from \$250 to \$350 for appraisal work and \$400 to \$425 per hour for potential court preparation and trial testimony. MTA Legal and Real Estate have advised it is in MTA's best interests to retain these firms for use involving unique appraisals including eminent domain litigation and controversies. The hourly rates for all firms will remain fixed for the five year term of the contract.

# Staff Summary

## Schedule F: Personal Service Contracts

<b>Item Number:</b> <b>Dept &amp; Dept Head Name:</b> Finance/R. Foran						<b>SUMMARY INFORMATION</b> <b>Vendor Name:</b> Multiple – see below		<b>Contract Number:</b> 11207-0100 thru 14000																			
<b>Division &amp; Division Head Name:</b> Real Estate/J. Rosen						<b>Description:</b> Real Estate Appraisal Services																					
<b>Board Reviews</b>						<b>Total Amount:</b> \$5,000,000																					
<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th>Order</th> <th>To</th> <th>Date</th> <th>Approval</th> <th>Info</th> <th>Other</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>Finance</td> <td>05/21/12</td> <td></td> <td></td> <td></td> </tr> <tr> <td>2</td> <td>Board</td> <td>05/23/12</td> <td></td> <td></td> <td></td> </tr> </tbody> </table>						Order	To	Date	Approval	Info	Other	1	Finance	05/21/12				2	Board	05/23/12				<b>Contract Term (Including Options, if any)</b> June 1, 2012 to May 30, 2017			
Order	To	Date	Approval	Info	Other																						
1	Finance	05/21/12																									
2	Board	05/23/12																									
<b>Internal Approvals</b>						<b>Option(s) included in Total Amount?</b> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No																					
<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th>Order</th> <th>Approval</th> <th>Order</th> <th>Approval</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>Procurement <i>ed</i></td> <td>4</td> <td>Diversity and Civil Rights <i>ed</i></td> </tr> <tr> <td>2</td> <td>Real Estate <i>ed</i></td> <td>5</td> <td>Legal <i>ed</i></td> </tr> <tr> <td></td> <td></td> <td>3</td> <td>CFO <i>ed</i></td> </tr> </tbody> </table>						Order	Approval	Order	Approval	1	Procurement <i>ed</i>	4	Diversity and Civil Rights <i>ed</i>	2	Real Estate <i>ed</i>	5	Legal <i>ed</i>			3	CFO <i>ed</i>	<b>Renewal?</b> <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No					
Order	Approval	Order	Approval																								
1	Procurement <i>ed</i>	4	Diversity and Civil Rights <i>ed</i>																								
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		3	CFO <i>ed</i>																								
<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: Sole Source																					
<b>Funding Source:</b> <input checked="" type="checkbox"/> Operating <input type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:																											

### Narrative

#### I. PURPOSE/RECOMMENDATION

To recommend that the Board approve the award of fourteen (14) competitively negotiated, personal services contracts for Real Estate and Fixture Appraisal Services and court testimony, on an as-needed basis, for a period of five (5) years from June 1, 2012 to May 30, 2017, to the firms listed below in the total, not-to-exceed amount of \$5,000,000.

- |  |   |
|--|---|
| 1. Daniel P. Lane & Associates, Inc.<br>2. Grubb & Ellis Consulting Co.<br>3. Cushman & Wakefield, Inc.<br>4. Jerome Haims Realty, Inc.<br>5. Michael Haberman Associates, Inc.<br>6. The Weitzman Group Inc.<br>7. MR Valuation Consulting, LLC | 8. Patjo Appraisal Services Inc.<br>9. Sterling Appraisals, Inc.<br>10. Charles Land<br>11. Rusciano Appraisers & Consultants, Inc.<br>12. Goodman-Marks Associates, Inc.<br>13. Beckman Appraisals, Inc.<br>14. R.P. Hubbell and Company, Inc. |
|--|---|

#### II. DISCUSSION

The Real Estate Department's primary mission is to provide leasing and acquisition services to the MTA's agencies and MTAHQ. Critical to this function is the performance of property appraisals. These appraisals, performed by outside firms, value properties which MTA or a MTA agency seeks to acquire for corporate purposes or to market for additional revenue. The appraisals provide the Real Estate Department with the basis for an offer to purchase/lease property, as well as for condemnation proceedings should circumstance warrant.

The current all-agency Real Estate Appraisal Services retainer contracts will expire on June 30, 2012. In order to continue these essential services a new competitive Request for Proposal (RFP) was issued. The RFP was publicly advertised and letters advising potential proposers of the RFP's availability were sent to sixty-two (62) firms including nine (9) M/WBE Firms. Seventeen (17) proposals were received. The firms were evaluated based on their relevant experience in appraising similar type properties; relevant experience of the appraiser and assigned personnel as well as cost. The Selection Committee, consisting of representatives from MTA Real Estate and MTA Legal evaluated all the proposals and determined that the eleven (11) real estate appraisal firms and three (3) fixture appraisal service firms indicated above were deemed qualified because of their experience, qualifications and knowledge of the industry and their ability to complete projects in a timely manner. MTA has conducted a responsibility review and other due diligence on these firms and has deemed them to be responsible for award.

# Staff Summary



Metropolitan Transportation Authority

Contract No. 11207-0100 thru 1400

Page 2 of 2

The majority of services provided under this contract are anticipated to be for fixed-fee appraisals where each assignment will be competitively bid-out among the retained appraisers and awarded to the lowest, responsive and responsible bidder as a lump sum. For work requiring hourly rates, twelve firms proposed rates ranging from a high of \$250 to a low of \$100 per hour and were negotiated down to a range of \$175 to \$50 representing a reduction of 30% to 50%. The negotiated hourly rates for the twelve firms are in the same range of the current MTA contract that has been in effect for five years. The two remaining firms (Cushman & Wakefield, Inc. and Grubb & Ellis Consulting Co.) whose services will only be used on a limited basis, if required, proposed hourly rates ranging from \$250 to \$350 for appraisal work and \$400 to \$425 per hour for potential court preparation and trial testimony. It is in the MTA's best interest to retain these two firms for use involving unique appraisals including eminent domain, litigation and controversies. The hourly rates for all firms will remain fixed for the five year term of the contract.

### III. D/M/WBE INFORMATION

The Department of Diversity and Civil rights established 10% MBE and 10% WBE goals under this contract. In addition to some of the Prime contractors offering to sub-contract with Jodi Pulice (a WBE) and the Cornerstone Group (an MBE), three of the Prime Contractors being retained are M/WBE firms; namely, The Weitzman Group Inc., MR Valuation Consulting LLC, and Patjo Appraisal Services Inc.

### IV. IMPACT ON FUNDING

The appraisals to be performed under these contracts are estimated not to exceed \$5,000,000 over the five-year period and will be funded almost exclusively by the respective MTA Agency's Capital Program. Appraisals being conducted for MTA Headquarters will be funded by the Real Estate Department's operating budget.

### V. ALTERNATIVES

Do not Approve Award of the Contract. This is not a feasible alternative. Real property transactions, including condemnation, require an independent appraisal report and/or appraisal review.

Perform the Services In-House. This is not a feasible alternative. The MTA does not have the resources or the trained personnel to adequately perform the required work.

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

**ACTION ITEMS**

**MTA NEW YORK CITY TRANSIT**

License Agreement with Mohammed Nur Nabi for the operation of a newsstand at Church Avenue Station, Nostrand Avenue Line, Brooklyn, New York

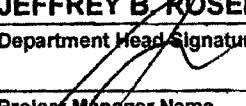
Lease Modification and Extension Agreement for the Short Term Continued Occupancy of NYCT at 27-35 Jackson Avenue, Long Island City, New York

**MTA LONG ISLAND RAIL ROAD**

License agreements for taxi dispatch offices and taxi parking spaces at Amityville, Babylon, Bay Shore, Copiague, Floral Park, Garden City, Hicksville, Island Park, Little Neck, Massapequa, Mineola, Nassau Boulevard, Port Jefferson, Ronkonkoma, Sayville, Wantagh, and Woodmere Stations


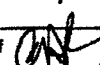

Lease Modification and Extension Agreement for the Short Term Continued Occupancy of LIRR at 90-27 Sutphin Boulevard, Queens, New York

# Staff Summary

<b>Subject</b> <b>LICENSE 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>MAY 21, 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	05/21/12	X		
2	Board	05/23/12	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: Mohammed Nur Nabi  
 LOCATION: Church Avenue Station, Brooklyn, NY  
 ACTIVITY: Operation of a newsstand  
 ACTION REQUESTED: Approval of terms  
 TERM: Ten years, subject to termination by NYCT at will upon 60 days' notice  
 SPACE: Approximately 120 square feet

COMPENSATION:	Year	Annual	Monthly	% Increase	Per Sq. Ft.
	1	\$38,000.00	\$3,166.67		\$ 316.67
	2	\$39,140.00	\$3,261.67	3.00%	\$ 326.17
	3	\$40,314.20	\$3,359.52	3.00%	\$ 335.95
	4	\$41,523.62	\$3,460.30	3.00%	\$ 346.03
	5	\$42,768.70	\$3,564.06	3.00%	\$ 356.41
	6	\$44,051.76	\$3,670.98	3.00%	\$ 367.10
	7	\$45,374.10	\$3,781.18	3.00%	\$ 378.12
	8	\$46,735.22	\$3,894.60	3.00%	\$ 389.46
	9	\$48,137.27	\$4,011.44	3.00%	\$ 401.14
	10	\$49,581.39	\$4,131.78	3.00%	\$ 413.18

## 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 21 responsive proposals with respect to the Church Avenue location. These 21 proposers were given the opportunity through an addendum to modify their financial compensation offers when NYCT subsequently granted permission for newsstands to sell New York State Lottery products at subway newsstands (the "lottery addendum"). In response to the lottery addendum, 14 revised proposals were received.

The financial compensation proposed (calculated on a present value basis using a discount rate of 9%) ranged from \$43,232 to \$273,799. The top two proposals, in order of present value, were made by:

# Staff Summary

## FINANCE COMMITTEE MEETING Church Avenue Station (Cont'd.)

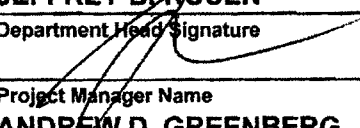
1. Mohammed Nur Nabi - \$273,799; and
2. Mahabubar Rahman - \$263,716.

Mr. Nur Nabi is the owner of Rose Bengal Newsstand, which currently operates the NYCT newsstand at Grand Army Plaza Station (Brooklyn). MTA Real Estate considers Mr. Nur Nabi to be a licensee in good standing. He has the ownership / operating experience and the financial resources to successfully operate the Church Avenue Station newsstand.

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


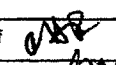



# Staff Summary

Subject <b>LEASE MODIFICATION &amp; EXTENSION</b>
Department <b>REAL ESTATE</b>
Department Head Name <b>JEFFREY B. ROSEN</b>
Department Head Signature 
Project Manager Name <b>ANDREW D. GREENBERG</b>

Date <b>MAY 21, 2012</b>
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref. #

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1	Finance Committee	5/21/12	X		
2	Board	5/23/12	X		

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

AGENCY: MTA New York City Transit ("NYCT")  
 LANDLORD: 27-35 Jackson Avenue, LLC  
 LOCATION: 27-35 Jackson Avenue, Long Island City, New York 11101  
 ACTIVITY: Lease extension  
 ACTION REQUESTED: Approval of terms  
 TERM: 8/1/12 – 7/31/14  
 TERMINATION OPTION: By NYCT upon ten months prior written notice

SPACE: Entire 4<sup>th</sup> Floor – 16,500 sq. ft.  
 Part of Ground Floor – 4,337 sq. ft.

COMPENSATION: **Entire 4<sup>th</sup> Floor – 16,500 Sq. Ft.**  
 8/01/12 – 7/31/13: \$443,685 per annum (\$26.89 per sq. ft.)  
 8/01/13 – 7/31/14: \$454,740 per annum (\$27.56 per sq. ft.)  
**Part Ground Floor – 4,337 sq. ft.**  
 8/01/12 – 7/31/13: \$98,493.27 per annum (\$22.71 per sq. ft.)  
 8/01/13 – 7/31/14: \$100,965.36 per annum (\$23.28 per sq. ft.)

ELECTRIC: Direct meter to utility  
 REAL ESTATE TAXES: Proportionate share of increases over a calendar 2013 base year  
 LANDLORD'S WORK: None

COMMENTS:  
 NYCT currently occupies the entire fourth floor and a portion of the ground floor at 27-35 Jackson Avenue pursuant to a lease agreement expiring on July 31, 2012. The fourth floor is used as the headquarters location for the Assistant Chief Transportation Officers overseeing Subdivision A, B and the #7 lines, and for office space for their staff and the crew assignment facilities, and for Transportation Operations/Operations Support offices. The ground floor is occupied by Subdivision C Construction Flagging personnel responsible for providing support personnel for NYCT capital programs. The facility operates 24 hours per day/7 days per week. Under the existing lease terms, MTA has the option to renew the lease for an additional five-year period.

# Staff Summary

**FINANCE COMMITTEE MEETING**  
**27-35 Jackson Avenue, LLC (Cont'd.)**

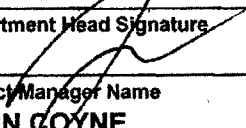


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As part of the MTA's comprehensive office right-sizing initiative, though the space is relatively inexpensive, alternatives to continuing such occupancy are currently being evaluated by MTA Real Estate with assistance from Cushman & Wakefield. Implementation of any of such alternatives will depend on implementation of other elements of the overall plan. To maintain maximum flexibility, instead of exercising the MTA's option for a five-year renewal term, MTA Real Estate has negotiated a flexible extension term of up to two years with a cancellation option exercisable on ten months' notice.


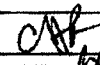

Based on the foregoing, MTA Real Estate requests authorization to enter into a lease modification and extension agreement with 27-35 Jackson Avenue, LLC on the above-described terms and conditions.

# Staff Summary

<b>Subject</b> <b>LICENSE 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>JOHN COYNE</b>

<b>Date</b> <b>MAY 21, 2012</b>
<b>Vendor Name</b>
<b>Contract Number</b>
<b>Contract Manager Name</b>
<b>Table of Contents Ref. #</b>

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2	Board	5/23/12	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:** JTE Enterprises, Inc.; EMD Transportation, Inc.; Charles Transportation Services, Inc.; Colonial Enterprises & Management, Inc.; Global Administrative Services, LLC; Kel Management Corp.; LI Carolina Express, Inc.; LI Yellow Cab Corp; Moses Limousine Service, Inc.; Oyster Rides, LLC; and Woodmere Taxi Association, Ltd.

**LOCATIONS:** Babylon Station; Copiague Station; Floral Park Station; Garden City Station; Hicksville Station; Island Park Station; Little Neck Station; Mineola Station; Nassau Boulevard Station; Port Jefferson Station; Sayville Station; Wantagh Station; and Woodmere Station

**ACTIVITY:** Operation of taxi dispatch offices and taxi parking spaces

**ACTION REQUESTED:** Approval of terms

**TERMS:** 5 years (with the exception of Little Neck, where the expiration will be 4/30/2016, coterminus with the license agreement for the adjacent dispatch office)

**COMPENSATION:** As described below

## COMMENTS

Virtually all of the LIRR licenses for taxi spaces and taxi dispatch offices will expire at the end of June, 2012. In anticipation of this, MTA Real Estate, believing that higher license fees could be obtained through competition, issued a Request for Proposals ("RFP") in January, 2012 for the expiring inventory. In the RFP the inventory was offered in 40 parcels, with parcels consisting of taxi parking only (each parcel being from 1 to 15 spaces), taxi spaces with an adjacent dispatch office, or stand-alone dispatch offices. Prior to issuing this RFP, MTA Real Estate conducted extensive outreach in an attempt to notify all licensed taxi operators operating in the applicable jurisdictions about the forthcoming RFP. Proposals were received on February 29, 2012, and MTA Real Estate gave all proposers the opportunity to revise their compensation proposals pursuant to a best and final offer process.

All proposals received for 24 of the 40 parcels are outlined below, with the present value of the proposed compensation, discounted at 9%, ("PV"), and the recommended proposer described. In each case, the recommended proposer is the highest proposer, which is shown in boldface type. Negotiations are ongoing for the remaining 16 parcels and recommended licensees for those locations will be presented for approval at a later date. The proposals received in response to the RFP for the 24 parcels identified below far exceed the current revenue for those parcels. Under current licenses, with rates for most of the licenses set by Board-approved policy, LIRR receives \$103,704 per annum for these parcels, or \$400,059 on a present value basis, were this rate to be projected out five years. The projected first year license revenue for the new agreements described below is \$170,617, and \$699,143 on a present value basis over the 5

# Staff Summary

## FINANCE COMMITTEE MEETING

### Taxi Dispatch Offices & Parking at Various LIRR Stations (Cont'd.)

year term. This represents a one year increase of 65%, and an increase of 75% on a present value basis over current revenues.

Babylon Station - 9 Parking Spaces:		
Proposer Name	PV	Discussion
JTE Enterprises, Inc.	\$37,722.36	J.T.E. Enterprises, Inc. is a taxi company based in Islandia, New York, which has been in operation since 1992. Its principal, John Tomitz, has sufficient financial resources to successfully operate the business under this proposed license.

Babylon Station - 3 Parking Spaces:		
Proposer Name	PV	Discussion
JTE Enterprises, Inc.	\$12,574.12	See discussion of J.T.E. Enterprises above.

Bayside Station - 3 Parking Spaces:		
Proposer Name	PV	Discussion
Kel Management Corp.	\$12,327.57	Kel Management Corp. based in Bayside, New York, has been active since 1987. Its principal, Eileen Kelly, is also the principal of W.A.D. Rental, Ltd, the incumbent at this locations. Ms. Kelly has sufficient financial resources to successfully operate the business under this proposed license..

Copiague Station - 3 Parking Spaces:		
Proposer Name	PV	Discussion
JTE Enterprises, Inc.	\$12,574.12	See discussion of J.T.E. Enterprises above.

Copiague Station - 2 Parking Spaces:		
Proposer Name	PV	Discussion
JTE Enterprises, Inc.	\$8,382.75	See discussion of J.T.E. Enterprises above.

Copiague Station - 1 Parking Space:		
Proposer Name	PV	Discussion
JTE Enterprises, Inc.	\$4,191.37	See discussion of J.T.E. Enterprises above.

Copiague Station - 1 Parking Space:		
Proposer Name	PV	Discussion
JTE Enterprises, Inc.	\$4,191.37	See discussion of J.T.E. Enterprises above.

# Staff Summary

## FINANCE COMMITTEE MEETING



Metropolitan Transportation Authority

### Taxi Dispatch Offices & Parking at Various LIRR Stations (Cont'd.)

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Floral Park Station – Dispatch Office:		
Proposer Name	PV	Discussion
<b>Global Administrative Services, LLC</b>	\$74,359.88	Global Administrative Services, LLC, based in Franklin Square, New York, runs various taxi operations. Its principals, Marianne Blessinger and Lawrence Blessinger, Jr., have been operating taxi businesses in Long Island for over two decades. Global Administrative Services, LLC's principals have sufficient financial resources to successfully operate the business under this proposed license.
Victory Leasing Corp.	\$57,569.76	

Garden City Station – Office & 4 Spaces:		
Proposer Name	PV	Discussion
<b>Charles Transportation Services, Inc.</b>	\$63,614.38	Charles Transportation Services, Inc., based in Elmont, New York, is the incumbent at the taxi parking space in Mineola. Its principal, Phil Fortuna, is also the principal of Sunset Airport Transportation Corp., which is an incumbent at Hicksville. Charles Transportation Services, Inc., has been in operation since 1999. Mr. Fortuna has sufficient financial resources to successfully operate the business under this proposed license.
Garden City Taxi & Limousine LLC	\$24,576.57	

Hicksville Station – 6 Spaces:		
Proposer Name	PV	Discussion
<b>Oyster Rides, LLC</b>	\$26,706.68	Oyster Rides, LLC, based in Oyster Bay, New York, is the incumbent at the above-referenced dispatch office at Hicksville Station. Its principal, George Melillo, has sufficient financial resources to successfully operate the business under this proposed license.

Hicksville Station – 6 Spaces:		
Proposer Name	PV	Discussion
<b>Oyster Rides, LLC</b>	\$28,353.37	See discussion of Oyster Rides, LLC above.
Sunset Airport Services	\$26,627.53	

Hicksville Station – Dispatch Office:		
Proposer Name	PV	Discussion
<b>Oyster Rides, LLC</b>	\$103,552.80	See discussion of Oyster Rides, LLC above.

# Staff Summary

## FINANCE COMMITTEE MEETING

### Taxi Dispatch Offices & Parking at Various LIRR Stations (Cont'd.)

Page 4 of 6

#### Island Park Station – Office & 3 Spaces:

Proposer Name	PV	Discussion
<b>Global Administrative Services LLC</b>	\$35,749.94	See discussion of Global Administrative Services LLC, above.

#### Little Neck Station – 6 Spaces:

Proposer Name	PV	Discussion
<b>Global Administrative Services LLC</b>	\$18,239.50	See discussion of Global Administrative Services LLC

#### Mineola Station – 6 Spaces:

Proposer Name	PV	Discussion
<b>Global Administrative Services LLC</b>	\$29,635.47	See discussion of Global Administrative Services, LLC, above.
<b>Charles Transportation Services</b>	\$23,715.97	

#### Mineola Station – 1 Space:

Proposer Name	PV	Discussion
<b>Charles Transportation Services</b>	\$12,605.77	See discussion of Charles Transportation Services, Inc. above.
<b>Global Administrative Services LLC</b>	\$4,967.98	

#### Nassau Boulevard Station – Dispatch Office:

Proposer Name	PV	Discussion
<b>Moses Limousine Service</b>	\$1,232.76	Moses Limousine Service, Inc., a Uniondale, New York, based company, has been active since 1987. Its principal is Moses Green. Moses Limousine Service, Inc., is the incumbent at this location.

#### Northport Station – 5 Spaces:

Proposer Name	PV	Discussion
<b>Huntington Orange &amp; White</b>	\$26,915.19	Huntington Orange & White, Inc., based at Huntington Station, New York, has been active since 1997. It is the incumbent at this location. Huntington Orange & White, Inc., and its principal, Thomas Villanova, have sufficient assets to guarantee the proposed compensation.

#### Port Jefferson Station – 1 Space:

Proposer Name	PV	Discussion
<b>EMD Transportation Inc.</b>	\$8,497.80	EMD Transportation, Inc., based in Mastic Beach, New York, has been active since 2008. Its principal, John A. Ferro, has over five years of experience in operating taxi
<b>JTE Enterprises, Inc.</b>	\$5,752.87	

# Staff Summary

## FINANCE COMMITTEE MEETING

### Taxi Dispatch Offices & Parking at Various LIRR Stations (Cont'd.)

		businesses in Long Island. Mr. Ferro has sufficient financial resources to successfully operate the business under this proposed license..
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Port Jefferson Station – 1 Space:		
Proposer Name	PV	Discussion
EMD Transportation Inc.	\$8,949.82	See discussion of EMD Transportation, Inc. above.
JTE Enterprises, Inc.	\$5,752.87	

Sayville Station – 15 Spaces:		
Proposer Name	PV	Discussion
Colonial Enterprises & Management, Inc.	\$67,863.27	Colonial Enterprises & Management, Inc., based in Rockville Center, has been active since 1997 and is the current incumbent at this location. Its principal, Sam Grenga, has sufficient financial resources to successfully operate the business under this proposed license.

Sayville Station – 8 Spaces:		
Proposer Name	PV	Discussion
Colonial Enterprises & Management, Inc.	\$36,193.75	See discussion of Colonial Enterprises & Management, Inc. above.

Wantagh Station – 6 Spaces:		
Proposer Name	PV	Discussion
LI Yellow Cab Corp	\$22,189.63	LI Yellow Cab Corp. is currently an incumbent at Hicksville, Massapequa, and Wantagh stations. Both it and its principal, Keith Kauffman, have over four decades of experience operating taxi businesses in Long Island. Its principal, Mr. Kauffman, has sufficient financial resources to successfully operate the business under this proposed license.

# Staff Summary

## FINANCE COMMITTEE MEETING



Metropolitan Transportation Authority

### Taxi Dispatch Offices & Parking at Various LIRR Stations (Cont'd.)

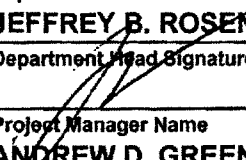
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Woodmere Station – Office & 6 Spaces:		
Proposer Name	PV	Discussion
Woodmere Taxi Association, Ltd.	\$42,518.86	Woodmere Taxi Association, Ltd, the incumbent at this location, has been in operation since 1995. They are a driver-owned company, whose principals are Mike Doyle, Leonard Levine, Benny Bocci, Hez Amiram, Moshe Oraleovich, and Allan Levy have sufficient financial resources to successfully operate the business under this proposed license.

Based on the foregoing, MTA Real Estate requests authorization to enter into a license agreements with the recommended proposer at each location as indicated above.


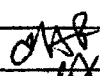



# Staff Summary

<b>Subject</b> <b>LEASE MODIFICATION &amp; EXTENSION</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>ANDREW D. GREENBERG</b>

<b>Date</b> <b>MAY 21, 2012</b>
<b>Vendor Name</b>
<b>Contract Number</b>
<b>Contract Manager Name</b>
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Internal Approvals			
Order	Approval	Order	Approval
		1	Legal 
3	Chief of Staff 		
2	Chief Financial Officer 		

AGENCY: MTA Long Island Rail Road ("LIRR")  
 LANDLORD: Sutphin LLC  
 LOCATION: 90-27 Sutphin Boulevard, Jamaica, Queens, New York 11101  
 ACTIVITY: Lease modification & extension  
 ACTION REQUESTED: Approval of terms  
 TERM: 1/1/13 – 12/31/14  
 TERMINATION OPTION: By LIRR upon ten months prior written notice.  
 SPACE: Entire 3rd Floor – 19,600 sq. ft.(the "Premises")  
 COMPENSATION: \$475,104 (\$24.24 per sq. ft.) per annum  
 ELECTRIC: Direct meter to utility  
 REAL ESTATE TAXES: Proportionate share of increases over a calendar 2013 base year  
 LANDLORD'S WORK: None

## COMMENTS:

The LIRR procurement department currently occupies the Premises, which are located a few blocks from LIRR headquarters, pursuant to a lease agreement expiring on December 31, 2012. Under the existing lease terms, MTA has the option to renew the lease for an additional five-year period.

As part of the MTA's comprehensive office space right sizing initiative, though the space is relatively inexpensive, alternatives to continuing such occupancy are currently being evaluated by MTA Real Estate with assistance from Cushman & Wakefield. Implementation of any of such alternatives will depend on implementation of other elements of the overall plan. To maintain maximum flexibility, instead of exercising the MTA's option for a five-year renewal term, MTA Real Estate has negotiated a flexible extension term of up to two years with a cancellation option exercisable on ten months' notice.

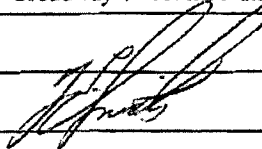
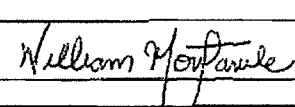
Based on the foregoing, MTA Real Estate requests authorization to enter into a lease modification and extension agreement with Sutphin Boulevard on the above-described terms and conditions.

## **6. ACTION ITEM**



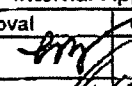

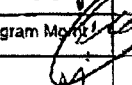



## Staff Summary

Page 1 of 2

<b>Subject</b> ADA Accessibility: Dyckman St / Broadway-7 <sup>th</sup> Avenue Line
<b>Department</b> Subways
<b>Department Head Name</b> Frederick E. Smith
<b>Department Head Signature</b> 
<b>Project Manager Name</b> William Montanile 

<b>Date</b> May 7, 2012
<b>Vendor Name</b> John Civetta & Sons, Inc.
<b>Contract Number(s)</b> A36065
<b>Contract Manager Name</b> Joseph Mendola
<b>Table of Contents Ref #</b>

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

Internal Approvals			
Order	Approval	Order	Approval
1	SVP Subways 	Executive VP	
2	SVP Capital Program Mgmt 	President	
3	Director, OMB 		
4	Chief Capital Budget Officer 		

**Purpose:** To obtain MTA Board approval to add the ADA Accessibility - Dyckman Street Station project to the 2010-2014 Capital Program, and to advance this new project into the construction phase concurrent with the Station Normal Replacement currently underway. The project total value including design is \$13.07 million and is advancing into construction via various additional work orders to take advantage of scheduled service diversions. The project will be funded from program savings.

**Discussion:** The ADA Accessibility project will provide an elevator from the control area to the southbound platform as well as an accessible ramp and other ADA requirements at Dyckman Street Station on the Broadway/7<sup>th</sup> Avenue Line. Pursuant to the settlement agreement in spring 2011 between the United Spinal Association and MTA – NYCT to address disability access work, the NYCT was directed to fast-track the development of the design documents. The settlement was reached after the Dyckman Station contract was let in June 2010, precluding inclusion of the ADA work with the contract bid documents.

Based on the design completion and the split of project scope into multiple tasks to minimize delays, the total estimate cost is \$13.07 million. The scope includes one elevator, but accounts for additional landmark finish work since Dyckman Station is deemed an historic landmark by the NYS Office of Parks Recreation and Historic Preservation (OPRHP). The OPRHP believed that the proposed ADA changes would adversely affect the landmark by overly disrupting the station. Therefore, in order to gain approval from the OPRHP, NYCT agreed to provide additional landmark enhancements.

To conform to the station construction phasing plan and minimize any potential impact costs related to the overall construction completion schedule, the proposed ADA Accessibility work is added to the current contract via a series of additional work order packages. Two of these five packages have been approved as retroactive work orders. The design packages were separated into five areas of work totaling \$6.03 million as listed below:

**Package 1 – Station Employee Facilities (\$0.36M):** Reconfiguration of the Dyckman Street Station Employee Facilities is required to comply with ADA requirement. This reconfiguration will also



## Staff Summary

accommodate an elevator machinery room. This package was issued as a retroactive additional work order in October 2011 and was approved by the MTA Board in February 2012.

**Package 2 – Landmark Finishes (\$2.00M):** Addressing exterior and interior finishes including a new station entrance based on agreement with NY State Office of Parks, Recreation and Historic Preservation (OPRHP) on historic landmarks. The design for this package has been completed. Cost proposals are submitted and negotiation is proceeding. This package has been issued as a retroactive additional work order in January 2012 and is pending negotiation.

**Package 3 – Structural Framing for the Elevator (\$0.01M):** Constructing the framing of the platform slab for the elevator structure. The design is completed and the change order has been finalized.

**Package 4 – Installation of ADA Elevator (\$1.90M):** Installing an ADA Elevator from the station control house to southbound platform. The design documents are being finalized to be submitted for cost proposals. This package is yet to be awarded.

**Package 5 – Reconstruction of Sidewalk and ADA Ramp (\$1.70M):** Reconstruction of the sidewalk and construction of ADA ramp from sidewalk level to the station control building and related work to create an accessible path of travel at ground level. The design documents are under review by NYCDOT. This package is yet to be awarded.

**Other (\$1.14M):** Includes a contingency to fund unforeseeable changes during construction and an estimated impact cost for an anticipated one year extension of contract duration due to inclusion of this ADA work

In addition, several additional work orders to the current construction contract, totaling \$0.20 million, have been issued in advance of the ADA Accessibility project for various test pits and other preparatory work. The total cost including design (\$1.56M) and construction support (\$4.20 million) is \$13.07 million.

**Impact on Funding:** Funds are made available through program savings: good bid experience from the same type of work on the Utica Avenue/Fulton Line; Kingsbridge Road/Concourse Line and Hunts Point Avenue/Pelham Line projects.

**Alternatives:** If this project were not approved, MTA-NYCT would be in breach of its settlement with United Spinal Association.

**Recommendation:** That the MTA Board approve the addition of a project to the 2010-2014 Capital Program, estimated at \$13.07 million, to provide the ADA accessibility improvements discussed above at the Dyckman Street / Broadway-7<sup>th</sup> Avenue station.

APPROVED FOR SUBMISSION TO THE BOARD

Thomas F. Prendergast  
President

5/5/12


Date







New York City Transit

## PROCUREMENTS

The Procurement Agenda this month includes 14 actions for a proposed expenditure of \$46.9M.

<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	5/21/12			
2	Board	5/23/12			

<b>May 10, 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>
	President NYCT		President MTACC
	Executive VP	X	Subways
X	Cap. Prog. Mgt.	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:

Procurements Requiring Two Thirds Vote:

		<u># of Actions</u>	<u>\$ Amount</u>
Schedule A:	Non-Competitive Purchases and Public Work Contracts	1	\$ .2 M
	• Voith Turbo, Inc.		\$ .2 M
SUBTOTAL		1	\$ .2 M

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 F: Personal Service Contracts	1	\$	.07 M
Schedule G: Miscellaneous Service Contracts	1		.8 M
Schedule H: Modifications to Personal/Miscellaneous Service Contracts	1		22.0 M
SUBTOTAL		3	\$ 22.9 M

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

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

Schedules Requiring Majority Vote:

Schedule K: Ratification of Completed Procurement Actions	3	\$	15.6 M
SUBTOTAL		3	\$ 15.6 M

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

Schedules Requiring Majority Vote:

Schedule K: Ratification of Completed Procurement Actions	7	\$	8.2 M
SUBTOTAL		7	\$ 8.2 M
TOTAL		14	\$ 46.9 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.





MAY 2012

LIST OF NON-COMPETITIVE PROCUREMENTS FOR BOARD APPROVAL

Procurements Requiring Two-Thirds Vote:

**A. Non-Competitive Purchases and Public Work Contracts**

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

- |  |                 |                               |
|--|-----------------|-------------------------------|
| 1. Voith Turbo, Inc.<br>Sole Source<br>RFQ #'s 16804 and 16972                     | \$229,319 (NTE) | <u>Staff Summary Attached</u> |
| Purchase of propulsion system parts and overhaul of a gearbox for Vacuum Train #2. |                 |                               |

MAY 2012

**LIST OF COMPETITIVE PROCUREMENTS FOR BOARD APPROVAL**

**Procurements Requiring Majority Vote:**

**F. Personal Service Contracts**

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

**1. Vantage Technology, Inc. \$71,775 (Est.)**

**Two Bids/Low Bidder – Three-year contract**

**RFQ #20289**

This contract is for the upgrade of Capital Program Management's (CPM) Time Sheet and Executive Document archive and retrieval System.

TIS is requesting an upgrade to the current system, which uses MS Access Windows 2000 software to a new multi-user web based system. The current system, which is 10 years old and past its useful life, is used to scan, store, query and retrieve timesheets and other administrative documents.

CPM uses this system to scan timesheets so that electronic copies are readily available and eliminates the burden of managing and storing hard copies. CPM also scans executive documents such as memos, reports and letters concerning projects for later queries and/or retrievals.

Under this contract, the consultant will upgrade the current MS Access Windows 2000 system to a web based system that allows for an unlimited number of users to access the Oracle 10G-database environment. The consultant will upgrade the current Teleform Elite V7 software to Teleform V10 software. The software will be loaded onto two new PCs that are connected to two new scanners. This hardware was acquired separately. The images and database retrieval information will then be stored on a file server. This upgrade will improve scanning, data availability, multi-user capability and database reliability/backup and recoverability.

Vantage's bid of \$71,775 includes \$25,600 for the software upgrade and three years of corresponding software support and \$46,175 for software, implementation and training, which will take approximately 180 days to complete. Vantage's bid of \$71,775 is \$4,820 or 6% lower than the revised in-house estimate of \$76,595 and \$12,025 or 14% lower than the second bidder's qualified bid amount of \$83,800. Based on comparisons to the in-house estimate and the other bid received, Procurement found Vantage's bid of \$71,775 to be fair and reasonable.



MAY 2012

**LIST OF COMPETITIVE PROCUREMENTS FOR BOARD APPROVAL****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. **Exova, Inc.** **\$849,515 (Est.)**  
**Two Quotes/Low Quoter – Five-year contract**  
**RFQ # 22315**

This miscellaneous service contract is for the performance of destructive metals testing and failure analysis on an "as-needed" basis. This is a multi-agency contract for NYC Transit and MTA Bus Company.

In 2011, RFQ# 8530 was advertised for a five year contract for testing to be performed by the selected laboratory to ensure that various metals purchased by NYC Transit and MTA Bus Company (MTABC) meet or exceed specifications and failure limits.

Prior to solicitation of the Metals Testing IFB (RFQ #8530), Procurement conducted an extensive outreach to cultivate competition, whereby 15 testing laboratories were contacted to gauge their level of interest in the Metals Testing bid for NYC Transit requirements. At that time, five labs expressed interest, four labs declined and six labs failed to respond. A follow-up attempt was made to contact the six labs who had initially failed to respond. Once again, none of the six labs responded. However, it was determined that there was ample competition for a competitive IFB.

On October 19, 2011, three bids were received, with Exova's bid of \$862,776 being the apparent low bid. The other two bidders were Element, Inc., at \$1,302,568 and AEIS, LLC at \$1,371,780. Upon review of Exova's bid, it was noted that Exova modified the price schedule and the price listed in the price schedule did not reconcile to the extended amounts for each test category. Upon further review and discussing this submission with Exova, and comparing the price to the other bidders, a decision was made to reject all bids and re-solicit based on a revised, more defined and expanded price schedule. These revisions include separating out ASTM methods and various types of metals as well as adding notations to clarify details as it applies to the ASTM methods (dimensions, weight, etc.). It was believed that the utilization of the revised price schedule would lead to better pricing. All bidders were notified of the cancellation of the solicitation and the imminent solicitation of the new RFQ No. 22315.

The new solicitation notice, RFQ No. 22315, was advertised in January 2012, sent to all prospective bidders in the bidders list and a single bid was received on February 14, 2012 from Exova. Of the two other bidders on RFQ #8530 above, Element, Inc. now cited an unwillingness to accept the contract's terms and conditions while AEIS, LLC did not submit a bid due to its own administrative oversight. A third vendor, Ex-Imp Global, who requested the bid package, when questioned, stated that they were only interested in performing this work as a subcontractor.

Upon review of Exova's second bid, Procurement again discovered that Exova submitted their bid using an alternate price schedule. Exova's price of \$849,515 contained qualifiers based on size and/or weight of the samples submitted for testing, including some substitution of stated test methods, which made Exova's bid again non-responsive. When questioned about the occurrence of the same error as in the first solicitation attempt, Exova expressed regret for the error and stated that they are under new senior management that had not been made aware of the previous error on the first solicitation. As this issue was once again deemed material, Exova's bid was rejected but rather than re-soliciting, a decision was made to cancel the solicitation and negotiate with any and all potential contractors that were interested. Procurement contacted two other potential proposers who were interested and seemed qualified, AEIS (who bid the first time) and Trace Labs (who contacted Procurement and was on the bidders list), to gauge their interest in submitting a price quote for this contract based on existing terms, conditions and specifications.

Exova submitted a fully responsive quote based on the Price Schedule with no changes, while Trace Labs elected not to submit a quote as they ultimately realized that they could not meet the requisite accreditation as specified in the Technical Specifications. AEIS submitted a price of \$904,133, which was \$54,618 or 6.4% higher than Exova's quote. Exova's quote of \$849,515 is \$297,785 or 26% below the in-house estimate of \$1,147,300 and lower than other bids received in the first solicitation of \$1.3 and \$1.4 million. Based on these price comparisons, Procurement finds Exova's price of \$849,515 (\$821,075 for NYC Transit and \$28,440 for MTABC) to be fair and reasonable. Exova has performed satisfactorily as a subcontractor on a prior NYC Transit contract.



MAY 2012

LIST OF COMPETITIVE PROCUREMENTS FOR BOARD APPROVAL

Procurements Requiring Majority Vote Cont'd:

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

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

- |   |                     |                               |
|---|---------------------|-------------------------------|
| 3. Unisys Corporation<br>Contract #03A8602-2.75 | \$21,958,955 (Est.) | <u>Staff Summary Attached</u> |
|---|---------------------|-------------------------------|
- Modification to the contract for desktop support services, in order to extend the term of the contract by two years.

MAY 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. **Dental Pay Plus, Inc. d/b/a  
Pro Benefits Administrators  
Contract #08E9879.5** **\$10,400,000 (Est.)** *Staff Summary Attached*  
Modification to the contract for third party Dental Administrative Services.
2. **Parsons Transportation Group  
of New York, Inc.  
Contract # CM-1235.11** **\$4,285,185** *Staff Summary Attached*  
Modification to the consultant contract for design and construction support services for CBTC/AWS for the Second Avenue Subway and Flushing Line, in order to exercise the option to provide technical support for the Flushing Line CBTC Signal System Construction Contract.
3. **WDF, Inc.  
Contract # A-36018.15** **\$850,000** *Staff Summary Attached*  
Modification to the contract for the Rehabilitation of Five Stations on the Far Rockaway Line, in order to perform additional steel repair at all five stations.

MAY 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>Plaza Schiavone JV</b>  | <b>\$5,396,152 (Aggregate)</b> | <b><u>Staff Summary Attached</u></b>   |
| 1. | Contract # A-36125.65  | \$1,341,330                    | ↓                                      |
| 2. | Contract # A-36125.70  | \$378,525                      | ↓                                      |
| 3. | Contract # A-36125.72  | \$1,995,000                    | ↓                                      |
| 4. | Contract # A-36125.73  | \$775,000                      | ↓                                      |
| 5. | Contract # A-36125.104   | \$906,297                      | ↓                                      |
|    | Modifications to the contract for the Fulton Street Transit Center Enclosure, in order to perform structural, plumbing, electrical, mechanical and elevator changes.   |                                |  |
| 6. | <b>SSK Constructors, JV</b>  | <b>\$2,175,000</b>             | <b><u>Staff Summaries Attached</u></b> |
|    | <b>Contract #C-26007.19</b>  |                                |  |
|    | Modification to the contract for the construction of the Second Avenue Subway Route, 72 <sup>nd</sup> Street Station, in order to address the cost impact associated with the MTACC directive to restrict blasting to no later than 7PM. |                                |  |
| 7. | <b>Skanska/Traylor, JV</b>   | <b>\$597,000</b>               | <b><u>Staff Summaries Attached</u></b> |
|    | <b>Contract #C-26008.9</b>   |                                |  |
|    | Modification to the contract for the construction of the Second Avenue Subway Route, 86 <sup>th</sup> Street Station, in order to furnish advanced wet scrubber systems for blasting dust control.                                       |                                |  |

# Schedule A: Non-Competitive Purchases and Public Work Contracts



Item Number: 1

<b>Vendor Name (&amp; Location)</b> Voith Turbo, Inc. (York, PA)
<b>Description</b> Purchase of propulsion system parts and overhaul of a gearbox for Vacuum Train #2
<b>Contract Term (Including Options, if any)</b> 24 months
<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: Sole Source

<b>Contract Number</b> RFQ# 18804 & 18972	<b>Renewal?</b> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<b>Total Amount:</b> \$229,319 (NTE)	
<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 competitive bidding impractical or inappropriate pursuant to Public Authorities Law § 1209, subsection 9(b) due to the existence of a single responsible source, and approve the award of sole source purchase contract to Voith Turbo Inc. (Voith) for the purchase of propulsion system parts and overhaul of a gearbox for Vacuum Train #2.

Presently, NYC Transit has two Vacuum Trains in service that are used to remove trash from the subway system right-of-way. Both Vacuum Trains #1 and #2 were manufactured in France by Neu Trans'Air (Neu) and have been in service for approximately 16 and 12 years respectively. In recent years, the Division of Car Equipment (DCE) has experienced problematic performance with Vacuum Train #2's propulsion control system, (the propulsion control system controls both the engine and transmission), which was manufactured by Krauss Maffei. Krauss Maffei stated that the propulsion control system is based on an obsolete technology and that support for this system can no longer be provided. However, Voith, the OEM of both Vacuum Trains' transmissions, is able to replace the propulsion control system. Voith stated that the material and software to be provided for the propulsion control system will be superior to the existing system in Vacuum Train #2. Upon delivery of the new propulsion control system, DCE's personnel will, under Voith technical staff's direction and supervision, remove the existing Krauss Maffei system and install the new Voith equipment.

As the manufacturer of the Vacuum Train, Neu, and the manufacturer of the propulsion control system, Krauss Maffei, both indicated that they can no longer support obsolete technology, Voith is the only known company capable of meeting these requirements. Additionally, sole source advertisements yielded no responses.

In addition to the new propulsion control system (\$180,733), Voith will overhaul Vacuum Train #2's final drive gearbox (\$27,054), which is part of the final drive assembly. (DCE used its last spare final drive gearbox as a replacement for this final drive gearbox. The overhauled unit will in turn be utilized as spare equipment.) The \$27,054 for the gearbox overhaul includes a line item for up to \$5,000 for any additional gearbox parts that may be needed for replacement while Voith is performing the work at its facility in Germany. DCE is also requesting the purchase of a new Cardan shaft (\$21,532) to be utilized as a spare part. The Cardan shaft (also known as the drive shaft) is part of the final drive assembly and allows the transmission and the gearbox to interface with one another. The new Cardan shaft is being requested now due to a five month lead time for a replacement unit from Germany. Under the previous contracts, Voith's performance was found to be satisfactory.

Voith submitted a final price of \$229,319 for the procurement of these three items, which compares favorably to DCE's estimate of \$249,654. NYC Transit considers the final negotiated price to be acceptable.

# Schedule K: Ratification of Completed Procurement Actions

Item Number: 3

<b>Vendor Name (&amp; Location)</b>	
Unisys Corp. (Blue Bell, PA)	
<b>Desktop Support Services</b>	
<b>Contract Term (Including Options, if any)</b>	
June 1, 2005 – May 31, 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 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>	
Technology and Information Services, Sidney Gellineau	

Contract Number	ASWO/Modification #
03A8602-2	75
Original Amount:	\$ 105,233,750
Option Amount:	\$ 43,264,350
Total Amount:	\$ 148,498,100
Prior Modifications:	\$ 8,098,658
Prior Budgetary Increases:	\$ 0
Current Amount:	\$ 156,594,758
This request	\$ 21,958,955
	(Est.)
% of This Request to Current Amount:	14.0%
% of Modifications (Including This Request) to Total Amount:	20.2%

## Discussion:

This Additional Service Work Order (ASWO) is to modify and extend the Desktop Support Services contract with Unisys for a period of 24 months, from June 1, 2013 to May 31, 2015, in order to (1) facilitate NYC Transit's Thin Client rollout, which will generate \$13.3 million in net savings for NYC Transit over five years; (2) provide the time needed to prepare a precise scope of work (SOW) for the new All-Agency Desktop Support Services RFP; and (3) include Help Desk services for MTA HQ (including MTA Police) and MTA Bus. This extension will generate additional total savings for NYC Transit of approximately \$1.2 million and an additional total savings for MTA HQ and MTA Bus of approximately \$705K. By initiating the extension at this time, the MTA will immediately start to realize the aforementioned savings, which all begin to accrue as of June 2012. In the event that more time is needed in connection with the All-Agency RFP, this ASWO also provides for an option of up to one additional year.

Under the terms of the Unisys contract, Unisys is required to provide a wide variety of services to NYC Transit in such areas as: Call Center; Asset Management; Desktop Support; State of Good Repair; and Account Management. One component of Asset Management services is the procurement of hardware and software. Of the \$21.96 million in this request, \$12 million is for the pass-through purchases of hardware and software and \$9.96 million is for specified desktop support services.

When Microsoft announced that it would no longer support Windows XP beginning in April 2014, NYC Transit reviewed several alternate desktop solutions (e.g., migrate users to Windows 7; move to a Thin Client environment; etc.). The IT Governance Committee approved the Thin Client solution, which will, by April 2014, move 80% (10,800) of NYC Transit 13,500 users from PCs running Windows XP to a Thin Client environment. The remaining 20% (2,700) of NYC Transit users will have PCs migrated to Windows 7. These Thin Client devices will be supported internally by TIS, not Unisys.

A Thin Client environment, where the business software applications reside at a central location, reduces the need for high powered, high cost PCs. Thin Client devices are more secure because software is not stored locally and executed on the device. Further, the cost of licensing anti-virus software on each user's desktop is eliminated.

Before reaching out to the desktop marketplace in connection with the new All-Agency RFP, the MTA needs to develop a precise SOW, which reflects the full impact of the Thin Client initiative. As such, the revised schedule for the RFP calls for the process to start in the 3<sup>rd</sup> Q of 2013, with an award targeted on or before September 2014, followed by an 8-month transition period ending on or about May 2015.

Over the last few months, NYC Transit was able to leverage the proposed 24 month extension and successfully negotiate an immediately effective, across-the-board rate cut of 5% from Unisys, as well as additional cuts of 6.7% to the Account Management Fee (AMF) during the two extension years. Specifically, the AMF will be reduced by an additional 6.7% in the first year of the extension and reduced by another 6.7% in the second year of the extension. The total savings from these negotiated rate cuts is expected to be approximately \$1.2 million through May 31, 2015, inclusive of total AMF cuts amounting to \$621K. A portion of this savings was made possible by allowing Unisys (1) to move its two on-site Service Delivery Coordinators to off-site locations; and (2) to reduce its Project Management Office team by one person during the extension years. Additionally, Unisys agreed to provide full Help Desk services for MTA HQ and MTA Bus for a fixed monthly service fee of \$11,400, with a one-time transition fee of \$72,500.

Gartner Consulting, which was asked to opine on the proposed extension before NYC Transit extracted further savings from Unisys in the AMF line item, reported that the proposed rate cuts and utilization of the two off-site Service Delivery Coordinators represented significant value to NYC Transit. Gartner indicated, for instance, that Unisys' proposed rates were 43% below their projected market rates. Note that, if any part of the option year is used, all service rates for NYC Transit will be cut by an additional 1%, while the Help Desk rates for MTA HQ and MTA Bus would remain unchanged. Based on the above, the rates for this ASWO are considered fair and reasonable.



# Schedule K: Ratification of Completed Procurement Actions



Item Number: 1

<b>Vendor Name (&amp; Location)</b> Dental Pay Plus, Inc. d/b/a Pro Benefits Administrators (Amherst, NY)	
<b>Description</b> Dental Administration Services	
<b>Contract Term (Including Options, If any)</b> May 15, 2008 – May 14, 2012	
<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 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: Modification	
<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> Division of Human Resources, Dawn Pinnock	

Contract Number	AWO/Modification #
08E9879	5
Original Amount:	\$ 5,200,000
Prior Modifications:	\$ 15,600,000
Prior Budgetary Increases:	\$ 0
Current Amount:	\$ 20,800,000
This Request:	\$ 10,400,000 (Est.)
% of This Request to Current Amount:	50.0%
% of Modifications (Including This Request) to Original Amount:	500.0%

## Discussion:

This retroactive modification is to extend the contract term for one year from May 15, 2012 through May 14, 2013, with an option to extend the contract term for up to an additional twelve months.

Under the contract, Dental Pay Plus manages the processing of claims for NYC Transit's enrollees, monitors membership and maintains the provider network. Dental Pay Plus receives an administrative fee for their services and the balance of the monies allocated to the contract are used to reimburse the dental providers based on a fixed reimbursement schedule. The projected annual expenditure with Dental Pay Plus for administrative costs is approximately \$284K per year, or 6% of annual expenditures. Approximately \$4.7 million per year, or 94% of projected annual expenditures, is for dental provider reimbursements.

The extension is necessary to avoid a break in service and to provide sufficient time for NYC Transit to conduct a competitive Request for Proposal (RFP) in order to evaluate the cost of various dental plans and their fee structures, and to be able to award contracts for plans that are competitive and cost effective. As part of their collective bargaining agreement, members of Transport Workers Union (TWU) Local 100, the Subway Surface Supervisors Association, the Transit Supervisors Organization as well as represented MTA Bus employees are entitled to receive dental benefits. In order to ensure that the union members have proper dental coverage while the new RFP is conducted, the current contract with Dental Pay Plus needs to be extended for at least one year.

At the present time, NYC Transit has approximately 19,312 members and 24,521 dependents enrolled in the Dental Pay Plus plan, which provides third party dental administration services for represented employees. For this extension and option, Dental Pay Plus agreed to maintain the same administrative fee of \$1.25 per enrolled member per month established in 2009. Dental Pay Plus only charges an administrative fee for the members and not their dependents. In 2011, Dental Pay Plus reviewed 48,000 claims or approximately 4,000 claims per month. The administrative fees of \$1.25 per enrolled member per month are paid to Dental Pay Plus and the remainder of the monies allocated to the contract will be used to reimburse the dental providers based on a fixed reimbursement schedule that has never been revised and was originally established in 1993. Based on the above, Dental Pay Plus's administrative fee and dental provider reimbursement schedule for the extension are deemed fair and reasonable. Using the average expenditures from 2010 through 2011 of \$4,736,031 for administration cost and dental provider reimbursements as a benchmark, HIR budgeted \$5,200,000 for the one year extension and an additional \$5,200,000 for the option period for a total of \$10,400,000.

# Schedule K: Ratification of Completed Procurement Actions

Item Number: 2

<b>Vendor Name (&amp; Location)</b>	
Parsons Transportation Group of NY, Inc. (New York, NY)	
<b>Description</b>	
Consultant services for design and construction support - CBTC/AWS Signal System for the Second Avenue Subway and Flushing Line	
<b>Contract Term (Including Options, if any)</b>	
December 1, 2003 – April 30, 2017	
<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"/> Bld <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 #
CM-1235	11
Original Amount:	4,090,298
Option Amount:	\$ 10,275,659
Total Amount:	14,365,957
Prior Modifications:	\$ 2,729,105
Prior Budgetary Increases:	\$ 0
Current Amount:	\$ 17,095,062
This Request:	\$ 4,285,185
% of This Request to Current Amount:	25.1%
% of Modifications (Including This Request) to Total Amount:	48.8%

## Discussion:

This retroactive modification is for technical support services during the construction phase of the CBTC Culver Test Track, "B" Division.

The base contract, awarded for \$4,090,298, was to perform the Preliminary Engineering (PE) for CBTC/AWS on the Second Avenue Line and Preliminary and Final Engineering for CBTC on the Flushing Line. The contract had three options: Option 1 - Final Design & Procurement Support – Second Avenue Subway (SAS); Option 2 - Technical Support during SAS Construction; and Option 3 - Technical Support Flushing Line. PTG was selected as the consultant best qualified to perform design and construction support for NYC Transit's CBTC projects. To date, ten modifications have been issued. Of those ten, only Mod. #5, approved by the Board in March 2008 to add design support for the Culver Test Track, is related to this Mod. #11 that provides technical support services.

The award of the base contract contemplated compatibility of the CBTC systems implemented on the Flushing and SAS lines with the CBTC system on the Canarsie Line. CBTC compatibility ultimately became NYC Transit's CBTC Interoperability Interface Specification (I2S). In continuing with the expansion of the CBTC program, NYC Transit wants to create a more competitive environment in which multiple CBTC suppliers are available to supply equipment that can interoperate while supporting revenue service. The I2S standardizes CBTC interoperability. The I2S will be tested on the Culver Test Track (being constructed under Contract S-32748).

PTG has provided technical support throughout the CBTC program (and development of the I2S) with its work under Contracts CM-1016 (CBTC support on the Canarsie Line) and CM-1235. This includes providing design support under CM-1235, Mod. #5, for the Culver Test Track project. In order to achieve the same interoperability objectives in the Culver Test Track, NYC Transit seeks to modify PTG's existing contract in order to take advantage of PTG's prior efforts, including incorporating lessons learned from the Canarsie line CBTC pilot and design elements developed by PTG for Flushing.

In September 2011, the Board approved the award of Contract S-32748 to the two CBTC contractors working on the Canarsie and Flushing lines (Siemens/Thales). As part of Contract S-32748, Siemens/Thales will develop and safety-certify interoperability of the two individual CBTC systems from the Canarsie and Flushing lines, finalize and safety certify the I2S. PTG will review contractor submissions, including the I2S and drawings; support implementation of Siemens' new speed measurement system on the Culver Test Track and the Canarsie Line; participate in the Safety Working Group for the Culver Test Track project to ensure safe compatibility of Siemens' and Thales' CBTC systems; review cost estimates for change orders; provide technical expertise for disputes; and witness and report its findings to NYC Transit of factory acceptance tests, field surveys and tests.

The SVP & Chief Engineer approved a retroactive waiver on October 22, 2011, effective as of September 30, 2011, directing PTG to commence work under this modification up to an amount not to exceed \$500,000. To date, PTG has expended approximately \$65,000 reviewing draft submissions, assisting NYC Transit with the development of its Project Management Plan for the Culver Test Track project, and participating in various progress meetings. The consultant's initial proposal was \$4,912,408. NYC Transit's final estimate was \$4,807,379. Scope discussions and negotiations were held with PTG regarding staffing, distribution of labor hours and overhead rates. PTG submitted a BAFO of \$4,285,185 utilizing existing contract rates. The final price was found to be fair and reasonable. A savings of \$627,223 was achieved.

# Schedule K: Ratification of Completed Procurement Actions

Item Number: 3

<b>Vendor Name (&amp; Location)</b> WDF, Inc. (Mt. Vernon, NY)	
<b>Description</b> Rehabilitation of five stations: Beach 25 <sup>th</sup> , 36 <sup>th</sup> , 44 <sup>th</sup> , 60 <sup>th</sup> , 67 <sup>th</sup> Street stations – Far Rockaway Line	
<b>Contract Term (Including Options, if any)</b> January 20, 2009 – September 20, 2011	
<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-36018	15
Original Amount:	\$ 63,787,000
Prior Modifications:	\$ 1,278,289
Prior Budgetary Increases:	\$ 0
Current Amount:	\$ 65,065,289
This Request:	\$ 850,000
% of This Request to Current Amount:	1.3%
% of Modifications (Including This Request) to Original Amount:	3.3%

## Discussion:

This retroactive modification is for additional steel repair for platform canopy columns and street stair columns.

This contract is for the rehabilitation of the Beach 25<sup>th</sup>, 36<sup>th</sup>, 44<sup>th</sup>, 60<sup>th</sup> and 67<sup>th</sup> Street Stations on the Far Rockaway Line, including electrical, architectural, communications and structural work, including rehabilitating the elevated platforms and street stairs at all stations. These stations were placed in service in 1941 and have not been rehabilitated since then.

The contract calls for platform steel and stair steel repair and replacement based on the findings of a pre-award survey. The contract also calls for post-award surveys, which were conducted during construction, as platform steel and stair steel was made accessible during phased platform closures and concrete was removed to expose hidden steel.

The pre-award survey found, and the contract calls for, the repair of 5,000 pounds of canopy column steel, total for all five stations. However, the bottoms of the canopy columns were encased by the platform concrete, so the condition of the encased steel could not be determined by the pre-award survey. The post-award surveys of the canopy steel, conducted after the existing platform concrete was removed and canopy column steel was fully accessible, found corrosion that requires a total additional 18,000 pounds of steel repairs for canopy columns.

The pre-award survey found, and the contract calls for, the replacement of street stair treads and repair or replacement of other steel components of the stairs. With respect to the street stair columns, the contract calls only for the removal and replacement of the existing deteriorated concrete which encases street stair column bases. The post-award surveys of the street stair columns, conducted after the existing concrete encasements were removed and street stair column steel was fully accessible, found corrosion that requires a total additional 4,000 pounds of steel repairs for street stair columns.

The modification requires the contractor to furnish 22,000 pounds of steel materials, total for all five stations, and to cut, weld and bolt angles and plates to existing canopy columns and street stair columns at all five stations. The contractor proposed \$973,175; NYC Transit's revised estimate was \$775,000. After negotiations, the lump sum of \$850,000 was agreed upon and was found to be fair and reasonable. Savings of \$123,175 were achieved.

On November 12, 2010, the SVP & Chief Engineer signed a retroactive waiver; the contractor was directed to proceed on November 15, 2010 to mitigate delay. An extension of time and impact cost, if any, will be negotiated under a separate modification.

On July 12, 2011, the SVP & Chief Engineer upheld a claim by the contractor for extra costs it incurred for platform concrete work affected by the canopy column repairs. It will be negotiated under a separate modification, which may require Board approval.

# Schedule K: Ratification of Completed Procurement Actions



Item Number: 1-5

Vendor Name (& Location)	
Plaza Schiavone, JV (New York, NY)	
Description	
Fulton Street Transit Center Enclosure	
Contract Term (including Options, if any)	
August 5, 2010 – February 4, 2014	
Option(s) included in Total Amount?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> n/a
Procurement Type	<input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Non-competitive
Solicitation Type <input type="checkbox"/> RFP <input type="checkbox"/> Bid <input checked="" type="checkbox"/> Other: Modification	
Funding Source	
<input type="checkbox"/> Operating <input checked="" type="checkbox"/> Capital <input checked="" type="checkbox"/> Federal <input type="checkbox"/> Other:	
Requesting Dept/Div & Dept/Div Head Name:	
MTA Capital Construction, Dr. Michael Horodniceanu	

Contract Number	AWO/Modification #
A-36125	65, 70, 72, 73, 104
Original Amount:	\$ 178,988,000
Prior Modifications:	\$ 1,884,255
Prior Budgetary Increases:	\$ 0
Current Amount:	\$ 180,872,255
This Request:	
AWO 65: \$1,341,330	
AWO 70: \$378,525	
AWO 72: \$1,995,000	
AWO 73: \$775,000	
AWO 104: \$906,297	\$5,396,152
	(Total)
% of This Request to Current Amount:	3.0%
% of Modifications (including This Request) to Original Amount:	4.1%

## Discussion:

These retroactive modifications are for various changes related to the reprogramming of space previously identified for use by NYC Transit personnel at the Fulton Street Transit Center into commercial tenant, retail and public spaces. Sufficient funding is available in Program Reserve. To avoid schedule impact, the work had to continue without delay. Consequently, the MTACC President approved a retroactive waiver for each.

This contract calls for the construction of the Fulton Transit Center Enclosure.

**Modification #65** includes structural upgrades to the third floor to handle the additional live load prescribed by code for retail spaces; structural steel framing revisions including new vertical supports to allow for new elevators and stairs; removal and lowering of steel framing at locations where dropped slabs will be necessary; and additional galvanized framing for new storefronts and new LCD screen displays for dynamic signage. The contractor's proposal was \$1,637,297. MTACC's revised estimate was \$1,225,245. Negotiations resulted in the agreed upon lump sum of \$1,341,330 that was found to be fair and reasonable.

**Modification #70** includes additional plumbing work required to accommodate future kitchens on the third floor retail areas; reconfiguration of plumbing at lower-level areas and street-level retail areas due to new elevators, stairs and a larger communication room; and deletion of plumbing work associated with previously designated NYC Transit personnel locker rooms and lavatory facilities. The contractor's proposal was \$711,973. MTACC's estimate was \$363,160. Negotiations resulted in the agreed upon net lump sum of \$378,525 that was found to be fair and reasonable.

**Modification #72** includes additional electrical work necessary for future dynamic digital signage including interactive touch screen devices and large digital displays; new lighting at the interior of the Oculus; power for two new elevators; new electrical infrastructure to supply new retail spaces, second and third floor lobby areas and new mechanical equipment; and deletion of electrical work for previously designated NYC Transit space. The contractor's proposal was \$2,990,398. MTACC's estimate was \$1,874,297. Negotiations resulted in the agreed upon net lump sum of \$1,995,000 that was found to be fair and reasonable.

**Modification #73** includes additional mechanical work on the second and third floor lobby areas; additional piping and ductwork in support of a new HVAC system supplying new retail areas (HVAC equipment is addressed under a separate modification); reconfiguration of ductwork and piping in areas affected by the installation of new elevators and stairs; revisions to mechanical piping and the Glycol system that provides cooling to communication rooms in the building; and the deletion of all mechanical work in spaces previously designated for NYC Transit office space. The contractor's proposal was \$1,054,036. MTACC's estimate was \$761,034. Negotiations resulted in the agreed upon net lump sum of \$775,000 that was found to be fair and reasonable.

**Modification #104** includes the addition of two new dual roped hydraulic passenger elevators and all associated equipment to address the increased vertical circulation that will result from the reprogramming of the third floor level. The contractor's proposal was \$913,588. MTACC's estimate was \$1,039,093. Negotiations resulted in the agreed upon lump sum of \$906,297 that was found to be fair and reasonable.

# Schedule K: Ratification of Completed Procurement Actions



Item Number: 6

Vendor Name (& Location)	
SSK Constructors, JV (Secaucus, NJ)	
Second Avenue Subway – 72 <sup>nd</sup> Street Station, Station Cavern Mining, Tunnels and Heavy Civil Structure	
Contract Term (Including Options, if any)	
October 1, 2010 – October 13, 2013	
Option(s) Included in Total Amount?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> n/a
Procurement Type	<input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Non-competitive
Solicitation Type	<input type="checkbox"/> RFP <input type="checkbox"/> Bid <input checked="" type="checkbox"/> Other: Modification
Funding Source	
<input type="checkbox"/> Operating <input checked="" type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:	
Requesting Dept/Div & Dept/Div Head Name:	
MTA Capital Construction, Dr. Michael Horodniceanu	

Contract Number	AWO/Modification #:
C-26007	19
Original Amount:	\$ 447,180,260
Prior Modifications:	\$ 463,475
Prior Budgetary Increases:	\$ 0
Current Amount:	\$ 447,643,735
This Request:	\$ 2,175,000
% of This Request to Current Amount:	0.5%
% of Modifications (including This Request) to Original Amount:	0.6%

## Discussion:

This retroactive modification will address additional costs associated with the enforcement of the 7pm restriction on blasting at the 72<sup>nd</sup> Street Station.

This contract is for 72nd Street Station cavern mining, tunnels and heavy civil/structural work along the Second Ave Subway.

In August 2011, in order to address the concerns of the community with regard to blasting activities in the 72nd Street cavern, MTACC demanded that the Contractor cease blasting after 7PM. This Mod. #19 was initiated following discussions between MTACC and the Contractor to assist the contractor in meeting this 7pm deadline. This modification pays to extend the Contractor's 2<sup>nd</sup> Shift blasting crews by starting one hour earlier (2PM instead of 3PM) and working a 9 hour shift. This includes overtime payments for the additional hour, payments for additional tunnel workers during the 2<sup>nd</sup> shift, as well as the cost of extra blasting powder deliveries. The extra hours and additional support significantly reduced the likelihood that blasts would need to occur after 7pm.

The contractor submitted a proposal for the extra hours and additional support in the amount of \$2,676,025; MTACC's estimate was \$2,280,370. Negotiations resulted in a settlement of \$2,175,000, which is considered fair and reasonable and represents a reduction of \$501,025. The MTACC President approved a retroactive waiver and the contractor was directed to proceed on August 19, 2011. The Contractor is also seeking damages for delay, impact and certain other costs associated with the 7PM restriction which the MTA disputes. Settlement negotiations with regard to the Contractor's damage claim are anticipated.

# Schedule K: Ratification of Completed Procurement Actions



Item Number: 7

<b>Vendor Name (&amp; Location)</b>	
Skanska/Traylor, JV (New York, NY)	
<b>Construction of Second Avenue Subway Route 132A: 86th Street Station Cavern Mining, and Heavy Civil Structural in the Borough of Manhattan "B" Division</b>	
<b>Contract Term (Including Options, if any)</b>	
August 4, 2011 – September 4, 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, Dr. Michael Horodniceanu	

Contract Number	AWO/Modification #:
C-26008	9
Original Amount:	\$ 294,306,000
Option 1 Amount:	\$ 7,500,000
Total Amount:	\$ 301,806,000
Prior Modifications:	\$ 126,767
Prior Budgetary Increases:	\$ 0
Current Amount:	\$ 301,932,767
This Request:	\$ 597,000
% of This Request to Current Amount:	0.2%
% of Modifications (Including This Request) to Total Amount:	0.2%

## Discussion:

This modification includes the furnishing of three high efficiency wet scrubber dust collection system units.

This contract is for 86th Street Station Cavern Mining and Heavy Civil Structural work for the Second Avenue Subway.

Contract C-26008 specifies that acceptable airborne dust particulate concentrations shall be maintained during the progress of the work, that no visible dust be evident migrating from the work zone, and that dust suppression techniques be employed as necessary to meet these requirements. To address these contract requirements, the Contractor proposed the use of a basic wet scrubber system.


MTA has now requested that the Contractor utilize advanced, high efficiency wet scrubber type air filtration units in lieu of the basic units that were to be provided by the Contractor. The high efficiency units will exceed the specified minimum air quality requirements with a higher level of reliability. This modification replaces two basic units with three high efficiency units. One unit will be used at the North Shaft, one will be used at the South Shaft and, a third will be available on stand-by. The cost of installation is already included in the base contract. This modification includes a credit for the two basic units.

The contractor submitted a proposal in the net amount of \$652,894; MTACC's revised estimate was in the net amount of \$595,087. Negotiations resulted in the agreed upon net lump sum price of \$597,000 which is considered fair and reasonable and represents a reduction of \$55,894. Due to the lead time associated with the new units, a retroactive waiver was approved by the MTACC President and the Contractor was directed to proceed on January 12, 2012.

## PROCUREMENTS


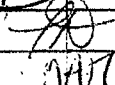
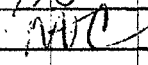
The Procurement Agenda this month includes 1 action for a proposed expenditure of \$30.0M.

## Staff Summary

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

Date	May 10, 2012
Vendor Name	N/A
Contract Number	N/A
Contract Manager Name	N/A
Table of Contents Ref #	

Board Action					
Order	To	Date	Approval	Info	Other
1	Committee	5/21/12	X		
2	Board	5/23/12	X		

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

### PURPOSE:

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

### DISCUSSION:

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

None

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

#### Procurements Requiring Majority Vote

Schedule H: Modifications to Personal & Miscellaneous Service Contracts

#### # of Actions

1

#### \$ Amount

\$ 30.0M

#### # of Actions

1

#### \$ Amount

\$30.0M

Total Non-Competitive Procurements



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

**None**

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

**None**

	<u># of Actions</u>	<u>\$ Amount</u>
Total Competitive Procurements	0	\$0

**MTA Bus Company seeks Ratifications in the following categories:**

**None**

**NYC Transit Department of Buses seeks Ratifications in the following categories:**

**None**

	<u># of Actions</u>	<u>\$ Amount</u>
Total Ratifications	0	\$0

	<u># of Actions</u>	<u>\$ Amount</u>
Total Procurements	1	\$30.0M

## BOARD RESOLUTION

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

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

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

**NOW**, the Board resolves as follows:

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

**MAY 2012**

**LIST OF NON-COMPETITIVE PROCUREMENTS FOR BOARD APPROVAL**

*Procurements Requiring Majority Vote:*

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

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

- |  |                            |                                      |
|--|----------------------------|--------------------------------------|
| 1. <b>Motor Coach Industries, Inc.</b> | <b>\$30,100,175 (Est.)</b> | <u><i>Staff Summary Attached</i></u> |
| <b>Contract #B-31153.50</b>            |                            |                                      |

Modification to the contract for the purchase of 120 over-the-road buses, in order to purchase an additional 54 buses.

# Schedule H: Modifications to Personal & Miscellaneous Service Contracts



Item Number: 1

<b>Vendor Name (&amp; Location)</b> Motor Coach Industries, Inc. (Schaumburg, IL.)	
<b>Description</b> Purchase of Over-the-Road buses	
<b>Contract Term (including Options, if any)</b> June 2012 – December 2017	
<b>Option(s) included in Total Amount?</b> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input 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: 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> Department of Buses, Darryl C. Irick	

<b>Contract Number</b> B-31153	<b>AWO/Modification #</b> 50
<b>Original Amount:</b>	\$ 45,198,840
<b>Prior Modifications:</b>	\$ 443,035,701
<b>Prior Budgetary Increases:</b>	\$
<b>Current Amount:</b>	\$ 488,234,541
<b>This Request:</b>	\$ 30,100,175 (Est.)
<b>% of This Request to Current Amount:</b>	6.2%
<b>% of Modifications (including This Request) to Original Amount:</b>	1046.8%

## Discussion:

This modification is for the purchase of an additional 54 Motor Coach Industries (MCI) 45-foot Over-the-Road (OTR) express buses. These OTR express buses are required to replace buses that have exceeded their useful life of 12 years and have been in service since 1999.

The original contract provided NYC Transit with 120 OTR express buses. Subsequent to award, as service demands increased, 1,002 additional buses were purchased for a total of 1,122 (619 NYC Transit and 503 MTA Bus) through the exercise of a series of modifications as MCI was and continues to be the only approved NYC Transit manufacturer of OTR express buses. There are currently 90 OTR express buses manufactured by Prevost Car (US) Inc. (Prevost) undergoing an in-service evaluation as part of NYC Transit's New Bus Qualification Program. The purchase of these 90 Prevost OTR express buses was approved by the November 2010 Board, the contract was awarded in January 2011 and delivery was completed in January 2012. When qualified, both manufacturers will be able to participate in future competitive procurements for OTR express buses.

MCI filed for bankruptcy in September 2008, whereupon NYC Transit filed claims with the Bankruptcy Court to protect its interests. As a result, NYC Transit and MCI have had extensive negotiations which have resulted in a settlement agreement to resolve all outstanding contractual issues between the parties. Under the settlement agreement, MCI agrees to assume the Contract inclusive of the continuing warranties on 546 OTR express buses supplied under previous OTR express bus orders and NYC Transit agrees to purchase an additional 54 OTR express buses at a price of \$553,658 per bus. While MCI emerged from bankruptcy in April 2009, the Bankruptcy Court retained jurisdiction for purposes of several unresolved claims, including those of NYC Transit. Therefore the settlement agreement, which includes this Contract Modification, is subject to the approval of the Bankruptcy Court. In the event approval is not granted by the Bankruptcy Court, Notice to Proceed will not be issued and this modification will be null and void.

Assuming approval of the Bankruptcy Court is obtained by mid-June 2012, it is anticipated that MCI's lead bus will be delivered in August 2012 and the production buses will be delivered November through December 2012.

MCI's original proposal included a per bus price of \$592,713. As a result of negotiations, this price has been reduced to \$553,658. The total amount of this award will be for \$30,100,175. It will consist of \$29,897,532 for the 54 buses, \$127,643 for manuals, first article inspections, and diagnostic tools as well as \$75,000 for an estimated quantity of training. This is a savings of approximately \$1.9M or 6.0% from the initial price proposal received from MCI. Based on a Producer Price Index comparison, the MCI per bus price compares favorably to the per bus price paid to Prevost (\$549,568) under Contract B-40643 for similarly configured OTR express buses. The prices in this modification have been deemed fair and reasonable by the Cost Price Analysis Unit based on the results of a cost audit conducted by MTA Audit Services.



**Long Island Rail Road**

**ACTION ITEM**

## Staff Summary

Page 1 of 2

<b>Subject</b> Phase 1 of the Moynihan Station Development Project
<b>Department</b> Real Estate
<b>Department Head Name</b> Jeffrey Rosen
<b>Department Head Signature</b>
<b>Project Manager/Division Head</b>

<b>Date</b> May 10, 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	LI Committee	5/21	x		
2	Finance	5/21	x		
3	MTA Board	5/23	x		

Internal Approvals			
Order	Approval	Order	Approval
1	LIRR President <i>[Signature]</i>	5	MTA Chief Financial Officer <i>[Signature]</i>
2	LIRR Executive Vice-President <i>[Signature]</i>	7	MTA Chief of Staff <i>[Signature]</i>
3	LIRR Legal <i>[Signature]</i>	6	MTA DED of Administration <i>[Signature]</i>
4	MTA Legal <i>[Signature]</i>		

### Purpose:

To obtain Board authorization for the MTA Real Estate Department ("MTARE") and the LIRR to enter into three agreements necessary to effectuate Phase 1 of the Moynihan Station Development Project (the "Project"): (1) an amendment to the existing easement agreement between the New York State Urban Development Corporation d/b/a Empire State Development Corporation ("ESDC") and the LIRR with respect to the West End Concourse ("WEC") portion of Penn Station; (2) a memorandum of understanding ("MOU") between MTA/LIRR and Amtrak that confirms the parties' intent to amend the existing Penn Station lease ("Lease") to address cost and revenue-sharing issues necessitated by the expansion of the WEC during Phase 1; and (3) an amendment of the Lease consistent with the terms of the MOU upon substantial completion of the Phase 1 improvements.

### Discussion:

ESDC acquired ownership of the James A. Farley Post Office Building ("Farley Building") from the United States Postal Service ("USPS") in March of 2007 to facilitate the redevelopment of the Farley Building, including the creation of the new Daniel Patrick Moynihan Station ("Moynihan Station"). The Project currently consists of two phases: Phase 1, which has a budget of approximately \$266 million and which includes the design, construction and installation of certain improvements to the existing Penn Station; and Phase 2, which is presently unfunded and which includes the construction of the public station hall, midblock entrances on 31<sup>st</sup> and 33<sup>rd</sup> Streets as well as other access points, a baggage handling facility, retail space immediately surrounding the public station hall, and back-of-house space for Amtrak. Although ESDC only acquired the Farley Building in 2007, the Project has been in the planning stages for many years. MTA's stated commitment to Moynihan Station is long-standing, with MTA's 1995-1999 Capital Program providing \$35 million for the Project.

One important element of the Phase 1 scope of work is the expansion of the existing WEC. The WEC, which was funded by MTA and the Federal Railroad Administration and constructed by MTA in the mid-1980s, currently serves platforms 7 through 11 (tracks 13-21) at Penn Station. Under Phase 1, MSDC will replace the existing WEC with a new concourse double in width and extending south to Platform 3 (tracks 5 through 12). The WEC work also includes the relocation of affected electrical, plumbing, communication and signal systems. In addition to the WEC work, Phase 1 includes the relocation of certain electric traction, signal and platform systems to facilitate other elements of the Project, installation of a platform ventilation system, expansion and improvement of the connections between the WEC, the 8<sup>th</sup> Avenue Subway and the remainder of the level currently occupied by LIRR, and the addition of new stairs, elevators and escalators connecting the train platforms to the WEC and the street through two new entrances to the WEC adjacent to the Farley Building. MSDC intends to construct Phase 1 in a series of phased sub-projects, all of which are projected to be completed by July 2016. Because the WEC expansion has the longest lead time of the sub-projects, MSDC has determined that it will proceed first.

The expansion of the WEC necessitates the execution of certain agreements regarding Amtrak's and MTA/LIRR's respective ownership interests and maintenance obligations once the expanded WEC is completed. The parties have agreed that title to the WEC improvements will vest in Amtrak and that the expanded WEC will be leased to LIRR through an amendment of the Lease. The Lease will be amended to become effective upon substantial completion of the Phase 1 improvements; however, in the interim, the parties will sign the MOU in order to memorialize their agreement. Under the MOU and ultimately the amended Lease, LIRR will be responsible for maintaining and policing the expanded WEC, with LIRR responsible for 35% of the resulting expense and Amtrak responsible for 65%. (By contrast, LIRR is currently 100% responsible for the expense of maintaining the existing WEC). Capital repair and replacement costs (following the initial expansion project) will be governed by the same allocation formula, as will any revenues generated by new retail space in the expanded WEC. The parties have also agreed to allocate the costs of the operation and maintenance of the new platform ventilation to be constructed as part of the Phase 1 improvements as follows: LIRR will be responsible for 41.2% of such costs and Amtrak will be responsible for 58.8%. The parties will amend the existing Joint Facility Agreement that governs the allocation of Penn Station-related costs to reflect the agreed-upon cost allocation for the platform ventilation.

Finally, at the time the WEC was constructed, the USPS, ESDC's predecessor-in-interest, granted a permanent easement to LIRR for the construction and maintenance of the portion of the WEC between a lower and upper elevating plane from 313 feet to 339 feet. This easement was required because a portion of the WEC extended above the Amtrak train shed under the Farley Building. MTA/LIRR paid the USPS \$482,000 for this easement. In order for LIRR/MTA to maintain and police the expanded WEC, the easement will need to be modified to reflect the expanded footprint of the concourse. There will be no additional cost to MTA for the modification of the existing easement.

Of the \$35 million originally included in the 1995-1999 Capital Program, \$3.2 million was used by MSDC for environmental impact studies and design work and \$3.5 million was used for other LIRR stations-related projects, leaving a balance of \$28.3 million. Recently, MTA and LIRR agreed to replace the \$3.5 million used for other station projects, as well as provide another \$500,000 in funding to the Project, funded from a prior capital program, in order to expedite construction and minimize inconvenience to LIRR customers. MTA's capital contribution will be used solely to fund the WEC work. LIRR Project Management and Force Account costs up to \$1.5 million will be deducted from the MTA contribution in advance of any payments to MSDC.

**Recommendation:**

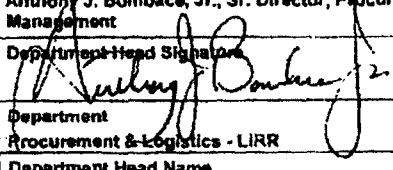
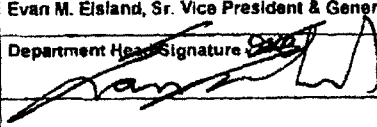
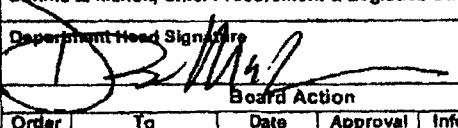
It is recommended that the Board authorize MTARE/LIRR to execute all agreements necessary to effectuate Phase 1 of the Project.

**METRO-NORTH/LONG  
ISLAND COMMITTEES**

**PROCUREMENTS FOR  
BOARD ACTION**

**MAY 23, 2012**



<b>Subject</b> Request for Authorization to Award Various Procurements		<b>Date</b> May 9, 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>			
Order	To	Date	Approval
1	MNR/LIRR Committee	5-21-12	X
2	MTA Board	5-23-12	X
<b>Internal Approvals</b>			
Order	Approval	Order	Approval
X	President, MNR		
X	President, LIRR		
X	President, MTACC		

**PURPOSE:**

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

**DISCUSSION:**

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

		# of Actions	\$ Amount
<u>Schedules Requiring Two-Thirds Vote</u>			
Schedule A:	Non-Competitive Purchases and Public Work Contracts	2	\$10,377,215
	<b>SUBTOTAL</b>	2	\$10,377,215
<u>Schedules Requiring Majority Vote</u>			
Schedule G:	Miscellaneous Service Contracts	2	\$1,400,000
Schedule L:	Information Items/Budget Adjustments to Estimated Quantity Contracts	1	\$9,950,000
	<b>SUBTOTAL:</b>	3	\$11,350,000

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># of Actions</u>	<u>\$ Amount</u>
<u>Schedules Requiring Majority Vote</u>		
Schedule F: Personal Service Contracts	1	\$75,000
Schedule G: Miscellaneous Service Contracts	3	\$3,973,018
Schedule H: Modifications to Personal/Miscellaneous Service Contracts	1	\$100,000
<b>SUBTOTAL:</b>	<b>5</b>	<b>\$4,148,018</b>

**LIRR proposes to award Competitive Procurements in the following categories: NONE**

**MTACC proposes to award Competitive Procurements in the following categories:**

	<u># of Actions</u>	<u>\$ Amount</u>
<u>Schedules Requiring Majority Vote</u>		
Schedule H: Modifications to Personal Service Contracts and Miscellaneous Service Contracts	1	\$18,566,555
Schedule I: Modifications To Purchase and Public Work Contracts	2	\$4,486,000
<b>SUBTOTAL:</b>	<b>3</b>	<b>\$23,052,555</b>

**MNR proposes to award Ratifications in the following categories:**

	<u># of Actions</u>	<u>\$ Amount</u>
Schedule K: Ratification of Completed Procurement Actions	1	\$35,000
<b>SUBTOTAL:</b>	<b>1</b>	<b>\$35,000</b>

**LIRR proposes to award Ratifications in the following categories:**

	<u># of Actions</u>	<u>\$ Amount</u>
Schedule D: Ratification of Completed Procurement Actions	1	\$1,547,608
<b>SUBTOTAL:</b>	<b>1</b>	<b>\$1,547,608</b>

**MTACC proposes to award Ratifications in the following categories: NONE**

<b>TOTAL:</b>	<b>15</b>	<b>\$50,510,396</b>
---------------	-----------	---------------------

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.

MAY 2012

METRO-NORTH RAILROAD

LIST OF NON-COMPETITIVE PROCUREMENTS FOR BOARD APPROVAL

Schedules Requiring Two-Thirds Vote:

**A. Non Competitive Purchases and Public Works Contracts**

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

**1. Westcode Inc. \$582,274 (not-to-exceed) Staff Summary Attached**

**Two Year Purchase Agreement for Westcode Friction Brake Parts for the M-2/4/6 Railcar Fleet**

Approval is requested for a non-competitive two year purchase agreement with Westcode Inc. (Westcode), for various original equipment manufacturer (OEM) friction brake parts for MNR's M-2/4/6 Railcar fleet. Westcode is the OEM and the sole supplier of specific MNR friction brake material and this purchase agreement is necessary to support the existing M-2/4/6 fleet through the 1<sup>st</sup> quarter of 2014, at which time the fleet will be retired from revenue service. The application of MNR's material forecasting system coupled with the imminent retirement of the M-2/4/6 fleet has resulted in a significant reduction in material usage for these parts. Prior to the use of the forecasting system and the retirement of the M-2/4/6 fleets, MNR would have procured \$2.6M in inventory to support that equipment over the same time period. The two year purchase agreement will be established for a not-to-exceed \$582,274 resulting in savings or cost avoidance of approximately \$2.0M.

The two year agreement with Westcode will apply to inventory and non-inventory items identified as obtainable only from Westcode for the following reasons a) sole pre-qualified items on the MNR Qualified Products list, and not available from any distributor or other source; and b) is proprietary to Westcode. MNR has complied with the MTA All-Agency Procurement Guidelines and with PAL 1265-a (3) regarding the posting of advertisements in order to identify potential alternate suppliers. In addition to the advertisement, direct outreach by MNR Procurement was performed and no alternate suppliers have been identified.

This purchase agreement will reduce administrative costs and advertising expenses, eliminate lead time for individual purchase orders and expedite material delivery. A comparison of prices paid for these materials over a four year period (the term of the last two agreements) indicates that pricing has remained the same and is considered fair and reasonable. This procurement is to be funded by the MNR Operating Budget.

**2. TransTech of SC, Inc. \$9,794,941 (not-to-exceed) Staff Summary Attached**

**Three Year Purchase Agreement of OEM Parts for Various Railcar Fleets**

Approval is requested for a non-competitive, three year purchase agreement with TransTech of S.C., Inc. (TransTech) for various original equipment manufacturer (OEM) replacement parts for MNR's M-2/4/6/8 railcar fleets. TransTech is the OEM, and the sole supplier of specific MNR third rail current collection and pantograph parts and this purchase agreement is necessary to support the existing M-2/4/6 fleet through the 1<sup>st</sup> quarter of 2014, at which time that fleet will be retired from revenue service. This purchase agreement will also support the new M-8 railcar fleet. The application of MNR's material forecasting system coupled with the imminent retirement of the M-2/4/6 fleet has resulted in a significant reduction in material usage for these parts on the M-2/4/6s. However, this is offset by the need to increase the inventory for the larger M-8 fleet of 405 cars (an increase in fleet size of 16.7%). The three year purchase agreement will be established for a not-to-exceed \$9,794,941.

The three year agreement with TransTech will apply to inventory and non-inventory items identified as obtainable only from TransTech for the following reasons a) sole pre-qualified items on the MNR Qualified Products list, and not available from any distributor or other source; and b) is proprietary to TransTech. MNR has complied with the MTA All-Agency Procurement Guidelines and with PAL 1265-a (3) regarding the posting of advertisements in order to identify potential alternate suppliers. In addition to the advertisement, direct outreach by MNR Procurement was performed and no alternate suppliers have been identified.

This purchase agreement will reduce administrative costs and advertising expenses, eliminate lead time for individual purchase orders and expedite material delivery. A comparison of prices paid for these materials over a six year period (the term of the last two agreements) has shown that pricing has increased an average of 1.2% per year, and is considered fair and reasonable. This procurement is to be funded by the MNR Operating Budget.

**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.)

3. **New York State Industries for the Disabled** **\$11,150,000** **Staff Summaries Attached**  
**Janitorial Services Agreement at Various MNR Facilities - \$1,200,000 (not-to-exceed)**  
**Additional funding to the All-Agency Temporary Personnel Services Agreement- \$9,950,000 (estimated)**

The following are two procurement actions for approval with New York State Industries for the Disabled (NYSID) a New York State Preferred Source. Use of NYSID's services are in accordance with Section 162 of the New York State Finance Law, which provides that preferred sources shall be granted the right to provide services to New York State Agencies in order to advance social and economic goals. Under the State Finance Law, a contract award to a preferred source provider such as NYSID is exempt from New York State Statutory competitive procurement requirements provided, (i) it is capable of providing the service in the form, function and utility required and (ii) the price offered is as close to the prevailing market prices as is practicable. The two actions presented below are: a) new awards for Janitorial Services at various Metro-North locations and b) additional funding for a previous Board approved All-Agency Temporary Personnel Service agreement.

- a) **New Janitorial Services Agreement** **\$1,200,000 (not-to-exceed)**  
**For Various Metro-North Facilities**

Approval is requested to award three, three year miscellaneous service agreements to provide comprehensive janitorial services at each of the following MNR station and facilities: a) Beacon, Croton Harmon and Poughkeepsie M of W facilities, b) Yankees-E. 153<sup>rd</sup> St. Station and c) Campbell Hall M of W facility.

NYSID's initial proposal for the above locations was \$1,247,226; it was reviewed by MNR Procurement and MTA Audit Services to identify potential cost savings and to ensure that the proposed manpower and rates were adequate and correct to support the level of required cleaning services for each location. With input from MTA Audit, MNR procurement negotiated NYSID's initial three year proposal cost down by 5%, to \$1,181,730 (a savings of \$65,496). Additionally, a market survey of costs in the cleaning industry was conducted and NYSID's costs are within prevailing market rates. The three year cost for the above referenced locations includes all labor, cleaning supplies & equipment and waste removal. The costs are deemed fair and reasonable. This procurement is to be funded by the MNR Operating Budget.

**b) Additional funding to the All-Agency Temporary Personnel Services - \$9,950,000 (estimated)**

Approval is requested to add funding totaling an estimated \$9,950,000 to an in-place, negotiated and Board-approved all-Agency Agreement with NYSID for as-needed Temporary Personnel Services. In November 2010, the MTA Board approved a five year (2011 through 2015), Metro-North-led, all-agency personal services agreement with NYSID for as-needed and short-term temporary personnel services. Participating Agencies/Departments include Metro-North Railroad, MTA Business Service Center, New York City Transit, Long Island Rail Road, MTA Bus Company and MTA Audit. The master agreement consolidated separate agreements that were previously held individually by the Agencies and totaled an estimated \$16,800,000. The breakdown was as follows: MNR \$6,575,000, NYCT \$5,300,000, BSC \$1,900,000, LIRR \$1,475,000, MTA Bus Company \$900,000, MTA Audit \$450,000 and, at the time of the award Long Island Bus \$200,000.

Significant requests for short-term temporary personnel have led to higher than anticipated usage of NYSID's services. The increased usage reduced allotted funding at a faster pace than originally anticipated and has led to a request for funding replenishment. Since the award, MTA Agencies have had to supplement existing staff with short-term temporary personnel at larger numbers than originally anticipated during recent periods of increased production and as such additional funds are required by the Agencies to cover services through the remaining contract term. The additional requested funding totaling \$9,950,000 is broken down by agency as follows: NYCT \$5.9M, BSC \$3.6M, LIRR \$225K, MNR \$225K.

New York City Transit has required additional temporary resources to backfill vacant positions for departments, support operations in departments such as ParaTransit to answer phone calls and process reimbursement vouchers, Human Resources for test monitoring and other administrative functions formerly administered by DCAS, and Corporate Communications to process MetroCard claims, respond to customer complaints and process/mail Reduced Fare MetroCards to customers.

MTA Business Service Center (BSC) required additional temporary resources to maintain their current level of service to the Agencies, particularly in the areas of Accounts Payable, Human Resources, Benefits and Payroll services.

Metro-North and Long Island Rail Road have also required additional funding to cover an increase in administrative personnel gaps and in other critical office functions. The required funds will back fill and cover anticipated usage through completion of the contract.

All Board-approved pricing and terms from 2010 are in-place and will remain fixed for the remaining contract term. Personnel are utilized on an as-needed, as-requested task order basis and no services are guaranteed. Individual tasks or requests for short-term temporary personnel and related funding are approved within each agency prior to any personnel request. The alternative of hiring permanent MTA employees to perform short-term work would greatly exceed the cost of this contract. Funding is included in each Agency's Operating Budget.

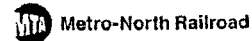
4. **Axion Technologies, Ltd** **\$200,000 (not-to-exceed)** **Staff Summary Attached**  
**Repair, Return and Replacement of Axion (OEM) Components and Equipment for Metro-North Railcars**

Approval is requested for a non-competitive, two year miscellaneous service contract with Axion Technologies Ltd. (Axion), for the repair, return and replacement of radio and train public address system assemblies and subassemblies for Metro-North's M-7 Railcars. Axion is the original equipment manufacturer (OEM) and the sole source supplier for specific MNR radio and public address system assemblies and subassemblies and this service agreement is necessary to support the M-7 fleet. This is the first repair, return and replacement service agreement for these assemblies as required by MNR.

The two year agreement with Axion will apply to parts/assemblies and subassemblies identified as obtainable only from Axion for the following reasons a) sole pre-qualified items on the MNR Qualified Products list, and not available from any distributor or other source; and b) is proprietary to Axion. MNR has complied with the MTA All-Agency Procurement Guidelines and with PAL 1265-a (3) regarding the posting of advertisements in order to identify potential alternate suppliers. In addition to the advertisement, direct outreach by MNR Procurement was performed and no alternate suppliers have been identified.

This purchase agreement will reduce administrative costs and advertising expenses, result in expedited purchase orders due to established fixed pricing and pre-defined turnaround time for the return of the material from the vendor. In addition, enhanced warranty provisions were obtained that are beneficial to MNR over the two year period. A cost/price analysis of the proposed fixed prices, guaranteed turnaround times and extended warranties has determined that fair and reasonable pricing has been established throughout the two year period of this procurement. This procurement is to be funded by the MNR Operating Budget.

# Schedule A: Non-Competitive Purchases and Public Work Contracts



Item Number: A

Vendor Name (& Location)	
Westcode Inc	
Description	
Purchase Agreement for OEM Friction Brake Replacement Parts	
Contract Term (including Options, if any)	
Two Years	
Option(s) included in Total Amount?	<input type="checkbox"/> Yes x No
Procurement Type	
<input type="checkbox"/> Competitive	x Non-competitive
Solicitation Type	
<input type="checkbox"/> RFP	<input type="checkbox"/> Bid x Other:

Contract Number	Renewal? <input type="checkbox"/> Yes x No
Total Amount:	\$582,274 (not-to-exceed)
Funding Source	
X Operating <input type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:	
Requesting Dept/Div & Dept/Div Head Name:	
Procurement & Material Management, Anthony J. Bombace, Jr	
Contract Manager:	
M. Coppola	

## Discussion:

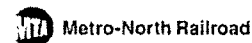
Approval is requested for a non-competitive two year purchase agreement with Westcode Inc. (Westcode), for various original equipment manufacturer (OEM) friction brake parts for MNR's M-2/4/6 Railcar fleet. Westcode is the OEM and the sole supplier of specific MNR friction brake material and this purchase agreement is necessary to support the existing M-2/4/6 fleet through the 1<sup>st</sup> quarter of 2014, at which time the fleet will be retired from revenue service. The application of MNR's material forecasting system coupled with the imminent retirement of the M-2/4/6 fleet has resulted in a significant reduction in material usage for these parts. Prior to the use of the forecasting system and the retirement of the M-2/4/6 fleets, MNR would have procured \$2.6M in inventory to support that equipment over the same time period. The two year purchase agreement will be established for a not-to-exceed \$582,274 resulting in savings or cost avoidance of approximately \$2.0M.

The two year agreement with Westcode will apply to inventory and non-inventory items identified as obtainable only from Westcode for the following reasons a) sole pre-qualified items on the MNR Qualified Products list, and not available from any distributor or other source; and b) is proprietary to Westcode. MNR has complied with the MT/ All-Agency Procurement Guidelines and with PAL 1265-a (3) regarding the posting of advertisements in order to identify potential alternate suppliers. In addition to the advertisement, direct outreach by MNR Procurement was performed and no alternate suppliers have been identified.

This purchase agreement will reduce administrative costs and advertising expenses, eliminate lead time for individual purchase orders and expedite material delivery. A comparison of prices paid for these materials over a four year period (the term of the last two agreements) indicates that pricing has remained the same and is considered fair and reasonable. This procurement is to be funded by the MNR Operating Budget.



# Schedule A: Non-Competitive Purchases and Public Work Contracts



Item Number: A

Vendor Name (& Location)	
TransTech of SC, Inc	
Description	
Purchase Agreement for OEM Replacement Parts	
Contract Term (including Options, if any)	
Three Years	
Option(s) included in Total Amount?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Procurement Type	
<input type="checkbox"/> Competitive <input checked="" type="checkbox"/> Non-competitive	
Solicitation Type	
<input type="checkbox"/> RFP <input type="checkbox"/> Bid <input checked="" type="checkbox"/> Other:	

Contract Number	Renewal?
	X Yes No
Total Amount:	\$9,794,941 (not-to-exceed)
Funding Source	
X Operating <input type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:	
Requesting Dept/Div & Dept/Div Head Name:	
Procurement & Material Management, Anthony J. Bombace, Jr.	
Contract Manager:	
O. Messado	

## Discussion:

Approval is requested for a non-competitive, three year purchase agreement with TransTech of S.C., Inc. (TransTech) for various original equipment manufacturer (OEM) replacement parts for MNR's M-2/4/6/8 railcar fleets. TransTech is the OEM, and the sole supplier of specific MNR third rail current collection and pantograph parts and this purchase agreement is necessary to support the existing M-2/4/6 fleet through the 1<sup>st</sup> quarter of 2014, at which time that fleet will be retired from revenue service. This purchase agreement will also support the new M-8 railcar fleet. The application of MNR's material forecasting system coupled with the imminent retirement of the M-2/4/6 fleet has resulted in a significant reduction in material usage for these parts on the M-2/4/6s. However, this is offset by the need to increase the inventory for the larger M-8 fleet of 405 cars (an increase in fleet size of 16.7%). The three year purchase agreement will be established for a not-to-exceed \$9,794,941.

The three year agreement with TransTech will apply to inventory and non-inventory items identified as obtainable only from TransTech for the following reasons a) sole pre-qualified items on the MNR Qualified Products list, and not available from any distributor or other source; and b) is proprietary to TransTech. MNR has complied with the MTA All-Agency Procurement Guidelines and with PAL 1265-a (3) regarding the posting of advertisements in order to identify potential alternate suppliers. In addition to the advertisement, direct outreach by MNR Procurement was performed and no alternate suppliers have been identified.

This purchase agreement will reduce administrative costs and advertising expenses, eliminate lead time for individual purchase orders and expedite material delivery. A comparison of prices paid for these materials over a six year period (the term of the last two agreements) has shown that pricing has increased an average of 1.2% per year, and is considered fair and reasonable. This procurement is to be funded by the MNR Operating Budget.

# Staff Summary

Item Number 6					
Dept & Dept Head Name:					
Procurement & Material Management, Anthony J. Ambace, Jr.					
Division & Division Head Name:					
Senior Vice President - Administration, Raymond Burney					
Board Reviews					
Order	To	Date	Approval	Info	Other
1	M-N Comm.Mtg.	5-21-12	x		
2	MTA Board Mtg.	5-23-12	x		
Internal Approvals					
Order	Approval	Order	Approval		
x	President	x	Sr. V.P. Operations		
x	Sr.V.P. Administration	x	V.P. Finance & IT		
		x	General Counsel		

SUMMARY INFORMATION	
Vendor Name	Contract Number
NYSID New York State Industries for the Disabled	1000003334 1000009768 1000010815
Description	
Janitorial Services --Beacon, Croton-Harmon, and Poughkeepsie locations, Yankee Stadium Station and Campbell Hall Facility	
Total Amount	
\$1,200,000 (not-to-exceed)	
Contract Term (Including Options, if any)	
Three years	
Option(s) included in Total Amount? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
Renewal? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
Procurement Type	
<input type="checkbox"/> Competitive <input checked="" type="checkbox"/> Non-competitive - NYS Preferred Source	
Solicitation Type	
<input type="checkbox"/> RFP <input type="checkbox"/> Bid <input checked="" type="checkbox"/> Other:	
Funding Source	
<input checked="" type="checkbox"/> Operating <input type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:	

## Narrative

### I. PURPOSE/RECOMMENDATION:

Metro-North requests MTA Board approval to award three year miscellaneous service agreements in the total amount not-to-exceed \$1,200,000 to New York State Industries for the Disabled ("NYSID - Preferred Source") member agencies to provide comprehensive janitorial services at MNR's: a) Beacon, Croton Harmon, and Poughkeepsie MofW facilities, b) Yankees-E. 153rd St. Station and c) Campbell Hall MofW facility.

### II. DISCUSSION:

Use of NYSID's services are in accordance with Section 162 of the New York State Finance Law, which provides that preferred sources shall be granted the right to provide services to New York State Agencies in order to advance social and economic goals. Under the State Finance Law, a contract award to a preferred source provider such as NYSID is exempt from New York State Statutory competitive procurement requirements provided, (i) it is capable of providing the service in the form, function and utility required and (ii) the price offered is as close to the prevailing market prices as is practicable.

The cost for the three year agreements with NYSID to provide janitorial services for the various MNR locations is all inclusive of prevailing wage rates, personnel, cleaning supplies, equipment, waste removal/recycling services. Additionally, floor stripping, waxing and cleaning of conference rooms, locker rooms, foyers, reception areas and restrooms is also included. NYSID has been satisfactorily providing janitorial services utilizing Member Agencies AHRC, NYC Chapter, NYS ARC, Jawonio, Inc., Occupations, Inc. and Westchester County ARC for MNR since 1997.

### III. COST/PRICE ANALYSIS

NYSID's initial proposal for MNR's a) Beacon, Croton Harmon, and Poughkeepsie b) Yankees-E. 153<sup>rd</sup> Street Station and c) Campbell Hall MofW facility was reviewed by MNR Procurement and MTA Audit Services. MTA Audit reviewed the proposals to identify potential cost savings and to ensure that the proposed manpower and rates were adequate and correct to support the level of required cleaning services for each location.

## Staff Summary

Based on the MNR & MTA Audit financial review, MNR Procurement negotiated NYSID's initial three year proposal cost down by 5% to \$1,181,730 (a savings of \$65,496). A comparison of NYSID's initial proposal and the negotiated price was conducted with the results listed as follows:

MNR Location	Proposed Annual Amount	Final Negotiated Annual Amount	Savings	3 Yrs. Total
a) Beacon, Croton Harmon, and Poughkeepsie	\$98,786	\$85,692	\$13,094	\$257,076
b) Yankee Stadium Station	\$295,696	\$286,958	\$8,738	\$860,874
c) Campbell Hall Facility	\$21,260	\$21,260	No change	\$63,780
<b>Total:</b>	<b>\$415,743</b>	<b>\$393,910</b>	<b>\$21,832</b>	<b>\$1,181,730</b>

NYSID agreed to reduce their pricing by \$13,094 or 13% for MNR's Beacon, Croton Harmon and Poughkeepsie MofW facilities and \$8,738 or 3% for MNR's Yankees-E. 153<sup>rd</sup> St. Station which was found to be fair and reasonable. The total annual amount for all of the locations was reduced from \$415,743 to \$393,910 (an annual reduction of \$21,833 or 5%).

A comparison of the prior three year contract total and the negotiated amount for the new Agreement(s) was conducted with the following results:

MNR Location(s):	Previous 3yr. Contract Values:	Negotiated 3yr. Contract Values:	Delta:
Beacon, Croton Harmon & Poughkeepsie	N/A - New 3 <sup>rd</sup> party contract request.	\$257,077	N/A*
Yankees-E. 153 <sup>rd</sup> St. Station	\$754,660	\$860,873	14%
Campbell Hall	\$62,003	\$63,780	3%
<b>Total:</b>	<b>\$816,663</b>	<b>\$1,181,730</b>	<b>45%</b>

*\*At this time, a cost comparison for these locations was not feasible as MNR does not have previous cost history.*

Pricing includes all labor, water supply for power washing equipment, waste removal and recycling, cleaning supplies and equipments, and is based on the New York State Department of Labor prevailing wage schedule. A market survey of costs in the cleaning industry was conducted and NYSID's costs are within prevailing market rates. NYSID's pricing has been approved by New York State Office of General Services. Pricing shall remain firm for the three year period and has been determined to be fair and reasonable.

The services provided at Yankees E. 153<sup>rd</sup> St. Station are based on a 60 day a year event schedule for (to be adjusted based on the actual number of Yankee games) as well as 186 non-event days.

#### **IV. IMPACT ON FUNDING:**

The total award amount for the three agreements shall not exceed \$1,200,000 over the three year period. Funding will be provided by each MNR's Operating Budget.

#### **V. ALTERNATIVES:**

There are no recommended alternatives. MNR does not have the resources to perform this service in-house.

## Schedule L: Budget Adjustments to Estimated Quantity Contracts



# Name of Vendor:  
New York State Industries for the Disabled  
(NYSID)

Contract Number: 62940

Term of Contract: 1/1/11 – 12/31/15

Original Amount: \$ 16,800,000

Prior Modifications: \$ 0.00

Prior Budgetary Increases: \$ 0.00

Current Amount: \$ 16,800,000

This Request: \$ 9,950,000

% of This Request to Current Amount: 59%

% of Modifications (including This  
Request) to Original Amount: 59%

Approval is requested to add funding totaling an estimated \$9,950,000 to an in-place, negotiated and Board-approved all-Agency Agreement with NYSID for as-needed Temporary Personnel Services. In November 2010, the MTA Board approved a five year (2011 through 2015), Metro-North-led, all-agency personal services agreement with NYSID for as-needed and short-term temporary personnel services. Participating Agencies/Departments include Metro-North Railroad, MTA Business Service Center, New York City Transit, Long Island Rail Road, MTA Bus Company and MTA Audit. The master agreement consolidated separate agreements that were previously held individually by the Agencies and totaled an estimated \$16,800,000. The breakdown was as follows: MNR \$6,575,000, NYCT \$5,300,000, BSC \$1,900,000, LIRR \$1,475,000, MTA Bus Company \$900,000, MTA Audit \$450,000 and, at the time of the award Long Island Bus \$200,000.

Significant requests for short-term temporary personnel have led to higher than anticipated usage of NYSID's services. The increased usage reduced allotted funding at a faster pace than originally anticipated and has led to a request for funding replenishment. Since the award, MTA Agencies have had to supplement existing staff with short-term temporary personnel at larger numbers than originally anticipated during recent periods of increased production and as such additional funds are required by the Agencies to cover services through the remaining contract term. The additional requested funding totaling \$9,950,000 is broken down by agency as follows: NYCT \$5.9M, BSC \$3.6M, LIRR \$225K, MNR \$225K.

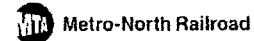
New York City Transit has required additional temporary resources to backfill vacant positions for departments, support operations in departments such as ParaTransit to answer phone calls and process reimbursement vouchers, Human Resources for test monitoring and other administrative functions formerly administered by DCAS, and Corporate Communications to processes MetroCard claims, respond to customer complaints and process/mail Reduced Fare MetroCards to customers.

MTA Business Service Center (BSC) required additional temporary resources to maintain their current level of service to the Agencies, particularly in the areas of Accounts Payable, Human Resources, Benefits and Payroll services.

Metro-North and Long Island Rail Road have also required additional funding to cover an increase in administrative personnel gaps and in other critical office functions. The required funds will back fill and cover anticipated usage through completion of the contract.

All Board-approved pricing and terms from 2010 are in-place and will remain fixed for the remaining contract term. Personnel are utilized on an as-needed, as-requested task order basis and no services are guaranteed. Individual tasks or requests for short-term temporary personnel and related funding are approved within each agency prior to any personnel request. The alternative of hiring permanent MTA employees to perform short-term work would greatly exceed the cost of this contract. Funding is included in each Agency's Operating Budget.

# Schedule G: Miscellaneous Service Contracts



Item Number: G

Vendor Name (& Location) Axion Technologies, Ltd	
Description Repair, Return and Replacement of Components for MNR Railcars	
Contract Term (including Options, if any) Two Year	
Option(s) included in Total Amount? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
Procurement Type <input type="checkbox"/> Competitive <input checked="" type="checkbox"/> Non-competitive	
Solicitation Type <input type="checkbox"/> RFP <input type="checkbox"/> Bid <input checked="" type="checkbox"/> Other:	

Contract Number TBD	AWO/Modification # N/A
Renewal? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
Total Amount: \$ 200,000	
Funding Source X 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.	

## Discussion:

Approval is requested for a non-competitive, two year miscellaneous service contract with Axion Technologies Ltd. (Axion), for the repair, return and replacement of radio and train public address system assemblies and subassemblies for Metro-North's M-7 Railcars. Axion is the original equipment manufacturer (OEM) and the sole source supplier for specific MNR radio and public address system assemblies and subassemblies and this service agreement is necessary to support the M-7 fleet. This is the first repair, return and replacement service agreement for these assemblies as required by MNR.

The two year agreement with Axion will apply to parts/assemblies and subassemblies identified as obtainable only from Axion for the following reasons a) sole pre-qualified items on the MNR Qualified Products list, and not available from any distributor or other source; and b) is proprietary to Axion. MNR has complied with the MTA All Agency Procurement Guidelines and with PAL 1265-a (3) regarding the posting of advertisements in order to identify potential alternate suppliers. In addition to the advertisement, direct outreach by MNR Procurement was performed and no alternate suppliers have been identified.

This purchase agreement will reduce administrative costs and advertising expenses, result in expedited purchase orders due to established fixed pricing and pre-defined turnaround time for the return of the material from the vendor. In addition, enhanced warranty provisions were obtained that are beneficial to MNR over the two year period. A cost/price analysis of the proposed fixed prices, guaranteed turnaround times and extended warranties has determined that fair and reasonable pricing has been established throughout the two year period of this procurement. This procurement is to be funded by the MNR Operating Budget.

MAY 2012

METRO-NORTH RAILROAD

LIST OF COMPETITIVE PROCUREMENTS FOR BOARD APPROVAL

Schedules Requiring Majority Vote:

**F. Personal Service Contracts**

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

**1. AECOM USA, Inc. \$75,000 (not-to-exceed)**

**On-Call ADA Consulting Services**

Approval is requested to award a 36 month competitively solicited personal service contract (two proposals received) with AECOM USA, Inc. to provide services to assist MNR in meeting the Federal mandated ADA requirements. In specific: (1) technical reviews of capital project designs, or specific design elements, for compliance with ADA Accessibility Guidelines (ADAAG), ANSI 117.1 and other applicable federal and/or state accessibility standards; (2) site assessments to evaluate accessibility and provide recommendations for accessibility at existing rail facilities or facilities under construction; (3) development of alternatives analyses of proposed accessibility improvements; (4) literature searches and reviews of other transit systems' use of ADA required materials or methods of compliance; (5) assistance in preparation of submittals for equivalent facilitation and the equivalent facilitation approvals process and other tasks related to the application of ADA requirements to Metro-North's facilities and/or services.

The Consultant selection was based on the established selection criteria contained within the RFP documents and included: qualifications of key personnel, confidence level, and commitment of relevant resources to the contract; demonstration of understanding of the Workscope requirements; past experience on similar projects; and, their Project Plan. The contract value will not exceed \$75,000, and once tasks are assigned the selected Consultant will draw-down from that value.

The Selection Committee unanimously selected AECOM as the firm that best demonstrated a clear understanding of the project requirements. Their proposed staffing experience met and exceeded the requirements of Metro-North. AECOM has the unique combination of ADA/transit system expertise and regulatory agency exposure that MNR is requiring for in this contract. AECOM has experience working for and consulting with the FTA and the Access Board. This experience and expertise is crucial as MNR must comply with both of these regulatory entities. A review of AECOM's labor and overhead rates was performed and are consistent with current industry rates for this type of work. These rates will be used once tasks are assigned by MNR.

The Consultant services will be requested on an as-needed basis with each request to be initiated by a task assignment detailing a specific work scope and budget. The contract not-to-exceed amount of \$75,000 will be issued at the time of initial contract award. The payments issued against this amount will be a draw-down based upon the task in accordance with the Workscope and as outlined in the RFP. The procurement will be funded by the MNR Operating Budget.

#### **G. Miscellaneous Service Contracts**

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

- |   |   |
|---|---|
| <b>2. DeAngelo Brothers, Inc.</b>       | <b>\$3,060,464 (MNR/LIRR/SIRTOA) - Hi-Rail Services</b> |
| <b>United Right of Way</b>              | <b>\$522,436 (LIRR)-Manual Application</b>              |
| <b>Asplundh Railroad Division</b>       | <b>\$390,118 (LIRR)-Manual Application</b>              |
| <b>Weed and Brush Spraying Services</b> |   |

Approval is requested to award three competitively solicited, four year miscellaneous service contracts (five bids received) to DeAngelo Brothers, Inc., United Right of Way and Asplundh Railroad Division, for weed and brush spraying services. MNR led the multi-agency procurement and the participating agencies are Metro-North Railroad (MNR), Long Island Rail Road (LIRR) and Staten Island Rapid Transit Operating Authority (SIRTOA). Weed and brush spraying is required by the agencies to treat and remove excess vegetation (weeds and undergrowth) along the rights of way, yards, fence lines and substations.

This multi-agency procurement was structured to allow for awards to more than one contractor based on each agency's category of vegetation and brush control requirements. All three Railroads have programs that include hi-rail pre-emergent treatment services, LIRR requires both manual application of treatments and manual vegetation control. The solicitation for potential bidders included both advertisements placed in required publications as well as direct outreach to vendors known to provide this type of service. Further, the solicitation and award was based on the low bidder for an each agency's required service(s).

The awardee for hi-rail pre-emergent treatment services is DeAngelo Bros for all three agencies; United Right of Way is the awardee for the LIRR's manual application of treatments and Asplundh is the awardee for the LIRR manual vegetation control. A comparison of bid prices to be paid in the new contracts versus prices under the previous contracts (2008-2012) reflect an overall decrease to the Agencies of 30%, primarily due to the reclassification of these services from Public Work (with set minimum wage rates) to Miscellaneous Services (no application of minimum wage rates) by the New York State Department of Labor. Additionally, all unit prices will remain fixed for the four year term of the contract.

The total estimated cost of the four year contract for all agencies is \$3,973,018 (MNR \$1,403,364, LIRR \$2,232,554, SIRTOA \$337,100) and is to be funded by each agency's Operating Budget.

#### **H. Modifications to Personal /Miscellaneous Service Contracts**

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

- 3. Bureau Veritas North America, Inc. \$100,000 (not-to-exceed)**  
**Inspection Services of MNR Railcar Wheels and Axles**

Approval is requested for additional funds totaling \$100,000 to Bureau Veritas North America, Inc. (Bureau Veritas). Bureau Veritas has provided inspection services for the manufacture of wheels and axles for the MNR M-2/3/4/6/7 railcars. Bureau Veritas is responsible for pre-shipment inspections of all wheels and axles manufactured at the vendors' facilities in Spain, Italy and the UK prior to their delivery to MNR property. The original contract was led by LIRR, competitively solicited and MNR's total was not-to-exceed \$100,000 for the two year period (5/10-5/12). LIRR has extended the term of the agreement through the end of the year 2012.

Presently, MNR has expended its budgeted funds through the original completion date of May 2012, and requests funding through the extended contract completion date of Dec. 2012. Based on the revised estimate

of planned inspections and required First Article Inspection services through the end of 2012, the total additional funds required by MNR is not-to-exceed \$100,000. All contract terms, conditions and pricing remain fixed for the duration of the agreement. This contract change is to be funded by the MNR Operating Budget.



May 2012

LIST OF COMPETITIVE PROCUREMENTS FOR BOARD APPROVAL

Procurements Requiring Majority Vote

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

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

- |    |  |              |                               |
|----|--|--------------|-------------------------------|
| 1. | PB America/STV/Parsons Transportation<br>Group, Joint Venture<br>(General Engineering Consultant)<br>Contract No. 98-0040-01R<br>Modification No. 36 | \$18,566,555 | <u>Staff Summary Attached</u> |
|----|--|--------------|-------------------------------|

Pursuant to Article XIII of the All-Agency Procurement Guidelines for Services, Board approval is requested to modify the Contract for the revised design of the 48<sup>th</sup> St Entrance, and an increase in funding for Construction Phase Services.

**Schedule I. Modifications To Purchase and Public Work Contracts**

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

- |        |  |             |                               |
|--------|--|-------------|-------------------------------|
| 2 & 3. | Granite-Traylor-Frontier ("GTF"), JV<br>Contract No. CQ031<br>Modification No. 62 & 65 | \$4,486,000 | <u>Staff Summary Attached</u> |
|--------|--|-------------|-------------------------------|

Pursuant to Article IX of the MTA All-Agency Procurement Guidelines, MTACC seeks Board approval to modify the Contract for an additional 47 secant piles (scope transfer from Contract CH057) and for increasing the hours for the TBM Pressurized Intervention Crew under Bid Item 1 of the Contract.

# Schedule H: Modifications to Personal/Miscellaneous Service Contract



Page 1 of 2

Item Number:1

<b>Vendor Name (&amp; Location)</b> PB America/STV/Parsons Transportation Group, Joint Venture (NY)		<b>Contract Number</b> 98-0040-01R	<b>AWO/Modification #</b> 36
<b>Description</b> East Side Access General Engineering Consultant Services		<b>Original Amount:</b>	\$ 140,000,000
<b>Contract Term (including Options, if any)</b> December 2016		<b>Prior Modifications:</b>	\$ 186,257,867
<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>		\$ 326,257,867
<b>Solicitation Type</b> <input checked="" type="checkbox"/> RFP <input type="checkbox"/> Bid <input type="checkbox"/> Other: Modification	<b>This Request</b>		\$ 18,566,555
<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>	5.7%
<b>Requesting Dept./Div. &amp; Dept./Div. Head Name:</b> East Side Access, A. Paszkoff		<b>% of Modifications (Including This Request) to Original Amount:</b>	146%

## Discussion:

This Contract is for engineering, design and construction phase services for the LIRR East Side Access project. In accordance with Article XIII of the MTA All-Agency Guidelines for the Procurement of Services, Board approval is requested to modify the Contract. The Contract has been modified several times to reflect increases in the scope of Final Design needed to satisfy various Program objectives and increases in funding for Construction Phase Services.

This modification is for two items: incorporation of a proposed change order for final design of the 48th Street Entrance in the amount \$5,066,555, and the addition of \$13,500,000 to the budget for Construction Phase Services (CPS) to fund the continuation of CPS for the remainder of 2012. A breakdown of the Contract through Contract Modification No. 35 is given in the following table.

Work Category	Original Contract	Previous Modifications	Current Contract	Proposed Modifications	Proposed Contract
Final Design	\$ 120,000,000	\$ 142,113,455	\$ 262,113,455	\$ 5,066,555	\$ 267,180,010
Construction Phase Services	\$ 20,000,000	\$ 43,609,782	\$ 63,609,782	\$ 13,500,000	\$ 77,109,782
Misc. Technical Support	\$ -0-	\$ 534,630	\$ 534,630	\$ -0-	\$ 534,630
<b>TOTAL</b>	<b>\$ 140,000,000</b>	<b>\$186,257,867</b>	<b>\$ 326,257,867</b>	<b>\$ 18,566,555</b>	<b>\$ 344,824,422</b>

The Current Contract and Proposed Contract amounts do not include \$4,002,779 previously approved by the Board for task orders and repackaging work which has not yet been allocated.

The original location of the 48<sup>th</sup> Street Entrance required the acquisition of substantial easements from the owners of both 415 Madison Ave and 280 Park Ave. In addition, the original layout required extensive underground structural modifications and underpinning to both buildings which, upon review and more thorough evaluation were found to introduce unacceptable levels of technical and economic risk. Accordingly, a revised scheme was developed which calls for the entrance to be located predominantly within the 415 Madison Ave. building, greatly reduces risks and will result in reduced real estate acquisition and construction costs. The Consultant proposed \$6,328,348 for the design work required for this change and MTACC's estimate was \$4,865,949. Negotiations were held and the parties agreed to a cost of \$5,069,286, which is considered fair and reasonable as it falls within an acceptable parameter of the estimate.

Also through this Modification, MTACC seeks to increase the Budget for CPS by \$13,500,000 to cover CPS services through the end of this year. CPS costs are increasing because the technical complexity of the work has required more engineering support during construction, a larger than originally planned multi-contract contracting strategy which requires review of more submittals, labor escalation due to a longer duration for construction, as well as development of alternative Harold construction sequencing to accommodate existing LIRR and AMTRAK resources and service requirements. In addition, the original budget of \$20 million for CPS was based on only a small percentage of the total design. Nevertheless, the ESA Project Team has completed an extensive review of CPS charges to date, the remaining CPS services on active construction contracts and developed CPS estimates for all future construction contracts through the end of the ESA Project. In addition, MTACC has strengthened its internal CPS review and approval process, and the GEC has reviewed their staffing levels in an effort to increase efficiency.

With regard to CPS beyond this year, current efforts to update the Contract schedule are near complete, and MTACC intends to return to the Board once the schedule is finalized to address the CPS budget for the remainder of the Project. The project team is also investigating contract revisions for future work that would incentivize the GEC to reduce CPS costs through sharing of cost savings. These efforts will be completed prior to the end of the year, at which time the Project Team will be in a position to quantify the costs for CPS to the end of the project.

Upon Board approval of this request, the additional funding for Construction Phase Services will be allocated on an as-needed basis for the remainder of this year. The MTACC Chief Procurement Officer will allocate available funds upon the approval and release of additional funding under the MTACC East Side Access Capital Program.

# Schedule I: Modifications to Purchase and Public Work Contracts



Item Numbers: 2 and 3

<b>Vendor Name (&amp; Location)</b> Granite-Taylor-Frontier (GTF), Joint Venture	<b>Contract Number</b> CQ031	<b>AWO/Modification #</b> 62 & 65
<b>Description</b> Queens Bored Tunnels and Structures	<b>Original Amount:</b>	\$ 659,200,700
<b>Contract Term (including Options, if any)</b>  40 Months	<b>Prior Modifications:</b>	\$ 111,973,048 (includes an option of \$58,400,700)
<b>Option(s) included in Total Amount?</b> <input checked="" type="checkbox"/> Yes <input 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>	\$ 771,173,748
<b>Solicitation Type</b> <input type="checkbox"/> RFP <input type="checkbox"/> Bid <input checked="" type="checkbox"/> Other: Modification	<b>This Request</b>	\$ 4,486,000
<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>	0.58%
<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>	17.7%

## Discussion:

The work under this Contract includes the construction of four soft-ground bored tunnels and miscellaneous demolition of surface structures for the East Side Access project. In accordance with Article IX of the All-Agency Procurement Guidelines, MTACC seeks Board approval of the following modifications:

### Modification No. 62 Additional Secant Piles west of Honeywell Street Bridge

This modification includes the installation of an additional 47 secant piles west of Honeywell Street Bridge which are required for the future Westbound Bypass. This is a scope transfer as the work was to be done under future Contract CH057. The work must commence earlier than planned in order to support and meet the schedule for the installation of Signal Bridge E35 and Signal Bridge 13, as well as signal boxes and huts to be installed by other future Contracts. In addition, the secant piles must all be in place by the end of August 2012 to avoid delays to upcoming Force Account work.

The Contractor proposed \$3,461,784 while MTACC's estimate is for \$2,924,138. Negotiations were held and the parties agreed to a cost of \$3,170,000 and no time impact or related costs. This amount is considered to be fair and reasonable because it is within 8% of the estimated value and is considered to fall within MTACC negotiation threshold. The funding for this modification will be transferred from the CH057 budget.

### Modification No. 65 Additional TBM Pressurized Intervention Crew Hours

This modification is to provide additional payment to the Contractor as a result of the need to increase the hours for the Tunnel Boring Machine ("TBM") Pressurized Intervention Crew under Bid Item 1 of the Contract.

The base Contract anticipated using ground treatment to stabilize the soil so that TBM maintenance could be performed with only limited work under compressed air. The use of ground treatment to stabilize the soil has now been abandoned as a result of changes in the project scope, experience with ground treatment techniques and better than expected experience working under compressed air. Accordingly, cutterhead interventions are now being performed under compressed air and an increase to the Contract amount is required for the additional pressurized interventions.

Contract Bid Item No.1 specifically states that TBM Pressurized Intervention Crew Hours in excess of 800 hours will be paid at the rate of \$3,000 per hour when the intervention time does not delay the Contract's critical path and \$7,000 per hour when the intervention delays the Contract's critical path. The Contract also states that these rates are not subject to the General Terms and Conditions Article 8.07 - Increase or Decrease Contract Quantities. These unit prices were part of the original contract and they are considered to be fair and reasonable.

The ESA Project team estimates 160 TBM Pressurized Intervention Crew Hours that will impact the critical path and 70 non-critical hours resulting in a \$1,330,000 cost increase for this Modification, in accordance with Contract Bid Item No. 1. Although this modification results in a net increase to the Contract value, the changes in project scope and the elimination of quantities of excavation, ground treatment and permanent concrete in separate Modifications and Contracts will result in a net reduction to the Project.

MAY 2012

# METRO-NORTH RAILROAD

## LIST OF RATIFICATIONS FOR BOARD APPROVAL

#### K. Ratification of Completed Procurement Actions

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

1. Mercer Inc.	\$35,000 (not-to-exceed)
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**Consulting Services – Metro-North Railroad Employee Relations & Diversity /EEO Department Assessment**

Ratification is requested of a competitively solicited, negotiated (three proposals received) and awarded personal service contract to Mercer Inc. (Mercer) for consulting services to conduct an expedited assessment of MNR's Employee Relations & Diversity ("ER&D") Department. The expedited assessment will focus on the current organization of ER&D, and particularly the EEO function performed by that Department, and will provide recommendations on best practices with regard to organizational and functional alternatives for the ER&D and HR Departments and other units in the Administration Division. The scope of services includes the evaluation of functions for each subgroup and the required interaction between them. This Assessment is time-critical as the Director of ER&D position is currently vacant with an Acting Director performing the functions of that job on a temporary basis.

The Selection Committee consisted of representatives from MNR's Legal, Human Resources ("HR") and Procurement Departments and from the MTA Department of Diversity and Civil Rights ("DDCR"). After reviewing the proposals and conducting interviews, the Committee unanimously selected the firm Mercer Inc. Mercer possessed the optimal combination of required qualifications, lowest cost, and the best overall technical level competency. Mercer proposed to complete this work in four to six weeks from commencement. The cost of this consultant contract is not-to-exceed \$35,000 and is to be funded by MNR's Operating Budget.

**LIST OF RATIFICATIONS FOR BOARD APPROVAL**  
**MAY 2012**

**MTA LONG ISLAND RAIL ROAD**

*Procurements Requiring Two-Thirds Vote*

**Schedule D: Ratification of Completed Procurement Actions**

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

- |    |   |                              |                                      |
|----|---|------------------------------|--------------------------------------|
| 1. | Nouveau Elevator Industries, Inc.<br>Emergency Procurement<br>Contract No.04.....0417 | \$1,547,608<br>Not-to-Exceed | <i><u>Staff Summary Attached</u></i> |
|----|---|------------------------------|--------------------------------------|

LIRR requests MTA Board ratification of an Emergency, one-year Public Works Contract to Nouveau Elevator Industries, Inc. (Nouveau) for full-time, and on-call, emergency maintenance, repair and safety upgrade services for nineteen escalators located at LIRR's station locations, from May 15, 2012 through May 14, 2013. This contract was issued on an emergency basis, in the not-to-exceed amount of \$1,547,608, in order to ensure that critical maintenance, repair and safety upgrades will be performed on a continuous and expedited basis. The contract cost reflects Nouveau's negotiated proposal, based on a dedicated full time, service team, including a mechanic and helper, as well as repair parts, and estimated labor hours for unscheduled, off-hour emergency and safety upgrade service. This contract will be funded through LIRR's operating budget.

## Schedule D: Ratification of Completed Procurement Actions

### Staff Summary



Long Island Rail Road

Item Number:

<b>Vendor Name (&amp; Location)</b> Nouveau Elevator Ind., Inc. (Brooklyn, NY)
<b>Description</b> Full Time Maintenance, Repair, On-Call Emergency and Safety Upgrade Services for Nineteen (19) LIRR Escalators
<b>Contract Term (including Options, if any)</b> May 15, 2012, through May 14, 2013
<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 type="checkbox"/> RFP <input type="checkbox"/> Bid <input checked="" type="checkbox"/> Other: Negotiated

<b>Contact Number</b> TBD	<b>Renewal?</b> <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
<b>Total Amount:</b> \$1,547,608 NTE	
<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> Kevin Tomlinson - Chief Engineering	
<b>Contract Manager:</b> Donald Riker - Manager, Eng'g & Gen'l Services Contracts	

#### Discussion:

LIRR requests MTA Board ratification of an Emergency, one-year Public Works contract in the NTE amount of \$1,547,608 to Nouveau Elevator Industries, Inc. (Nouveau), for Full Time Maintenance, Repair, On-Call Emergency and Safety Upgrade Services for Nineteen (19) LIRR Escalators located in Nassau and Suffolk counties. The contract, which runs from May 15, 2012 through May 14, 2013, will ensure that critical maintenance, repair and safety upgrade services will be performed on a continuous and expedited basis.

This contract was issued pursuant to a Declaration of Emergency (DOE) dated March 15, 2012 following an incident involving an escalator located at LIRR's Lindenhurst Station. The LIRR/MNR Committee has been previously informed of the issuance of the DOE. The DOE addressed the need for immediate condition assessment of the railroad's inventory of escalators, prioritizing those that are near the end of their useful lives and not scheduled for near term replacement, as well as the need to upgrade certain escalators with new safety sensors, which were not required at the time of manufacture. It was further decided to solicit proposals for follow-on maintenance, repair and upgrade services from other qualified services providers for a period of 1-year, to commence upon the expiration of the current service contract with ThyssenKrupp, on May 15, 2012. A total of five firms were sent LIRR's scope of work for consideration, three of the selected firms had current contracts with NYS Office of General Services (OGS) (Schindler Elevator Corp, Centennial Elevator, Inc., and Dunwell Elevator, Inc.) and two firms had current contracts for elevator services with NYCT (Nouveau Elevator Ind., Inc. and Richmond Elevator Inc.). Only Nouveau and Schindler submitted proposals under the emergency solicitation. The other firms declined due to the short term of the contract, and/or availability of resources. Cost proposals were based on a Price Schedule that included a full time, dedicated service team comprised of a Resident Mechanic and Helper who would perform scheduled Preventative Maintenance, as well as costs for services such as semi-annual escalator inspections and clean-downs, as needed safety upgrades, and off-hour repairs services, based on fixed time and material rates. Nouveau's proposed price was \$947,608, while Schindler's proposed price was \$1,873,300, (\$925,692, or 97.6% higher than Nouveau's proposal), for the same price schedule. Nouveau originally proposed cost for a full time Resident Mechanic and Helper, at \$46,550/month. This was negotiated down 8% to \$42,750/Month, while Schindler's proposed \$98,895/month, is 131.3% higher than Nouveau's reduced rate. Nouveau's proposed cost for escalator clean-downs is \$8,866/each, while Schindler proposes clean-downs of \$15,120/each, (70.5% higher than Nouveau). Nouveau's hourly labor rates for Resident Mechanic and Helper (straight time and overtime) were each less than Schindler's rates. Compared to the labor rates established by NYS OGS for the seven qualified firms covering Nassau and Suffolk County, Nouveau's Resident Mechanic rate of \$136/Hr. is \$14.36/Hr., or 9.5% less than the average OGS rate of \$150.36/Hr., while the Nouveau Helper rate of \$108/Hr. is 2.9% higher than the OGS average of \$104.87/Hr. Accordingly, the proposed prices are considered fair and reasonable. Also included in this request is \$600,000 of funding for additional State of Good Repair work and Safety Upgrades, to be authorized as needed, based on recommendation from independent consultants who are working with LIRR's Project Team. This contract will be funded through LIRR's operating budget.



# **Bridges and Tunnels**

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## **Procurements May 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>	May 7, 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	5/7/12	<i>[Signature]</i>		
2	MTA B&T Committee	5/21/12			
3	MTA Board	5/23/12			

Internal Approvals			
Order	Approval	Order	Approval
	President	<i>[Signature]</i>	VP Operations
	Executive Vice President		Chief Procurement Officer
	VP Staff Services/COS		Chief Engineer
	General Counsel		VP Labor Relations

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

## PURPOSE:

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

## DISCUSSION:

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

Schedules Requiring Majority Vote		# of Actions	\$ Amount
Schedule E	Miscellaneous Procurement Contracts	1	\$ .200M
SUBTOTAL		1	\$ .200M

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

Schedules Requiring Majority Vote		# of Actions	\$ Amount
Schedule E	Miscellaneous Procurement Contracts	1	\$ .147M
Schedule F	Personal Service Contracts	2	\$8.227M
Schedule G	Miscellaneous Service Contracts	1	\$ .354M
Schedule H	Modifications to Personal/Miscellaneous Service Contracts	2	\$6.335M
Schedule I	Modifications to Purchase & Public Works Contracts	1	\$3.606M
SUBTOTAL		7	\$18.669M

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

TOTAL	8	\$18.869M
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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 NON-COMPETITIVE PROCUREMENTS FOR BOARD APPROVAL**  
**MAY 2012**

**MTA BRIDGES & TUNNELS**

**Procurements Requiring Majority Vote:**

**E: Miscellaneous Procurement Contracts**

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

- |    |                         |               |
|----|-------------------------|---------------|
| 1. | E-Transit, Inc.         | \$ 200,040.00 |
|    | Contract No. 12-TD-2891 |               |

3 yr. contract – Non-Competitive

B&T requires the services of E-Transit, Inc. for Maintenance of the Transmit Host System (System). The System, installed at seven B&T facilities, displays real-time travel information to motorists via electronic message signs in connection with distances to major regional destinations and connecting highways. The System is designed to assist drivers in making informed on-the-road decisions regarding which route to travel. E-Transit developed the System as a subconsultant under a current B&T contract. The services of E-Transit are required to maintain and support the existing software which is proprietary to this firm. B&T does not possess the resources required to perform these services on an in house basis. Among the features of this software application it: (i) provides live data to the MTA travel time website; (ii) enables the System to collect reader data and plaza data at each facility; and (iii) stores the data and makes it available via B&T's Intranet for daily rush hour reports and monthly performance measurement reports for the Operations Department. The required services include monthly maintenance, corrective maintenance on a 24 hour, 7 day per week basis and emergency maintenance during normal business hours. The current contract includes consolidated pricing that will be replaced by individual line items under the prospective contract. Therefore, a meaningful price comparison between the rates in each contract cannot be made. E-Transit proposed an amount of \$200,040; the user's estimate was \$195,000. The man-hours have been reviewed by project management and found to be acceptable. In comparison with the estimate, the proposed price is considered fair and reasonable. E-Transit is deemed to be a responsible consultant. Funding is available in the Operating Budget under General Ledger No. 711558.

**LIST OF COMPETITIVE PROCUREMENTS FOR BOARD APPROVAL**  
**MAY 2012**

**MTA BRIDGES & TUNNELS**

**Procurements Requiring Majority Vote:**

**E: Miscellaneous Procurement Contracts**

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

1. **WebHouse, Inc.** \$ 146,841.87  
**Contract No. 3000000919**

2 yr. contract – Competitive Bid - Low Bid/2 Bids

B&T requires the services of a contractor to provide NetApp SupportEdge Premium Maintenance. On March 19, 2012 B&T issued a solicitation for NetApp's hardware and software support services for a period of two years in accordance with New York State Office of General Services (OGS) Contract No. PT60947. The OGS contract identifies NetApp, Inc. as the licensed developer of its software which is proprietary to this entity but also enables authorized resellers to provide the required support services. NetApp's SupportEdge Premium Maintenance offers telephone and onsite support, hardware replacement and software upgrades for the entire virtual server environment at Randall's Island and 2 Broadway. The solicitation notice was sent to three authorized resellers under Contract No. PT60947. On March 23, 2012, two bids were submitted. This prospective contract's unit prices are .63% lower than the interim contract it is replacing. The bid price is fixed for a two year period. The bid amount is 2% lower than the user's estimate. Based on competition, the price is considered fair and reasonable. After evaluation of the bids, WebHouse, Inc. was deemed the lowest responsive, responsible bidder. Funding is available in the Operating Budget under General Ledger No. 711558.

**F: Personal Service Contracts**

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

2. **Modjeski and Masters** \$ 8,227,266.53 **Staff Summary Attached**  
**Contract No. PSC-11-2884**

6 yr. contract - Competitive RFP – 4 Proposals

Provide design and construction support services for reconstruction and rehabilitation of the Manhattan Approach Ramps to the RFK Bridge.

**LIST OF COMPETITIVE PROCUREMENTS FOR BOARD APPROVAL**  
**MAY 2012**

- |    |                                    |           |             |
|----|------------------------------------|-----------|-------------|
| 3. | <b>NCO Financial Systems, Inc.</b> | <b>\$</b> | <b>0.00</b> |
|    | <b>Contract No. PSC-10-2883</b>    |           |             |

5 yr. contract – Competitive RFP – 11 Proposals

B&T requires the services of a consultant to assist B&T in the collection of outstanding E-ZPass tolls and fees that are more than 90 days past due on customer accounts. On occasion, after several warnings when a customer fails to replenish his or her account that has an outstanding balance, the account will be revoked. As part of this process, various fees may also be applied, such as failing to return tags that are registered to the account, or for failing after repeated notification to rectify the account's outstanding financial status. The services required under this contract include: 1. Developing a database of the names of customers who have negative balances; 2. Contacting customers by mailers as well as telephone in an effort to collect the monies owed to B&T; and 3. Collecting unpaid tolls and fees on behalf of the B&T. In addition, all toll violations associated with the Henry Hudson Bridge pilot All Electronic Tolling (AET) will go to NCO for collection services. The RFP was publicly advertised and the solicitation notice was sent to 61 firms; 19 firms requested a copy of the solicitation. Proposals were received from 11 firms: NCO Financial Systems, Inc. (NCO), Law Enforcement Systems, Division of Duncan Solutions (LES), Municipal Services Bureau (MSB), Linebarger Goggan Blair & Sampson, LLP (LGB&S), I C Systems, Inc. (ICS), Penn Credit Corp. (PCC), EOS CCA (EOS), Professional Recovery Services (PRS), Sullivan Financial Systems (SFS), Unique Management Services (UMS), and Sunrise Credit Services (SCS). The proposals were evaluated against established criteria set forth in the RFP including record of experience, qualifications of firm, technical work performed, reporting capabilities and cost. The Committee determined that PCC, who proposed the lowest rate of 13%, does not have the experience to manage an account as large as B&Ts'. Based on the Committee's review of the proposals offered by LES, EOS, ICS and PRS, it was determined that each company has a satisfactory understanding of the technical requirements and that all firms can perform the services, however their fees were higher than NCO's. MSB, LGB&S, SFS, UMS and SCS were not competitive and did not demonstrate a thorough understanding of the project. The Evaluation Committee unanimously recommended that negotiations be conducted with NCO based on its more thorough understanding of the requirements in addition to its extensive experience in collection services. NCO, the incumbent firm, proposed a solid team that has the required technical expertise and experience to perform collections for B&T. NCO proposed a collection fee of 13.9%, which represents the second lowest fee among all firms that submitted proposals. NCO proposed a collection fee of 13.9% in contrast with the collection fee of 17.9% under its current contract. The user's estimate is 13%. Negotiations were initiated, however, NCO refused to lower its rate. It is estimated that NCO will collect \$14,000,000 for B&T over the duration of the contract and will be paid \$1,946,000. The rate of 13.9% was accepted and is considered fair and reasonable. NCO is deemed to be a responsible consultant. The MTA DDCR has established 0% MBE and 0% WBE goals for this contract. No funding is required since the consultant receives a percentage of all funds collected on behalf of B&T.



**LIST OF COMPETITIVE PROCUREMENTS FOR BOARD APPROVAL**  
**MAY 2012**

- |    |  |               |                               |
|----|--|---------------|-------------------------------|
| 6. | Atkins, P.A.<br>Contract No. PSC-08-2843<br>Continued support for the All Electronic Tolling pilot program at the Henry Hudson Bridge. | \$ 334,971.00 | <u>Staff Summary Attached</u> |
|----|--|---------------|-------------------------------|

## **I: Modifications to Purchase & Public Works Contracts**

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

- |    |  |                        |                                      |
|----|--|------------------------|--------------------------------------|
| 7. | <b>John P. Picone, Inc.</b><br><b>Contract No. CB-09</b>   | <b>\$ 3,605,850.00</b> | <u><b>Staff Summary Attached</b></u> |
|    | Additional work and a quantity reduction of one line item under Contract CB-09,<br>Substructure and Underwater Work at the Cross Bay Veterans Memorial Bridge. |                        |                                      |

# Staff Summary

Page 1 of 2

<b>Item Number 2 (Final)</b>					
<b>Dept &amp; Dept Head Name:</b> Engineering and Construction, Joe Keane, P.E. <i>[Signature]</i>					
<b>Division &amp; Division Head Name:</b> Engineering and Construction, Vincent Montanti, P.E. <i>[Signature]</i>					
<b>Board Reviews</b>					
Order	To	Date	Approval	Info	Other
1	President	05/7/12	<i>[Signature]</i>		
2	MTA B&T Committee	05/21/12			
3	MTA Board	05/23/12			
<b>Internal Approvals</b>					
Order	Approval	Order	Approval		
1	Chief Financial Officer <i>[Signature]</i>	4	Chief of Staff <i>[Signature]</i>		
2	General Counsel <i>[Signature]</i>	5	Executive Vice President <i>[Signature]</i>		
3	Chief Procurement Officer <i>[Signature]</i>	6	President <i>[Signature]</i>		

<b>SUMMARY INFORMATION</b>	
<b>Vendor Name</b> Modjeski and Masters	<b>Contract Number</b> PSC-11-2884
<b>Description:</b> Design and Construction Support Services for Reconstruction and Rehabilitation of the Manhattan Approach Ramps to the RFK Bridge	
<b>Total Amount</b> \$8,227,266.53	
<b>Contract Term (including Options, if any)</b> Six Years	
<b>Option(s) included in Total Amount?</b> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
<b>Renewal?</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>Funding Source</b> <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 Reconstruction and Rehabilitation of the Manhattan Approach Ramps to the RFK Bridge to Modjeski and Masters (M&M) for a period of six years at a cost of \$8,227,266.53. At a future date, the cost for construction support services 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 Project RK-23, Reconstruction and Rehabilitation of the Manhattan Approach Ramps to the Robert F. Kennedy Bridge (RFK). The construction includes replacement and/or rehabilitation of decks, joints, barriers, drainage, lighting, superstructure and substructure.

The service requirements were publicly advertised; eleven firms submitted qualification information. Four firms were chosen to receive the RFP based on a review of those qualifications and all four firms submitted proposals: Ammann & Whitney (A&W), Hardesty & Hanover (H&H), Modjeski and Masters (M&M) and Parsons Brinkerhoff (PB). The proposals were evaluated against established criteria set forth in the RFP, including an understanding of the technical requirements, technical expertise, proposed personnel, oral presentations and cost.

(rev 4/07/10)



## Staff Summary

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The committee selected M&M on the basis that its proposal included: (i) an excellent understanding of this project; (ii) a sound approach in coordinating the work with B&T throughout the design process to develop the most favorable solutions; (iii) experience in designing a similar project for the Replacement of the Queens Approach Deck at the Throgs Neck Bridge; (iv) a staff which is very familiar with the issues that affect the local community; and (v) a proposed cost which was 2% under B&T's estimate. A&W's oral presentation lacked the details provided by other proposers and its cost proposal was significantly below the estimate. H&H provided a good technical proposal; however their cost proposal was significantly higher than B&T's estimate. PB provided a reasonable technical proposal but did not discuss sensitive community issues during oral presentations and its cost proposal was also considerably lower than the estimate.

M&M submitted a proposal of \$8,500,605. The Engineer's estimate is \$8,700,000. Negotiations were conducted and the parties agreed to the amount of \$8,227,266.53, which is 5% below the Engineer's estimate and is considered fair and reasonable. M&M is deemed to be 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. M&M is currently performing two contracts with B&T; however M&M has no recently completed contracts with B&T.

### **IV. IMPACT ON FUNDING**

Funding is available under Project RK-23 in the 2010-14 Capital Budget.

### **V. ALTERNATIVES**

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

(rev. 4/07/10)

**Schedule H: Modifications to Personal Service Contracts and Miscellaneous Service Contracts**Item Number: **5**

(Final)

<b>Vendor Name (&amp; Location)</b> WSP-Sells, Briarcliff Manor, NY STV Incorporated, New York, NY HNTB New York Engineering & Architecture, P.C., New York, NY Edwards and Kelcey Engineers, Inc., New York, NY Gannett Fleming Engineers and Architects, P.C., New York, NY		<b>Contract Number</b> PSC-06-2807A PSC-06-2807B PSC-06-2807C PSC-06-2807D PSC-06-2807E	<b>AWO/Modification #</b>
<b>Description</b> Miscellaneous Design Services on an As-Needed Basis		<b>Original Amount:</b> \$12,000,000	
<b>Contract Term (including Options, if any)</b> October 26, 2007 – May 31, 2014 (A) November 1, 2007 – May 31, 2014 (B) February 14, 2008 – May 31, 2014 (C) October 23, 2008 – May 31, 2014 (D) August 14, 2008 – May 31, 2014 (E)		<b>Prior Modifications:</b> \$4,000,000	
<b>Option(s) included in Total Amount?</b> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		<b>Prior Budgetary Increases:</b> N/A	
<b>Procurement Type</b> <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Non-competitive		<b>Current Amount:</b> \$16,000,000	
<b>Solicitation Type</b> <input checked="" type="checkbox"/> RFP <input type="checkbox"/> Bid <input type="checkbox"/> Other:		<b>This Request:</b> Aggregate NTE \$6,000,000	
<b>Funding Source</b> <input checked="" type="checkbox"/> Operating <input checked="" type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:		<b>% of This Request to Current Amount:</b> 37.5%	
<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> 83.3%	

**Discussion:**

B&T is seeking Board approval under the All Agency Guidelines for Procurement of Services to increase funding under five personal service contracts for miscellaneous design services on an as-needed basis in the aggregate amount of \$6,000,000. Contracts PSC-06-2807A - PSC-06-2807E were awarded to the above five firms pursuant to a competitive proposal process in an aggregate amount not to exceed \$12M for all five contracts, which was subsequently increased to \$16M. Under these contracts, B&T issues work orders to perform various projects, which typically include design scoping, designing safety and red flag repairs, deck repairs, structural steel repairs, value engineering, condition inspections and engineering investigations. Through April 26, 2012, work orders totaling over \$15M have been awarded, including \$6.5M in the last 14 months. In addition, over \$1.5M in requests are currently in process pending funding. B&T has determined that continuing to acquire these types of services by utilizing these miscellaneous design contracts is administratively more cost effective and time efficient than soliciting these services under separate RFPs. B&T is in the process of updating and expanding its requirements so that a new group of as needed contracts can be awarded next year.

The additional funding requested under this amendment will support essential miscellaneous design needs in the 2012-14 Major Maintenance Budget and 2010-14 Capital Program that are required until new contracts are awarded. The consultants will be compensated in accordance with the rates included in the contracts. Based on the above, the aggregate value of \$6,000,000 under the prospective contract amendments is considered fair and reasonable.

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

Item Number: **6** (Final)

<b>Vendor Name (&amp; Location)</b> Atkins, P.A., Edison, NJ	<b>Contract Number</b> PSC-08-2843	<b>AWO/Modification #</b>
<b>Description</b> Consulting Services to Perform a Barrier Free Tolling Preparation Assessment	<b>Original Amount:</b>	\$ 1,492,184.00
<b>Contract Term (Including Options, if any)</b> January 12, 2009 - May 31, 2012	<b>Prior Modifications:</b>	\$ 1,056,985.00
<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>	\$ 2,549,169.00
<b>Solicitation Type</b> <input checked="" type="checkbox"/> RFP <input type="checkbox"/> Bid <input type="checkbox"/> Other:	<b>This Request:</b>	\$ 334,971.00
<b>Funding Source</b> <input checked="" type="checkbox"/> Operating <input checked="" type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:	<b>% of This Request to Current Amount:</b>	13%
<b>Requesting Dept/Div &amp; Dept/Div Head Name:</b> Chief Financial Officer, Don Spero	<b>% of Modifications (including This Request) to Original Amount:</b>	93%

### Discussion:

B&T is seeking Board approval under the All Agency Guidelines for Procurement of Services to modify this Contract with Atkins, P.A. (Atkins) for additional work for the All Electronic Tolling (AET) pilot at the Henry Hudson Bridge in the amount of \$334,971. Consistent with the Procurement Guidelines, this amendment constitutes a substantial change.

Pursuant to a competitive RFP process, this contract was awarded to PBS&J in February 2009 in the amount of \$1,492,184 for a duration of 14 months to perform a study and provide an assessment of the issues involved in converting the current gated toll collection system to a cashless barrier-free system. Atkins, P.A., purchased the company and the contract was amended in July 2011 to reflect the name change.

In March 2010, the Board approved an amendment under this contract in an amount of \$655,115 to develop the scope of work for B&T's E-ZPass New York Customer Service Center (CSC) contractor to support the introduction of AET. The Board has since approved an amendment in July 2011 for an additional \$401,870 for ongoing AET support. This proposed amendment will enable Atkins to continue to provide support under the AET program by: (i) reviewing all project deliverables from the CSC contractor and implementing and monitoring system changes by the CSC; (ii) delivering a complete back-office system to support AET to insure violation transactions are accounted for and the revenue stream is protected; and (iii) providing analyses, guidance and oversight on implementation of an Optical Character Recognition solution and associated software to correctly identify customers' license plates. This contract will be extended through December 31, 2012.

Atkins proposed an amount of \$334,971; the user's estimate was \$351,159. The man hours have been reviewed by project management and found to be acceptable. In comparison with the estimate, the proposed price is considered fair and reasonable. Funding for this amendment is available under the 2010 - 2014 Capital Program.

**Schedule I: Modifications to Purchase and Public Works Contracts**
**Item Number: 7 (Final)**

<b>Vendor Name (&amp; Location)</b> John P. Picone, Inc., Lawrence, New York		<b>Contract Number</b> CB-09	<b>AWO/Modification #</b>
<b>Description</b> Substructure and Underwater Work at the Cross Bay Veterans Memorial Bridge		<b>Original Amount:</b> \$13,182,300.00	
<b>Contract Term (including Options, if any)</b> November 29, 2010 - January 28, 2013		<b>Prior Modifications:</b> \$213,128.02	
<b>Option(s) included in Total Amount?</b> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		<b>Prior Budgetary Increases:</b> N/A	
<b>Procurement Type</b> <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Non-competitive		<b>Current Amount:</b> \$13,395,428.02	
<b>Solicitation Type</b> <input type="checkbox"/> RFP <input checked="" type="checkbox"/> Bid <input type="checkbox"/> Other:		<b>This Request:</b> \$3,605,850.00	
<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> 26.9%	
<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> 29.0%	

**Discussion:**

B&T is seeking Board approval under the All-Agency Procurement Guidelines to modify this Contract with John P. Picone, Inc. (Picone) in the net amount of \$3,605,850.

During the course of concrete demolition activities at the piers (roadway support structures) of the Cross Bay Veterans Memorial Bridge, field inspections revealed the need to add and reduce various unit price items and to add one new item. The increases are necessary due to greater concrete deterioration than anticipated requiring additional effort to remove and rehabilitate the concrete pier faces. The revisions are as follows:

- (i) Two items (removal/replacement of concrete above the tidal zone) were reviewed in accordance with Article 3.02 of the Contract, whereby the Engineer determined that the existing unit price resulted in an inequity to Picone for the excess quantity above the variable quantities clause threshold (50%). Picone submitted a proposal totaling \$8,636,720.93. The Engineer's estimate totals \$4,539,405.58. Negotiations resulted in an amount totaling \$5,180,850 which is considered fair and reasonable.
- (ii) The new item requires Picone to perform concrete repairs extending to the top of the pier caps. Picone submitted a proposal in the amount of \$481,676. The Engineer's estimate is \$269,084. Negotiations resulted in an amount totaling \$300,000 which is considered fair and reasonable.
- (iii) One unit price item of concrete facing will be reduced by 2,500 square meters (sm); based on the price of \$750/sm this credit totals \$1,875,000 and is considered fair and reasonable.

The overall net increase to the Contract equates to \$3,605,850. Due to the quantity revisions and the associated increased effort required to perform the concrete repairs, Picone requested a 10 month extension of time through November 30, 2013, which was granted by B&T. Funding for this amendment is available in the 2010 - 2014 Capital Budget under Project CB-09.